



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

STANDING COMMITTEE
on
PUBLIC UTILITIES
and
NATURAL RESOURCES

40 Elizabeth II

Chairman
Mr. Ben Sveinson
Constituency of La Verendrye



VOL. XL No. 11 - 8 p.m., TUESDAY, JUNE 25, 1991



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	ND
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON
PUBLIC UTILITIES AND NATURAL RESOURCES

Tuesday, June 25, 1991

TIME — 8 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Jack Penner (Emerson)

ATTENDANCE - 11 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Cummings, Neufeld
 Messrs. Carr, Edwards, Helwer, Hickes,
 Laurendeau, Penner, Rose, Storie, Sveinson

WITNESSES:

Winton K. Newman, The Mining Association of
 Manitoba
 William M. Burbidge, Manitoba-Saskatchewan
 Prospectors and Developers Association
 Walter Kucharczyk, Private Citizen
 Claude Huot, Winnipeg Water Protection
 Group
 Nick Carter, Winnipeg Water Protection Group

MATTERS UNDER DISCUSSION:

Bill 6—The Mines and Minerals and
 Consequential Amendments Act

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Clerk of Committees (Ms. Bonnie Greschuk):
 Will the committee please come to order. We must
 proceed to elect a Chairperson for the Standing
 Committee on Public Utilities and Natural
 Resources. Are there any nominations?

Mr. Marcel Laurendeau (St. Norbert): Mr. Jack
 Penner.

* (2005)

Madam Clerk: Mr. Penner has been nominated.
 Are there any further nominations? Since there are
 no further nominations, will Mr. Penner please take
 the Chair.

Mr. Chairman: Committee, please come to order.
 The Standing Committee on Public Utilities and
 Natural Resources is called to order to consider Bill
 6, The Mines and Minerals and Consequential

Amendments Act. It is the custom to have our
 public presentations before clause-by-clause
 consideration of the bill. What is the will of the
 committee?

Some Honourable Members: Agreed.

Mr. Chairman: Agreed and so ordered. I have a
 list of persons wishing to appear before the
 committee which I will read at this time. We have
 Winton K. Newman, William M. Burbidge, Mr. Walter
 Kucharczyk, Mr. Claude Huot, Nick Carter and Mr.
 Brian Pannell.

It has in the past been the practice to hear from
 out-of-town presenters first. What is the will of the
 committee?

Some Honourable Members: Agreed.

Mr. Chairman: Out of town first? Agreed. Would
 Mr. William Burbidge come forward, please? He is
 with the Manitoba-Saskatchewan Prospectors and
 Developers Association. Proceed, please.

**Mr. William M. Burbidge (Manitoba-
 Saskatchewan Prospectors and Developers
 Association):** Mr. Chairman, on behalf of the
 Manitoba-Saskatchewan Prospectors and
 Developers Association, we wish to thank the
 committee of the Legislature for allowing us the
 opportunity to comment on Bill 6.

Our association which has 43 members, including
 individuals, contractors, junior exploration firms and
 larger exploration firms met recently to review this
 bill. I would first point out that the membership
 agreed that there are a number of positive features
 in the bill which, it is hoped, will continue to make
 Manitoba a favourable province in which to carry out
 exploration. Manitoba has for a number of years
 had one of the best and most workable regulations
 in Canada, and our suggestions for changes in Bill
 6 are intended to help maintain that position.

* (2010)

With this positive view in mind we would therefore
 propose the following changes in Bill 6. Under
 Definitions, Section 1(1) Advanced exploration

project, the inclusion of damming or diversion of streams would appear to include temporary stream crossings or small dams constructed to obtain water for drilling. These should not be in the same category as major developments and should be specifically excluded from this definition as they are already covered by Natural Resources work permits.

Under Inspections, Section 11(2)(d) and 11(3), except in the case of safety-related matters there should be a 60-day period for provision of confidential information to allow collecting of necessary information and to provide for confidentiality in a sensitive situation such as ground acquisition around a new discovery.

Under 11(2)(f), experts should be clearly bound by the rules of confidentiality as they may be consultants who could also act from time to time as or for competitors.

Under Section 13, the mineral management areas appear to be a positive step because of the natural limits placed on exploration by the nature of the geology. However, it should be made clear that mining and exploration are not then excluded outside of such areas.

Under Section 15(2), extensions should be obtainable during a 60-day grace period to allow for unforeseen problems such as a shortfall in expenditures discovered after an anniversary date.

Under Section 21(3), while there is complete agreement with the concept of conflict of interest as set out in 21(2), our members feel that the limits imposed under 21(3) may be too broad. Under this latter section, any government employee, apparently including anyone working under short-term contract or as a consultant, could not be a claim holder. As an example of the potential problem, this would eliminate activity by one of our members who is a weekend prospector and who works for social services with no access to confidential information.

Experts under Section 11(2)(f) might also be adversely affected. We would therefore suggest the ban on claim holding apply only to those with any degree of access to confidential information and who may issue orders to those engaged in mining and exploration.

Under 23(4)(e), while the Mineral Advisory Council is a positive change, this council should not become a filter between industry and government

on legislative or regulatory matters as direct discussion is very important.

Under Division 1, Prospecting Licences, the greatest amount of opposition voiced by our members concerns the reintroduction of licences. To many this section is confusing, but it appears that this new form of licence could best be compared to the use of driver's licences to control and police certain activities. Under this system there is a very real possibility that a contractor could be wiped out or someone's livelihood could be eliminated through a loss of a licence for a minor infraction.

When one compares this licence to the driver's licence system, it becomes evident that everyone engaged in an exploration project should have their own licence. It also follows that should a temporary worker be brought in from a remote community to fly out to a job and forget that licence, they would not be hired for that job. This would not be uncommon and would seriously affect casual employment in the exploration industry which often hires trappers and fishermen in a part-time capacity.

It is also noted that 45(1) and 46(1) are contradictory. "Person" in 45(1) includes corporations but "individual" in 46(1) excludes corporations when one refers to the definitions. A corporation could not obtain a licence and, therefore, could not be punished by the suspension of a licence. In effect, this might eliminate, to some degree, some corporate responsibility; 46(1) should therefore refer to "person." There is also further question as to whether the term "person" includes individuals.

Because of the wide range of problems associated with licences, we would suggest Sections 45(1) to 50(5) and all other references to licences and licensees be deleted and, if necessary, replaced with a fine system.

* (2015)

Under Sections 53(1) and 53(3), a grace period of 60 to 90 days is necessary to allow completion of work reports and to finalize financial records and thus determine whether there may be an unexpected shortfall in expenditures.

Under Section 58(1), we would suggest adding after the word "person" the phrase "except the holder of a mineral disposition operating over the area of the mineral disposition" as in Section 37 of Regulation 428/87R. This proposal in Bill 6 would require one to file the same airborne survey twice,

and these surveys would then be subject to two different confidentiality periods. The confidentiality period might also remain at five years to allow complete follow-up of large surveys.

Under 61(b), it seems that two claim holders could possibly hold the same area for different minerals. An explanation is required as this may be a new and unacceptable concept if it applies to base metals versus gold and copper-zinc versus nickel rather than quarry minerals versus hard rock mining.

Under Section 62, because it is very possible that one might stake an area but never actually affect a small section of a claim where there is a surface disposition, it would be more reasonable to require notification prior to carrying out exploration work on the surface holder's portion of the claim.

Under Section 63(a), questions have arisen regarding the completion time of staking. The regulations under this act should, therefore, make it clear that completion must be the final time to be inscribed on the No. 1 post.

Section 64(3) appears meaningless and should be deleted. An unrecorded claim has no legal status and no anniversary date. In fact, the recorders would not normally know of such a claim and, therefore, could not carry out their duties under this section. If one is uncertain about the status of a claim encountered, its standing will be confirmed by the recorder. If the department would explain the problem to be corrected, perhaps a better solution could be suggested.

Section 70 could be interpreted as meaning that any known showing with values that is open must be staked for the Crown. This would place the Crown in an unfair competitive position as well as making it difficult to attract exploration funds to Manitoba. Since there are already other provisions for withdrawal of mineral rights by the minister, we would suggest that this section be deleted. If deletion is unacceptable, the section should be amended to read "makes an original discovery" as in Section 8(1) of the former act. In addition, the word "may" should be substituted for the word "shall."

Under Section 74(2), the use of security deposits with closure plans is already causing problems in option agreements where this is an added cost for the optionee. Because it would be very difficult for a small firm to raise large amounts of money for a

deposit, this should therefore be done in some manageable form.

Under Section 78, while this section is equivalent to Section 65 of Regulation 428/87R, there is no longer provision for consent to remove ore from unleased claims. This causes several severe problems. Because no leases have been issued since 1981, legal surveys have not been carried out on a number of properties since, under the present regulation, the survey was to be carried out within five years of issue of the lease.

If extensions in time are not available to meet the survey requirements of Section 104(d)(iii), it would be impossible to complete the surveys in 90 days. As a result, two operating mines would probably have to close, and at least one mothballed mine would not quickly reopen if gold prices suddenly improved.

* (2020)

In addition, an individual or a small firm would no longer be permitted to mine a small deposit without the major cost of a legal survey. It is, therefore, suggested that the major operations be provided extensions in time under Section 15 to allow completion of surveys and that the consent provision be retained for the rare occasion when a small deposit could be developed at low cost by an individual or a small firm.

Under 81(3), with the deletion of the word "calendar" before "year," a grouping will be effective for a full 12-month period. We would prefer that the word "calendar" remain in the interest of ease of administration and efficient application of assessment credits.

Section 82(1) should be deleted and replaced with a section requiring that claim lines simply be maintained. The concept of walking all claim lines once every five years is completely impractical except for the holder of a very limited number of claims. Based on the number of claims presently held in the province, it is estimated that it would require at least 20 people working full time each year to carry out this task.

In addition, since one cannot alter a post or other marking, an inspector would have to accompany each person to ensure that no such changes are made. Therefore, the department would have to employ an additional 20 claim inspectors.

Under Section 83(1), regarding excess work, it is recommended that the words "in a succeeding year"

in line 8 be deleted and the words "in any succeeding year or years" be added to the end of the section to make it clear that more than one year's work may be filed at one time.

Section 84(1)(b)—in reviewing this subsection several serious problems are evident. Regarding payments required 30 days prior to the anniversary date, a 60-day grace period is necessary instead to allow completion of financial records to determine whether there may be a shortfall in expenditures requiring a partial payment.

It has also been learned that the subsection is interpreted as forming part of Section 80(1) and that a letter requesting renewal would be required for all claims on their anniversary date. Not only is this totally unclear leaving the department open to a court challenge when, as expected, rights to many claims would be lost, but it is administratively extremely inefficient for both the department and the claim holder.

Finally, if a fee is required to accompany this letter, this is, in effect, a tax on unleased claims diverting scarce exploration funds from their proper use in searching for ore bodies. We would, therefore, recommend that this subsection be deleted.

Under 89(b), this section is in conflict with Section 82 unless the recorder can accompany a holder in remarking the claim lines.

Under Section 89(c), this may be in conflict with the bankruptcy act as the unleased claims would be the only asset of a person or firm, and there would be nothing of value to obtain funds for at least partial repayment of creditors.

Under 96(1), it is suggested that this section be more specific as to which holes require approval, since most drill holes will cause some limited, short-term damage to the environment, such as removal of a few trees.

Under 97(1) and (3), while the concept of plugging boreholes on Paleozoics is acceptable and will bring the act in line with common industry practice today, this section is much too restrictive. The licence should allow drilling of a series of holes within a given area, both to be designated by the holder. While major changes would require new licences, changes to plans which would not materially affect the conditions on the licence could be submitted on completion of the work. This entire section should be reviewed and compared with the Natural

Resources work permit system which is much more flexible.

* (2025)

Under 104(d)(iii), it is suggested that the plan of survey be filed within five years of the issuing of the lease document. As noted, it would be impossible to have all presently unsurveyed leases surveyed immediately on proclamation of the act.

Under 109(2), a 30-day grace period would be preferable in payment of rentals.

Under 110(1), the phrase beginning "made at least six months" and ending "term of a lease" should be deleted since noncompliance could occur in the last six months of the lease term. A 30-day grace period would be preferred.

Under 110(2), there should be provision for leases coming due within a few days or months of proclamation of the act on which insufficient work has been completed since it appears that some form of work commitment will be instituted.

Under 127(b) and (c), the lessee appears to remain responsible for rehabilitation in perpetuity. There should be some form of release available once rehabilitation has been completed in accordance with the closure plan, so long as there are no ongoing problems such as tailings, dam maintenance or acid water drainage.

Under Section 144(1), while this section concerning cancellation of surface rights is similar to Section 6(7) of the former act, it should be confirmed that we will continue to be given the right to object to such proposed cancellation prior to the decision being made by the minister. This is important to allow exchange of information and to prevent potential conflicts in land usage which may prove costly to all involved.

Under 147(4)—this section should be deleted or the issuing of a Natural Resources work permit should be substituted for notification to the director of Crown Lands. Since virtually all of the more accessible area of northern Manitoba is subject to the Repap timber licence, all staking and exploration would require the approval of the director of Crown Lands. Similar permission is also necessary from resources in the form of work permits. All mining and exploration would therefore be subject to two possibly conflicting directions. Other problems created by this requirement include long delays in obtaining permission and the lack of any system of priorities of application.

Under Section 161—this section is similar to Section 64(2) of Regulation 428/87R except that permission will have to be obtained to stake railway yards or rights of way. In particular, the reference to rights of way will cause hardship since these are fairly frequently encountered. 161(c) should therefore be amended by deleting the reference to right of way.

This concludes our presentation to the committee. While rather lengthy, it is given with the intention of maintaining clear, workable rules for the mining and exploration industry. We would hope that you would give the same serious consideration to these suggestions as have our members, as this act will constitute the rules under which we must live and function for many years. Thank you.

Mr. Chairman: Thank you, Mr. Burbidge.

Hon. Harold Neufeld (Minister of Energy and Mines): Thank you, Mr. Chairman. Mr. Burbidge, I should mention that we have, since we received written representations from the industry and from your organization, made numerous changes and a number of items, I think, can be clarified in discussion with you. Others will be covered by the regulations. So I think we have taken into account pretty well all the suggestions you have made to us.

Mr. Burbidge: Thank you very much. On behalf of the association, we appreciate being able to work with the government. I realize we do not always seem to be of the same mind, but we do realize we have to compromise. Especially on things like environment, we do have to be careful. We hope that we can accomplish this under this act.

* (2030)

Mr. Chairman: Mr. Burbidge, would you please remain at the head of the table till we finish questioning, if you would not mind answering some questions?

Mr. Jerry Storie (Flin Flon): Mr. Chairperson, I want to thank Mr. Burbidge and the other members of the Manitoba-Saskatchewan Prospectors and Developers Association for an extremely thorough review of this legislation. I only wish that I had the expertise that Mr. Burbidge brings to the examination of the new Mines Act. It is an amalgamation of a number of acts and I think, as Mr. Burbidge has pointed out, there will be some problems as a result of the amalgamation.

I think Mr. Burbidge has pointed out a number of areas that are going to require serious review and

perhaps deletion from the existing bill. Unfortunately, to this point we have not been a party to the amendments that the government proposes to introduce. Clearly, before we pass this legislation, we are going to want to know that the amendments that the government is proposing meet with your approval, that you have an opportunity to, I guess, comment on the amendment as is proposed and see if it fits your needs.

I also have some additional questions if you do not mind taking a few minutes to educate me on some of the issues that you are raising.

Mr. Burbidge: I will try, but I also have Richard Murray with me who is a contractor and probably one of the few as close to full-time prospectors as you get left in the province, and also Lou Parres who has been a prospector and president of a small company for many, many years. If I cannot answer, hopefully they can.

Mr. Storie: Mr. Chairperson, the first one you dealt with that I was interested in was in the issue of confidentiality, and it referred to the fact that inspectors could bring along other people. You referenced the fact that they could, of course, have interests in other companies and I assume there is potential for conflict, depending on who the inspector might bring. How would you propose that they get around that? If the mines inspector does not have the necessary expertise, how can they bring expertise on and yet assure the licensee of confidentiality?

Mr. Chairman: Could I ask that you wait for the Chair to recognize you? We have to do this in order to accommodate Hansard.

Mr. Burbidge: I would think that by including inspectors in the confidentiality section—I do not have my copy of the act handy, but there is a section that requires complete confidentiality of government employees. Simply including the term "experts" within that section should do it. I am sure that they would be confidential, but it is nice to know that it is there in writing in the act.

Mr. Storie: If I understand Mr. Burbidge correctly, it is simply a matter of comfort level for the people who have staked a claim, more or less.

Mr. Burbidge: Right, yes.

Mr. Storie: Mr. Burbidge, one of the other issues that you touched on was the conflict-of-interest question, and I guess, certainly the way it is written, it appears to imply that any government employee,

whether it was someone working for the Department of Education or anyone else, who would not necessarily have any insider information, would be excluded by virtue of the conflict-of-interest guideline or the conflict-of-interest clause. Would you, for example, recommend that it be limited perhaps to people in the Department of Energy and Mines or those who work for Manitoba Mineral Resources, or is there some other way you were thinking of defining who might be in a conflict and who might not, other than a general exemption?

Mr. Burbidge: It has to go quite a bit further than the Department of Energy and Mines or MMR. MMR is a separate company, Crown corporation but separate, but there are many others you may have, certainly Natural Resources, that are issuing work permits and have knowledge of where work is being done, people like that. I think the department would have to look at all of these areas where you, workplace health and safety, where you give orders to a mining company or an exploration, anyone doing exploration. There is quite a wide range of departments that certainly affect mining and exploration, but then you go outside that, say, to education or to social services, and initially we thought it followed quite well, but then one of our members, as I mentioned here, is in social services and has invested quite a bit of money in equipment for weekend prospecting and he brought this up.

Mr. Neufeld: We have added Section 22, subsection 3, and I will read it for you, Mr. Burbidge, and see if that meets with your approval: A person referred to in Clause 11(2)(f) who accompanies and assists an inspector and an expert referred to in subsection 38(1) are, in respect of confidential information obtained in the discharge of their powers or duties under this act, deemed to have acquired the confidential information in the course of performing official duties, or exercising official powers, under or for the purposes of this act.

So we do believe it is covered.

Mr. Burbidge: That sounds like it would cover the situation, yes.

Mr. James Carr (Crescentwood): Mr. Burbidge, I would like to thank you for your excellent, thorough, if somewhat technical presentation. I have two short questions. One is, did you have an opportunity to send these amendments to the minister before you made your presentation tonight?

Mr. Burbidge: We would have had an opportunity to send it but we did not take that opportunity. I think a lot of the comments we were making were already known to Energy and Mines personnel.

Mr. Carr: I am interested in your comments on the Mineral Advisory Council in Section 23.4(e) of the act. You are concerned that it not become a filter between industry and government. You have seen the powers given to the advisory council under the act. Is it your view that those powers are too sweeping? Are there any suggestions you would have to make to ensure that filter does not actually come into place? Or are you just hoisting a red flag for committee members to ensure that the advisory council does not replace the powers of the minister of the department.

Mr. Burbidge: Well, probably hoisting a red flag, not to annoy anyone, but to point out that there are good relations between the department and the industry and we would like to keep the direct lines open. We do not feel that it is too sweeping or anything. It is just a note there that that last section is fairly broad and to keep in mind that we do want to keep talking to the government.

Mr. Carr: Would you have any suggestions to make to the minister on the kind of people who you think ought to be appointed to that council?

Mr. Burbidge: No, we have not given any thought to that.

Mr. Chairman: Could we let the minister comment before we hear from you, Mr. Storie?

* (2040)

Mr. Neufeld: Mr. Chairman, we do expect industry people to be on that advisory council, so your meetings with government should improve, if anything.

Mr. Storie: Mr. Chairman, just a couple of other questions. What was the comment on the section regarding the new requirement that all prospectors be licensed? You remarked that this is the reintroduction of licences and I am wondering whether your association had any discussion with the minister or the minister's staff in the department about the necessity of the licensing system?

I noted that in your comments later on you suggested maybe that rather than a licensing scheme, there be a system of fines. I would perhaps just ask for a little clearer explanation of how that might work, in your opinion.

Mr. Burbidge: Well, the problem with the licences as we see it, is that they are a controlling mechanism. I believe that the idea—this was brought out originally in the green paper several years ago, two or three years ago, and at that time it was supposed to be basically an identification system that supposedly allowed you access to certain areas, but to us it has become more of a control mechanism.

To put it in terms that you might be more familiar with, it would be like having a driver's licence. To us, what is proposed here, you would—a helper, staking or doing whatever sort of exploration, would work under the holder or someone else's licence. Well, I am sure none of you would loan your licence to another driver and that would be the same situation. All helpers, we feel at this point unless it can be better explained, should have a licence simply because I would not want someone working under my licence. Therefore, to get away from this problem, we felt that possibly not having licences, but instead if there are certain infractions, fines could be levied. Otherwise, you would have the situation of someone being essentially banned from staking, and if that is the only business they know, then they are just out of luck.

Mr. George Hickes (Point Douglas): Well, I would just like to comment on your presentation. I think it was a very excellent presentation and there was a lot of effort and work put into it, and it cleared up a lot of areas that I was looking at.

I would like to ask your recommendation, if you have any in this area, as you are part of an association for prospectors. From my own experience, I have seen where some of the prospectors are sort of the rugged type and, you know, they live in the wilds. I am sure some of those prospectors, from your remarks here about licensing, like the temporary workers, come from remote communities, and trappers and fishermen—I am sure that some of these individuals are from remote communities, of aboriginal ancestry and stuff like that.

The older generation, if they have trouble reading and writing English, and if they have to fill out application forms to pursue a licence in order to continue what they have been doing for their whole generation, between trapping and fishing, would you recommend or could you make any recommendation how that problem could be solved?

Mr. Neufeld: We have made a change, or are proposing a change, in which the helpers or assistants to the prospectors would not have to be licensed, so the trappers or fishermen who were doing this part time would not have to be licensed; it is only the prospector himself who has to be licensed.

Mr. Burbidge: This goes back to the same problem, that that person then is responsible for the work of the helper.

Mr. Neufeld: Well, I do not know how you get around that. I think that if you are licensed you have to take responsibilities for those who work with you. I do not know how we get around that. If you are not abiding by the rules and the laws of the province, then we have to have some way to deal with it.

Mr. Burbidge: This is where the fine system was being proposed, because this is why we said that virtually everyone would have to have a licence so that they would be responsible for their own actions. That was why, as an alternative, we said that possibly a fine system could be looked at instead.

Mr. Hickes: I would just like to continue that a little further. The minister's remarks were to do with the helper, but have you and your organization, the association of prospectors, do you have any advanced or aboriginal individuals as part of your association who would or could have difficulty communicating or filling out application forms? Do you have anything in your organization that would assist these individuals to fulfill their wishes and goals that they have been doing for years and years?

I know there are some individuals who are prospectors and are not that fluent in the English language and, yet, they will go out and stake claims and stuff. Maybe you could refer to them as weekend prospectors, but it is usually between-season prospectors, where it is between trapping or fishing and stuff like that. Do you have in your own organization any prospectors of that nature?

Mr. Burbidge: Not as actual members, but a number of casual employees of a firm like Richard Murray's here could quite conceivably fall within that category. We are pretty well centered in Flin Flon as an organization, and people from the remote communities do not get into town that often for our meetings. Certainly, this is one of the big parts of

the problem, that this is exactly what can happen. They are going to have difficulties.

Mr. Hlckes: Do you have any recommendations for us about how we could overcome that barrier, or that problem?

Mr. Burbidge: Just what we are saying, that you eliminate the licences and go to a fine system.

Mr. Storie: Yes, I have just two other questions, and it follows along the questions being raised by my colleague. I guess I will put two or three of them, and maybe Mr. Burbidge can answer them consecutively.

The first one is: Why do you think that this provision is being included in the new bill? Why do we need licences? I guess question No. 1, we survived obviously for a considerable period of time without licensing prospectors, what are other jurisdictions doing?

Number 2, if we are going to provide licences or require licences, the government—and I just looked under the regulation section. Again, we were supposed to be getting rid of the authority of government by regulation and putting it in the act. Clearly this is an area where the government is going to regulate. They are going to determine the conditions under which someone can apply and be licensed. So it now falls not in the hands of the prospectors association or those in the industry, but it falls to the government.

The final question is: If we are going to have licensees and application forms, has your association seen any of the regulation the government is preparing that would, I guess, flesh out what they intend to do in terms of this system?

Mr. Burbidge: Starting from the end, no, we have not seen any regulation. As far as the need for a licence, I think government sees it as a method of control, and certainly controls are always required. It is more a matter of degree of control. We feel that we do not necessarily want to have an extra piece of paper to cart around, and government feels that is their method of control. If they bring them in, we will have to live with them, certainly.

Could you repeat the second question you had?

Mr. Storie: I guess the second question was: What kind of conditions do you see being applied? Do you need to be a geologist or what is going to happen to—are there any concerns, I guess, that the requirements for who can be licensed will

become more stringent and more restrictive, and fewer people who simply want to prospect, because they are out trapping or out there anyway, will actually be encouraged to do prospecting?

Mr. Burbidge: I really would not want to see any test or anything applied to a licence. They talk about prospector's licence, but really you are talking about a licence to conduct certain forms of exploration. A line cutter or a staker may not know one rock type from another. Myself, as a geologist, I like to think that I know certain things. Every geologist always finds out that somebody is going to get lucky and know nothing and still find an orebody. You hate to admit it, but that is the way it works.

You really would not want to restrict licensing to any particular kind of person, because they could be an actual prospector, a line cutter, a staker, a diamond driller. They may not have any knowledge of other types of exploration activity. So I would not want to see real restrictions placed on it.

* (2050)

Mr. Neufeld: Mr. Chairman, we see the licensing as a sort of registry so we do know who is out there prospecting. We consider it as an entitlement for you to go out and prospect, to go on private property to prospect.

As far as the regulations are concerned, they will be out within a week.

Mr. Storie: Mr. Chairperson, I would like to move on to another area that was commented on by Mr. Burbidge. That is the interpretation of Section 70 dealing with the obligations of people working for the Crown, and say if they find a mineral showing that they have to stake it for the Crown. I guess first I want to thank him for pointing that out, because I assume if I read the clause correctly at all it means regardless of how small or insignificant it might be. Is that a fair interpretation, or is that not a correct interpretation?

Mr. Neufeld: We have amended Section 70 to read: by striking out "discovers" and by substituting "makes an original discovery of", which I think will meet with your wants on this.

Mr. Burbidge: Yes, that will handle it. It is taking these things, the interpretation, to the extreme is how you test these things; and you are right, it could have been any miner showing any miner copper values would have had to be staked, but that goes back to what is in the present act, and that will work.

Mr. Storie: Moving along to 82(1), there is a suggestion in there that if all of the requirements of 82(1) were to be followed, in fact, the Department of Energy and Mines would have to employ an additional 20 claims inspectors. Perhaps before Mr. Burbidge comments, the minister can indicate whether they have amended that section, as well.

Mr. Neufeld: We have changed that section to read: a holder of a claim shall maintain the boundary lines and claim posts of the claim to ensure that they are visible and recognizable as boundary lines and claim posts of the claim, taking away all mention of time.

Mr. Burbidge: Yes, that will handle it. That is in line with the present regulation, and it allows enough latitude on everybody's part to handle the problem of lines.

Mr. Storie: Well, Mr. Chairperson, I want to comment. This is certainly democracy in action. This is the first time I have ever seen bills amended while presenters spoke. It is very fortunate that we have Mr. Burbidge here with such expertise to allow us to do that, but I would encourage the minister to table the amendments as soon as possible, because it is really quite unfair to have members of a committee reviewing a bill that it has already been determined is going to be amended in hundreds, or dozens of cases. It is not really fair to the presenters, and it is not fair to the committee members. So I would ask if the minister is able to table the amendments that he do so at the first opportunity.

Another question to Mr. Burbidge deals with 97(1) and (3), when you are talking about the requirements of a licence to drill specific holes. In other words, I gather that before you begin drilling whatever pattern of drilling is going to occur on that property is registered in some way, and your recommendation is that it not be tied so tightly, and maybe you can give us why there might be changes and why you think this amendment might be more useful?

Mr. Chairman: Mr. Burbidge, before I allow you to answer, we are going to distribute the department's amendments to the members. I understand we have to collate them first. We will distribute them and allow for perusal of them prior to, and then of course it will make it easier to move through the bill later on.

I certainly concur that the process that has been moved on here I think is a very desirable one to allow the industry to comment on some of the amendments as well.

Mr. Burbidge: On the drill holes, that, in spite of all the brilliant things that geologists know, holes do get moved fairly frequently. While work is going on in the bush, you may abandon the idea of drilling an anomaly, or you may have to move the hole because of a swamp or something if you are drilling in summer. As the present act is written, our interpretation is that you would have to obtain an individual licence for each hole. You may drill a hole a day if you have really good drillers, and if you have to move one of those holes 20 feet for some purpose, then you would have to stop and get a new licence. It just will not work. All we are saying is that we would prefer a licence for, say, 20 holes or 50 holes over a given period and still tell where they are going to be drilled. If there are changes, then we will tell the people and they will know. As far as plugging the holes, that is pretty common in industry now.

Mr. Chairman: Mr. Storie, could you pull your mike up a bit? Thank you.

Mr. Storie: I have a sneaking suspicion, Mr. Chairperson, that the minister may have amendments in this section as well.

Mr. Chairman: Which section are you referring to?

Mr. Storie: Section 97(1) and (3).

Mr. Neufeld: I believe that this part is covered in the regulations that will be issued within a week. I could read you the definition: Borehole licence means an authorization in writing to drill one or more boreholes pursuant to Part III. This is law though.

Mr. Storie: Mr. Chairperson, we are into a new process in committee that is quite unusual. It may, actually, as my colleague suggested, be very helpful. It may be useful, but we are not all playing from the same play book here, because we do not have the information the minister has and neither does Mr. Burbidge or the other members of his association, but I would like to continue with this method until we are finished at least with this presenter.

Can the minister indicate what the regulation will say?

Mr. Neufeld: I just said it.

Mr. Storie: I did not catch it. I am sorry.

Mr. Neufeld: We should mention that this is a fairly lengthy piece of legislation. It was sent out to the industry, and the industry was asked to make comments on it, which they did. We reviewed those comments and made numerous changes. Those changes could not be circulated until they are tabled, so we have those ready to amend the act now. We are sorry if this does not meet with the approval, but it is better, I think, to have the amendments ready than to make the amendments as we go along.

The definition is: Borehole licence means an authorization in writing to drill one or more boreholes pursuant to Part III. Then, I can go further: The director may issue a borehole licence in the form set out in schedule B granting the holder the right to drill one or more boreholes within the boundaries of the area under application.

Mr. Chairman: I would suggest to the minister as well as to the committee that we direct our attention to the bill and that we deal with regulations appropriately afterwards.

Mr. Storie: Mr. Chairperson, of course, that is very difficult. If we do not understand what the regulations are saying, then we do not know in fact whether the clause in the bill is going to be acceptable. If the minister is not prepared to make amendments under those conditions, then certainly I am prepared to or perhaps other members are prepared to make amendments, so I think it is important that we have that information.

I just want to say to begin with to the minister that this is a very complex bill, and this is not a very good process and certainly I am not going to be seeking to review this bill clause by clause further tonight. After the presentations, I think we are going to want to take a few weeks to study the recommendations, to look at the amendments, because clearly there are so many areas that are going to come into conflict with one expectation or requirement or another. I think that—

* (2100)

Point of Order

Mr. Carr: Mr. Chairman, this is an appalling situation where you have members of the Legislature who are trying to do a responsible job of reviewing an important and complex piece of legislation. We have not yet seen the regulations. We are hearing a presentation from an expert in the industry. The minister has up his sleeve what

seems to be dozens of amendments, complex amendments to a complex piece of legislation. It is not responsible for members of this committee to be asked to review in some cases orally, and perhaps we will get the written copy as they are collated, the law of the province of Manitoba. I think that members of this committee have to protest the way in which this law is being made.

Could I ask the minister a simple question? How many amendments is he going to be proposing to this bill?

Mr. Neufeld: First of all let me say, Mr. Chairman, that when the critics bring amendments to this committee, that is acceptable. When the minister brings amendments to this committee, it apparently is not. I have 46 amendments.

Mr. Chairman: Order, please. The question that was asked was not a point of order. It was simply a question. I allowed the minister to respond to the question that was put in the form of a point of order.

I will remind committee members, however, that when they raise points of order that they be directed towards points of order, and that if you want to raise questions of the minister, that is quite legitimate to do so. I will accept questions to the minister. However, they will be entertained as questions.

* * *

Mr. Storie: Mr. Chairperson, I am not going to be critical of the minister because there are 46 amendments. I think that it is appropriate. What I am critical of is that this could have been sent out as a draft bill. The proposed amendments from the various groups could have been incorporated into the bill so that we would have had a better idea how the industry felt. We would have had their views already in the legislation.

However, Mr. Chairperson, I want to say that I am pleased that the minister has so willingly provided what he intends to do in terms of amendments and regulation. We do not always get that kind of co-operation, so I am pleased. I would like to continue and see if we can make this a better bill with the advice of some of the presenters, including Mr. Burbidge.

Point of Order

Mr. Laurendeau: On a point of order, Mr. Chairman. I do believe at this time we are hearing the representation of some people, and I think we

ought to carry on and hear the representation. We can have this discussion after we have heard the representation. Let us finish that up after.

Mr. Chairman: We have no point of order.

* * *

Mr. Storie: Mr. Chairperson, I would just like to continue. I have two other areas that I would like Mr. Burbidge to touch on.

The other one was Section 127(b) and (c). This may be more contentious, certainly, with members of your association. It has to do with rehabilitation.

You are recommending that the lessee not carry any ongoing responsibility. I assume that if there are certain conditions that need to be met in terms of preparing or returning the site to its natural state or whatever, that if those are met, there is an inspection, you are looking for some sort of waiver of future obligations? First of all, is that the correct interpretation? Secondly, is it not possible that this may, in fact, leave the province on the hook for unforeseen problems? How do you deal with that kind of an eventuality?

Mr. Burbidge: We are not saying that every project should have a, that there should be a release. We will say in the case of Hudson Bay's Centennial Mine that was rehabilitated to the point that the area was completely—everything was gone. Grass was planted. It was growing. Now other people are digging the area up now that the surface leases have been let to other people, but we are not saying if you have a tailings pond or acid rock drainage, any potential problem, that is fine. What we are saying is an area where everybody has agreed that there is no problem, all you had possibly was a shaft that has been capped, the entire area is grassed. It is fine. There is no potential danger whatsoever. In those situations then we feel there should be some sort of a release available. If the department is not certain, if there is any question, we would assume that they would want to continue, the liability would remain.

Mr. Storie: One final question, Mr. Chairperson. I do not know whether Mr. Burbidge has had opportunity to look at the regulation section. I am wondering whether there is any concern in the association about the degree to which virtually everything in this act can be regulated by the government when one of the stated purposes of the amalgamation of The Mines Act and the other acts

was to ensure that this could not be manipulated easily by regulation.

Mr. Burbidge: We are pretty used to regulation and acts in virtually everything we have done. We are a very heavily regulated industry. You were Mines minister at one point, and you saw how many different acts we come under -(interjection)- It matters. It gets very confusing at times and it may help to have many of these things consolidated in one area. It is a very heavily regulated industry.

Mr. Chairman: Thank you, Mr. Burbidge. If there are no further questions, we will continue with the next presenter.

The next presenter is the Executive Director of The Mining Association of Manitoba, Mr. Winton K. Newman. Would you please come forward. If I could ask you to hold on to your presentation until we have distributed to the committee members.

Mr. Newman, you may proceed.

Mr. Winton K. Newman (The Mining Association of Manitoba): Mr. Chairman, The Mining Association of Manitoba is pleased to have this opportunity to appear before the committee of the Legislature responsible for reviewing Bill 6.

Our association has participated in extensive discussions with representatives of the Mines branch on a green paper which paved the way for this legislation. I might add that is quite a while ago now.

We are gratified to note that many of the suggestions that we put forward during those discussions have been incorporated in this legislation. The government has assured us of its commitment to improve the climate for mineral exploration and development investment in the province, most recently in the provincial budget. We believe that a modern, lucid and equitable mining act is a further fundamental demonstration of this commitment. This legislation, as introduced, substantially achieves this objective, and we submit the suggestions which follow for additional improvements to the benefit of Manitoba and the mining industry. In short, we wish to be seen as constructive and supportive.

I feel that I am at a bit of a disadvantage here following Mr. Burbidge's presentation because several things have happened. First of all, inherently our presentation would have been very similar to that of the P and D. I do not think that there are any differences of opinion on any of the issues,

but you will find that perhaps there is a difference of emphasis in our presentation and, of course, there have been some amendments tabled since Mr. Burbidge started his presentation. I request your patience; I may be a little redundant with some of these suggestions.

Moving off with Inspectors, Section 11(2)(d), whatever disclosure is required, we say that there should be a 60-day period of grace to enable the collection of the required information unless there is a safety condition involved. A number of instances—as I go through this you will see that it is procedural, primarily, and an attempt to facilitate collection of information.

Section 11(2)(f): This provision must include the stipulation that experts accompanying inspectors are bound by the same confidentiality provisions that are imposed on inspectors, and I believe that this concern has been addressed.

Extensions of time, 15(5): A grace period again of 30 to 45 days after the anniversary date should be provided to allow for completion of the financial records.

Relief from forfeiture, 16(1): There should be a wording included requiring a timely response by the minister to ensure that the matter is not in limbo indefinitely. This is no reflection on Mr. Neufeld. Additionally, there should be a time limit on the period during which an application for relief from forfeiture can be filed, again, to limit the whole process to a finite period.

* (2110)

Office of the Recorder: I have suggested the addition here of two subsections. I have called them 20(d)(i) and 20(d)(ii). Perhaps they might be more appropriately (c)(vii) and (c)(viii), and I believe one of them has been contemplated already, the identification of known heritage sites. A second one was not addressed, which may be a little more difficult administratively, but I think it makes a point, but, any lands which have been proposed for designation for a status which could impede mineral exploration or development.

This is increasingly a problem to the industry, what with the designations of heritage rivers and so on and so forth.

Inspections by the Mining Board, Section 38(1): As in 11(2)(f), experts should be bound by the same confidentiality provisions as the inspectors.

Prospecting Licences, Section 45(1) and 46(1): These sections appear to be in conflict and create a potential problem. Under Section 45(1) the reference to person includes corporations as defined under Section 1(1) and requires a corporation to hold a licence to explore. Section 46(1), however, refers to individual and specifically excludes corporations for applying for a licence. If 46(1) prevails, a corporation cannot obtain an exploration permit under Section 51(1). Is this the intention of the legislation?

50(1): Suspension is an extremely onerous penalty which could result in the loss of an individual's livelihood or the wind-up of a company. It should be necessary to establish intent to contravene before a suspension as serious as this is applied. In addition, consideration could be given to establishing a schedule of fines in lieu of suspension, which could be levied at the discretion of the director.

Exploration Permits, Section 53(3): Again, a period of grace following the anniversary date for the collection of the required information.

Airborne Survey Licences, Section 58(1): The words "except the holder of a mineral disposition operating over the disposition" should be inserted after the word "person" in line one. This will eliminate a potential problem created by the following Section 59(2) regarding the time limits for public disclosure of information on claims and leases.

Again, moving on to 59(2), conversely, the time limit stipulated here must be revised upward unless the foregoing recommendation, that is the recommendation on 58(1), is adopted.

Staking and Recording, Section 64(3): Again, the same comment as you heard from Mr. Burbidge. This section appears to be meaningless and unenforceable.

Section 70: The provisions should apply to new discoveries only. Lapsed mineral occurrences should not be staked under this provision. Again, our concern here is as expressed by Mr. Burbidge.

Rights and Conditions, 74(2): The initial sentence should be revised to read "subject to subsections (3) and (4), a holder of a claim shall not commence or recommence advanced exploration work on an exploration project until . . ." so that normal exploration work can be carried on while the

advanced exploration permitting application is being processed.

This legislation quantifies what an advanced exploration project is. This is a fairly major operation on a claim and, as I understand it, is not intended to include small jobs that can go on outside of the realm of the defined advanced exploration work.

What we are suggesting here is that it is not clear that you may have to go through this process to get your permitting for the advanced exploration work, but you should be able to continue the minor exploration work while that permitting process is continuing.

78: Extension provisions are required in this section until the entire question of mineral leases or the lack thereof is resolved.

Required Work, 82(1): This provision is totally unrealistic. Again, I believe this amendment that has been mentioned by Mr. Neufeld addresses the problem of maintaining these hundreds of miles of claim lines.

Section 84(1)(b): Again, we had an extensive concern here. It is the same as the prospectors and developers. I believe that has been addressed.

Mineral Leases, 103(3): We were unsure as to the intent of this provision, the purpose of it.

Section 104(d)(iii): There must be some reasonable time limit allowed for the completion of this survey without holding up the issue of the lease. If the lease is held up by legislation, you cannot produce. There is a very major problem with long delays in obtaining the legal survey. This is a problem that is outside the jurisdiction of the department, but it is a problem. There are numerous examples of this problem. So that there must be some relief there, so that an orderly move from exploration to production can be maintained while those surveys are being delivered.

Conditions, Section 11(2): There must be a time limit imposed upon the Director to process the filing to a conclusion to avoid inordinate delays.

Section 14: This wording could be used for Section 82(1) to address the problems created by this section. I believe that has been addressed in total.

16: We are suggesting the addition of some comfort words, if you will, which would indicate that permission by the minister would not reasonably be

withheld or consent would not reasonably be withheld.

Cancellation, Surrender, Expiry and Abandonment, 127(b): Having complied, the lessee should have a prescribed acknowledgement that he or she has disposed of his/her obligations.

Mr. Storie questioned Mr. Burbidge on this provision, and I do not know, given the way environmental legislation is going in our world, that any company can be completely discharged of all responsibilities forever, but there is no provision in here for even some acknowledgment for compliance, that you are required to do (a), (b), (c) and (d) by virtue of your agreement, and you do (a), (b), (c) and (d). Surely there should be some document that says that yes, you did do (a), (b), (c) and (d).

Crown Land, 147(4): Is a permit required from Crown lands in addition to one presently required from Natural Resources before entering on Crown lands? This does not appear to be consistent with efforts to streamline the permitting process.

The point is made because most of northern Manitoba and much of the South is covered by timber licences and all exploration work, including staking, would be done at the discretion of the director of Crown lands.

Use of Land, 161(c): "Rights of way" should be eliminated from this provision. It was not a requirement of previous legislation and it creates problems for anyone staking claims.

Rehabilitation: Our presentation is a bit of a contradiction here. This is a very substantial addition to The Mines Act and certainly a very timely one and a very appropriate one. We are very supportive of the inclusion of rehabilitation legislation or inclusion in the legislation.

There is some concern with this part since it appears to create the necessity to deal with two, and in some cases three, jurisdictions—Energy and Mines and Environment. Ideally, we would hope that Energy and Mines would assume the role of co-ordinator of all the jurisdictions and create a "one window" procedure. We hope that we would have an opportunity to discuss this concept at some appropriate time.

We would also note that in the absence of attendant regulations, it is not possible to properly assess the practicability or the impact of the legislation. The legislation generally appears to be

good legislation, but the real test will come with the regulations which accompany the legislation.

We did have one comment on Section 192, that there must be some wording to establish the scope of an "expansion" or an "alteration" which would trigger the requirement for written notice. With those comments I will leave this, admittedly, very substantial section on rehabilitation.

Under Recording of Instruments, 212(1): It appears that this section may be in conflict with Section 217(1).

Transitional Provisions, 243(1): The section refers to leases under the former act only. There should be a specific section added to deal with these leases which were applied for under the former act but were not granted. This will provide a much needed degree of assurance to companies which have made such applications and which have been left in limbo. Again, this is something in the way of a comfort suggestion.

* (2120)

Section 243(2): This section should require the Crown to notify the lessee of the intent to cancel before proceeding with the cancellation.

Finally, 243(4), we wonder what becomes of OIC lease renewal applications.

That concludes the formal part of our presentation. Again, I stress that we think we are discussing good legislation. We are very supportive of this legislation.

Mr. Chairman: Thank you, Mr. Newman. Any questions?

Mr. Carr: Thank you very much for your excellent presentation. We have had an opportunity to discuss this bill and it has been very helpful for our own learning curve.

I have a question for the minister before we get into any other questions, Mr. Chairman, and that is how many of the recommendations and amendments that are suggested in this brief have been accepted by the government, so that we do not waste the committee's time?

Point of Order

Mr. Laurendeau: I think we have agreed that we are going to hear the presenters, and once we are finished with that we can go to questioning the minister. I do not believe it is necessary that we

bring forward how many amendments are dealing with each—

An Honourable Member: We do not want to waste our guest's time.

Mr. Laurendeau: I do not believe we are wasting the guest's time. I believe that we are—

Mr. Chairman: Order, please. There is no point of order. I would suggest that the question that Mr. Carr asks of the minister is perfectly in order.

* * *

Mr. Neufeld: I cannot tell you which specifically of Mr. Newman's recommendations have been accepted and amendments brought forward, but every one of their recommendations received by our department in the course of the last number of months has been considered and where necessary amendments have been made, as Mr. Newman has already mentioned. A great number of their recommendations are the same as the ones brought forward by Mr. Burbidge.

We have been in consultation with the association, and we do believe that every one of their concerns has been addressed and where necessary amendments have been made.

Mr. Chairman: Any further questions?

Mr. Storie: Mr. Chairman, just a couple. One dealt with the CMA presentation on Crown land and talked about the duplication that appears to be creeping into the requirements for mining companies to both apply to the Department of Energy and Mines and through the director of Crown lands.

I am wondering whether the recommendation is that this should be done by Energy and Mines specifically or Crown lands. Which one should be responsible for the issuing of the necessary permits under this act?

Mr. Newman: Oh, definitely Energy and Mines.

Mr. Chairman: Thank you, Mr. Newman, for your presentation.

Mr. Storie: A couple of questions on the rehabilitation section. Certainly, I think much of this is new. I am wondering what the CMA's thoughts are with respect to the Mine Rehabilitation Fund, in particular, and whether you have any thoughts as well on—well, let me deal with that one first.

What is the CMA's position on the Mine Rehabilitation Fund and the requirements under the rehabilitation section?

Mr. Newman: With regard to the rehabilitation fund, I believe that is intended to deal primarily with the rehabilitation of pits and quarries, not mine sites per se. The mines sites, as we understand the legislation, would be governed under a specific predevelopment proposal which would be accepted by the minister as the way the rehabilitation should proceed and finally end.

Mr. Storie: Just one final—I guess it is not related to mine rehabilitation, but I am wondering whether the CMA had any comments on the penalty section, whether you thought the penalties were reasonable in light of the potential risks to the province and to companies.

Mr. Newman: For clarification, what penalties, Mr. Storie?

Mr. Storie: Mr. Chairperson, I cannot find it right now, but if memory serves me correctly, the provisions of the bill allow for a \$100,000-per-day fine for corporations. I am wondering, in the scope of the mining industry, does that seem to be a reasonable level or was there any discussion of that at the mining association?

Mr. Newman: Why, certainly, a discussion, but, you know, the way the world is going, the fine levels are going up and up, and in all areas of legislation, we are facing this. I would say, while it is a matter of concern, I believe the \$100,000 would probably be an upper limit, that there would be some discretion for applying a lesser fine, and we can accept that. That is some solace. I would say, in summary, our efforts are more properly applied to compliance rather than arguing about the magnitude of fines.

Mr. Chairman: Thank you very much, Mr. Newman, for your presentation.

Mr. Newman: Thank you.

Mr. Chairman: I would ask, at this time, that Mr. Walter Kucharczyk come forward.

Mr. Kucharczyk, have you a brief that you would distribute or—

Mr. Walter Kucharczyk (Private Citizen): No.

Mr. Chairman: Okay, thank you. Proceed, please.

Mr. Kucharczyk: Thank you, Mr. Chairman, absent Mr. Minister, members of the committee. It is all right, I take it back, the minister is here.

To refresh your memory, or perhaps for someone, it will be something very new. I will refer you to March 22, 1991, the Manitoba Government News Release, Information Services, entitled "Amendments Proposed to Mines, Minerals Act: Will Encourage Private Investment Consistent with Sustainable Development."

"Private sector investment consistent with sustainable development initiatives will be encouraged by proposed amendments to Manitoba's Mines and Minerals Act, according to Energy and Mines Minister Harold Neufeld.

"In introducing Bill 6 in the legislature, Neufeld said the amendments are the first changes to The Mines Act in almost 40 years." I add personally that proves that the minister is conservative, because I think it is about 60 years.

"We want to remove impediments to resource development and encourage the mineral industry to invest in Manitoba. The new act updates and incorporates regulations put in place over many years so that developers will clearly understand the rules under which they must operate in Manitoba."

* (2130)

For the rest, you can get the press release yourself. It is available through the Clerk.

I want to point out here for your consideration, Mr. Chairman—and I have no direct money interest in Hydro—you will not produce a miracle by Bill 6 alone if you do not provide as strong as possible inducement to the mining industry as to Manitoba Hydro, because without a reliable supply of power you can dream—hardly that dream will come true, because their own equipment that they could install would not be sufficient, it is obvious.

At the same time I urge, Mr. Chairman, to you, Mr. Minister, to use appropriate methods. He has enough geniuses in his department to decipher what I am suggesting, and stress to the interested parties our major wealth and heritage that we have in the name of Manitoba Hydro. Of course, MTS goes without saying, as far as the communication is concerned. Now, judging from the questions—do not worry, I will not be long. I will not break my own record of an hour and 45 minutes on one occasion. Mr. Parasiuk is not here, so I have no reason to insult the minister.

I notice here, and suggest to those who might have an intentional lapse of memory to read April 2, 1991, page 547 of the Hansard, the Legislative Assembly of Manitoba. Of course, it is not federal. Bill 6, The Mines and Minerals and Consequential Amendments Act, when the minister spoke on Bill 2, it was an extremely well condensed written speech, information—plenty here. Even peasants like myself understand, so I am not going to quote to you all the way through, because some might even fall asleep. However, at the end of it is something very significant. That is page 550, last paragraph, by the honourable minister, Mr. Chairman. He said:

"These then are some of the highlights of the new Mines Act, Mr. Speaker, and I commend it to you. Because of the complexity of Bill 6, I would like to take this opportunity to extend an invitation to make arrangements for our staff to provide the Mines critics with a special briefing. Thank you."

Well, I will say this is very noble on the part of the minister or maybe he was also in an extremely good mood, because an offer like that, if it would be taken seriously by the critics, then you would not have a show as you have had with the first presentation that was way ahead of me.

Now we will jump to something else, because those things you cannot dispute. You can read it. It is in the English language too.

Bill 6, with all my years looking at hardrock mining and petroleum, you may agree with me or not, but this is my opinion. This is monumental legislation, extremely important legislation. It might not please some sources, but one day if they give a thought and speak to those whom it concerns and see the progress, then they would realize that tonight a part of the history of Manitoba that cannot be rejected or ignored—

One thing puzzles me. I recall way back, the mines inspectors used to be under the Minister of Mines. All of a sudden, somebody decided to play musical chairs, and they moved them to Mr. Lecuyer. He was responsible then for safety, et cetera, et cetera—too long of a title. Then they moved to the Department of Labour. I cannot help it, but to be sarcastic and tell you, that in the country of my origin, on April fools', you go to the barber, he will soak your face and tell you to walk three blocks away to get a shave. That is what you are doing with the mines inspectors. Why not have those people

who think and work the same way as the mines that they inspect—would that be safety, would that be reforestation or whatever?—why not have them where they belong?

Did you ever go to a veterinarian when you had a stomach ache? I think you go to a medical doctor. So maybe you gentlemen could give a thought to it. For whatever reason it was beyond me that those people were moved around, I do not have a crystal ball. My crystal ball was only good with—what is his name—Gary Filmon. I predicted he would be Prime Minister. Well, he only became Premier, but in this one it is so hard, too many involved.

So I appeal to you. Give a thought. It is not necessarily, I guess, through the act, but while you are studying the act, then you might just as well—besides, Mr. Chairman, Mr. Minister, you have the opportunity through all the knowledgeable people from his department. Get their opinion. They probably will be more diplomatic than I am. They will give you options. I am not diplomatic. I tell the truth. That is why I have so few friends. It hurts.

More or less in conclusion, I want to say one last thing so that you can go to work. Looking back to 1930, that is when the province got jurisdiction of the mineral rights, I believe, from federal government, and all the regulations piled up, some pieces of an act here and there again. Someday, if I am still alive, I will be discussing with you the petroleum issue, but it took a very dedicated group of people to convince powers to be to have that Bill 6.

Now, the first credit I must give, from my information—and it is not a written one—to a chap by the name of Don Leitch. I think his official title is Clerk of the Executive Council. To my knowledge he had quite an input, initiative-wise, et cetera. Then of course, I by-pass the minister because without the king you cannot win the war. You have to have a king to lead you.

Then you have a dedicated and knowledgeable deputy, Mr. Haugh, plus seven or eight experts who were working on that bill. Those will be experts in mining and experts in the law, because the law has to write the sentences that takes another lawyer to interpret. So you cannot get away from it. Look at the directory, at how many lawyers are in town. Otherwise, they would not exist.

Besides, congratulations—if I had a hat on I would take it off, to all those who were involved with Bill 6.

I say to you, Mr. Chairman, to you, to Mr. Minister, set the precedent. To my knowledge, I do not think it ever happened before. See if you can convince the powers to be in your cabinet—or whatever procedure. Provide that group with the Order of the Buffalo Hunt, because this is something that you will not even have the opportunity to correct. You do not have even enough time during the session, because the opposition will be providing something else that is just for the sake of future election.

(Mr. Marcel Laurendeau, Acting Chairman, in the Chair)

This is the achievement that you have. I am sure that the opposition will support it, because those people were working, they were not reading comics. You know it takes lots of hard work to be able to understand the regulations in an act, whatever existed, to apply to today's situation, to satisfy those who are going to be subjected to it, and, of course, political bosses.

Once more I appeal to you, sir. Please take me as seriously as possible. I do not think I am setting you on the wrong track, because all the heroes are recognized. Do not wait until the heroes will be marked with the crosses or are history in the archives of your achievement in the form of Bill 6. Thank you. I am glad you did not fall asleep.

* (2140)

The Acting Chairman (Mr. Laurendeau): Thank you, Mr. Kucharczyk. If you do not mind, there might be a few questions. Are there any questions from the committee?

Mr. Storle: Mr. Acting Chairperson, just a couple. The first thing I think, Mr. Kucharczyk, just so the record is clear, the minister did invite the critics in to review the proposed legislation, and although I am not the Energy and Mines critic, I did attend the meeting and we did thank the minister for his gracious invitation. It was quite useful. Unfortunately, I am not a Mines expert nor have I been involved in the exploration business or the prospecting business, but I take a little umbrage at your criticism, because clearly the minister and all his very knowledgeable staff, I think you called them geniuses, did not get it right the first time either.

Our job as critics is to make sure that it is right. The input that we have received tonight, I think, has been very valuable and helpful, whereas the meeting with the minister's staff, obviously, they missed some things as we did. I would certainly

acknowledge the minister's role in inviting us to participate. It is not unusual. That has been done on numerous other occasions as well.

Mr. Kucharczyk: To criticize, you have to understand the issue and details of it.

Mr. Storle: Yes, Mr. Acting Chairperson, that is what we are about tonight, understanding the detail.

Two comments that you made, one was with respect to the potential role of Manitoba Hydro in providing incentives for particularly mining development. I am wondering whether you have any comment on the fact that this bill specifically excludes Manitoba Hydro from the requirements under this act.

The second question, you can answer them together. Your comments about the mines inspector was quite interesting, but I am wondering whether in fact you would—the mines inspectors obviously are also involved in safety issues—whether there is not some logic in having people involved in safety issues set aside from the people involved in development and exploration. Does that not make some sense to you?

Mr. Kucharczyk: Mr. Acting Chairman, Mr. Minister, I would pass the buck on that question. You are in power and you have enough money to recall Mr. Bill Bardswich, retired director, who is known nationally, who is an expert. I am pretty sure he would make a much better case than I can, before you have third reading and Royal Assent of that bill.

The Acting Chairman (Mr. Laurendeau): Any further questions? If not, thank you very much, Mr. Kucharczyk.

Mr. Kucharczyk: Thank you very kindly for being patient.

The Acting Chairman (Mr. Laurendeau): We appreciate it.

Mr. Kucharczyk: Good night to one and all.

The Acting Chairman (Mr. Laurendeau): Good night, Walter.

Mr. Claude Huot: Mr. Huot, I notice that there are three people listed. Were you going to be making a presentation all three at the same time or individually?

Mr. Claude Huot (Winnipeg Water Protection Group): Yes, I would like to ask Mr. Nick Carter to come up as part of that presentation. Unfortunately,

Mr. Pannell is not here. I guess through the weather he is held up in a flight.

The Acting Chairman (Mr. Laurendeau): So at this time, Mr. Huot and Mr. Carter will be presenting at the same time.

Mr. Huot: That is right. Could we ask permission to make further written comments with our legal counsel at a later date?

The Acting Chairman (Mr. Laurendeau): I did not hear you, Mr. Huot.

Mr. Huot: Could we make further written comments through our legal counsel at a later date also, with not having Mr. Pannell here?

Point of Order

Mr. Storie: Mr. Acting Chairperson, I would certainly like to think that Mr. Huot and his group, the Water Protection Group, will be able to make written presentations at some point later. Unfortunately, the tradition in committee is that after the public presentations, we deal with the bill clause by clause, which may mean completing the legislation. However, I am certainly going to recommend that—I do not know about my colleagues on either side of this table—that we not proceed with clause by clause given the extensive amendments that the minister intends to introduce.

We have yet to receive copies of that. Also, given some of the recommendations of both the Manitoba Mining Association and the Prospectors and Developers Association, I think we should suspend further consideration of the bill to give all members a time to review the amendments and the comments. So it may give you some time as well. Failing that, the committee sets its own agenda. You may not have time to present.

* * *

(Mr. Chairman in the Chair)

Mr. Chairman: Thank you, Mr. Storie. Mr. Huot and Mr. Carter, would you proceed with your presentation?

Mr. Huot: First of all, we would like to introduce ourselves. We are the Winnipeg Water Protection Group. I am Claude Huot and this is Nick Carter.

The Winnipeg Water Protection Group represents a membership of at least 3,000 Winnipegers—

Mr. Chairman: Could you come a bit closer to the mike maybe, or speak up a bit.

Mr. Huot: The Winnipeg Water Protection Group represents at least 3,000 members of Winnipeg whose concerns are primarily with the source of Winnipeg's drinking water, Shoal Lake.

Our appearance here tonight is not in opposition to the mining act as it is proposed and the extent of the government's proposal, but in essence, what is missing from the mining act.

The Manitoba government's own proposals on the mining act are an effort to give legislative protection and security to its present day regulations by moving these regulations directly into an act. The mining industry will receive this legislative security under this act.

Unfortunately, our present day government has decided to apply a different standard to the protection of our water supply. Recent environmental proposals by this government have been in the opposite direction and are indicative of the real agenda behind the lip service our government gives to the environment. Regulations are being proposed which put the power to make extensive changes to our environment out of the sphere of full legislative assent.

The Manitoba government's recently announced sensitive area regulation offers only an 11 percent solution for Shoal Lake and can be changed at the whims of cabinet without full legislative assent. The government's regulation clearly falls short of Winnipeg City Council's May 29 motion which vigorously requested legislation under the mining act that prohibits mining anywhere within any part of Shoal Lake, its watershed governed by Manitoba.

Double standards will never convince Ontario that Manitoba is serious about protecting Winnipeg's water supply. Nor will it convince Winnipeggers. Ontario will not get serious about Shoal Lake until we do. Our provincial Legislature must pass this amendment to the mining act.

I have attached a copy of what our proposed amendment is. I would turn you to page 4 of that. Essentially it is a legal definition of the Shoal Lake watershed which rolls through the first two and a half pages, and we propose a prohibition essentially that says no person shall carry on mining, exploration, development or any other related mining activity, including ore processing and the staking of mining claims in the watershed area of Shoal Lake.

Why do we need that protection? On June 14, 1991, the WPG revisited the Mikado Mine site

located on Bag Bay, Shoal Lake, Ontario. At the request of members attending the June 5 annual general meeting of the WPG, three locations at that site were sampled to test for the presence of cyanide and mercury. After being refused by Manitoba's Department of Environment, Ward Technical Services Laboratory, the WPG shipped our samples to the Saskatchewan Research Council's Analytical Chemistry Lab. The following results—there is a fax copy attached—were received by the WPG at 3:30 yesterday afternoon and discussed with our out-of-town executive last night and this morning.

* (2150)

Sample 1, the cyanide holding pond still has cyanide readings of 16,000 micrograms per litre, mercury content of 34 micrograms per litre. We also took a sample of the water in the lake by the dock in front of the site, and we came up with a trace of cyanide of two micrograms per litre and undetectable amounts of mercury or no trace. In the lake further out in the centre of the bay, we came up with no trace. The Canadian safe drinking water guidelines indicate that levels should be less than 200 micrograms per litre for cyanide and less than one microgram per litre for mercury.

These tests confirm that the lethal levels of cyanide in the holding ponds unexpectedly remain unchanged since previous testing when the pond was first discovered in August 1989. These June 1991 tests further confirm that cyanide is present in the lake, close to the mine site's dock, at a detectable level within drinking water guidelines. No cyanide was detected further out in the lake. Further testing will be required to determine the exact source of the cyanide.

There are a number of possibilities for the lake sample being positive. They include the possibility of natural sources, the possibility of leaching from the holding pond or the tailings area and the possibility of direct spillage of chemical at the dock area. Without further testing, the exact source remains uncertain. At this stage, all that can be said is that cyanide is present at high levels in the site's tailing piles, holding pond, soil sediment and at trace levels in the water around the dock area but not further out in the lake.

Given the juxtaposition of the recent samples along with the high results in the pond, tailings pile and shore sediments, the present Manitoba and Ontario governments can no longer afford to

continue rolling the dice on the protection of our water supply. Are these governments waiting for a similar repeat to last year's closure of the drinking water supply to five Ontario townships, located along the Montreal River, due to a similarly located cyanide pond? Shoal Lake would not be afforded the same luxury in waiting for a slug of contaminants to pass downstream. Our aquaduct is the major outflow of Shoal Lake.

Are these governments waiting to see if Winnipeggers are willing to tolerate a slight increase in contaminants within their drinking water supply? During its February 1991 trip to Toronto, the WPG was told by Ontario government officials that Ontario would not get serious about Shoal Lake until we do. On August 16, 1989, following initial cyanide pond discovery, the Minister of Environment, Glen Cummings, indicated that he wanted a ban on developments on Shoal Lake and would order remedial action on this site. A copy of page 1, August 16, '89, a Free Press article on that subject, is attached. The time has come for the Manitoba government to honour that statement.

Mr. Nick Carter (Winnipeg Water Protection Group): Mr. Chairman, my name is Nick Carter. I am a member of the Winnipeg Water Protection Group, and I would simply like to reiterate the points made by Mr. Huot and say that I am particularly interested in this bill from the point of view of the rehabilitation provisions but have not, so far, had the time to look at them properly. If I can, and following Mr. Storie's remarks, I would like to drop a note to you in the next little while.

Just to reiterate the points made by Mr. Huot, I would like to say that this bill, and eventually the regulations proposed to zone the drainage basin, be stringent enough to protect the Winnipeg supply for all time.

As you probably know, we are discussing with Mr. Cummings' department the need to ban all mining in the Shoal Lake watershed. Secondly, I would like to recommend that we are able, as Mr. Huot has done and the whole group does, that we would be put in a position to appeal to Ontario to assist in the protection of the Winnipeg supply. Finally, as I have just said, that the closure provisions for mines under the new minerals bill be strong enough not to leave time bombs of the kind at the Mikado site present in the Shoal Lake watershed at the present time.

I could take issue with Walter, who talks about the location, perhaps from an administrative point of view, of mines inspectors. I certainly do not believe that the developer and the inspector should be in the same department, but I will leave that for the moment.

Anyway, Mr. Chairman, thank you for your time. I am sorry I have not prepared a written brief, but certainly the brief from the whole group is what I believe should be done.

Mr. Chairman: Thank you, Mr. Carter and Mr. Huot.

Mr. Storle: A very interesting presentation. I just have a general question. In an attachment to your brief, you have an amendment which includes a legal definition of some area obviously around Shoal Lake. I am wondering if you can quantify the area for me. How big an area are we talking about?

Mr. Huot: I believe we are talking about a 720 square kilometre area.

Mr. Storle: Now, if I understand this correctly, this is a 720 square kilometre area around Shoal Lake on the Manitoba side only, and all of that would fall within the Whiteshell Provincial Park?

Mr. Huot: No, I believe there is some portion south of there that is outside of the Whiteshell Provincial Park.

Mr. Storle: The only other question I had—and I think it was a good presentation and something obviously that the committee is going to have to take quite seriously—I am wondering why the decision was made to place this in Section 41(1), and why not in Section 20 where it talks about lands to be shown as withdrawn under subsection 14(1) and it talks about land set aside as a provincial park. Why would you not include this as a land set aside as a water protection area for the City of Winnipeg?

Mr. Huot: That is something I would normally defer to Brian Pannell, unfortunately. You are asking more of a legal question that I am unprepared for.

Mr. Storle: Obviously, I assume that the Water Protection Group would have no objection if in fact we decided at committee that this designation, that this land should be set aside as withdrawn on a permanent basis; that you would have no objection if it fit in under this section and it accomplished what you were looking for in terms of the future.

Mr. Huot: If it accomplished what we were looking for, we would have no objection whatsoever.

Mr. Hlckes: I would like to clear something in my mind here. This is a unique presentation and I have learned a lot from it. What I would like to ask you, you say ban mining from the Shoal Lake area, 720 square kilometres. As you are aware, this government is looking at banning one kilometre in. Would that not be sufficient?

* (2200)

Mr. Huot: The one kilometre boundary presently proposed under the Shoal Lake sensitive area regulation, excluding area No. 1 as what they have defined, covers approximately, within Manitoba's jurisdiction, one-half of one square kilometre.

Mr. Hlckes: Well, if that was extended right around the whole area, if there was a mine built, say, a mile away—I heard some reference here to tailings and leaching and stuff like that—if it is situated, say, a mile or two away from the water supply, would you still have fear of some of that trickling down into our water supply?

Mr. Huot: The definition of watershed implies that if there is any problem within the land that drains into the Shoal Lake watershed, if there is any problem, any spillage, or any adverse use, that this will impact on water quality. That is why we do not contain ourselves to only looking at water when we are talking water quality, but we also must look at the watershed. The watershed does impact on water quality.

Hon. Glen Cummings (Minister of Environment): Mr. Chairman, I have a question of either one of the presenters. First of all, are you aware of what the background levels for cyanide is in the lake?

Mr. Huot: One of our present readings is around zero, or nondetectable. We do feel that this cyanide should be identified in terms of the source and its juxtaposition to the rest of the readings.

Mr. Cummings: That is your reading. Are you aware of what the regulatory authorities consider as the background level in those lakes?

Mr. Huot: I am not aware of what document you are referring to.

Mr. Cummings: Mr. Chairman, I have another question regarding the watershed. Did I understand one of the presenters to say that the sensitive area regulation designates only one-half of one kilometre?

Mr. Huot: The question that was posed to me was, what does the 1,000-metre ban provide in terms of

additional protection? My answer was, in addition to the area 1, exclusive of the area 1, which is not affected by your 1,000-metre boundary, the 1,000-metre boundary only affects one-half of one square kilometre within the Manitoba portion of the Shoal Lake watershed.

If you allow me a second, I will get you a map. I am sorry for the scale of the map, I was not thinking. This is part of a presentation that we made some while back. The Manitoba watershed lies on the right-hand side of this map. The area 1, as designated under the Manitoba sensitive regulation is the square here, and you must exclude the Indian reservation which takes up the greatest portion of the square. If you try to find a 1,000-metre extension from any other portion of Shoal Lake, the only portion that you find is down at the southern portion of a watershed, which is a very small portion, and if you count 1,000 metres back from there, you have, and I am sorry for the size of the dot, but that is it.

Mr. Cummings: Mr. Chairman, are the presenters suggesting that Manitoba law should supersede the rights of the Natives?

Mr. Huot: No, we are not, and that is not the position whatsoever of the Water Protection Group. Understanding the regulation and the way that it applies, it applies to Manitoba jurisdiction only.

Mr. Cummings: The other concern that I wanted to raise with the presenters regards the misleading presentation, as far as I am concerned, that we have pollution at the base of the—in the shoreline, from the cyanide pond. There are no readings there that indicate that is the case, if you cannot compare it to what the background level is that is used as a standard background reading in that lake.

Mr. Huot: I am sorry, could he repeat the question? I heard a statement, but not a question.

Mr. Cummings: I asked what evidence you have that the shoreline—you made a statement which, in my opinion, is misleading, that at the shoreline, you have demonstrated that there is pollution from that cyanide pond.

Mr. Huot: Are you talking about the sediments, then?

Mr. Cummings: I am looking at the presentation, page 2, it says: Sample No. 2, by the dock.

Mr. Huot: Our information is that the tailings pile, the cyanide pond, the dock and the sediments do contain high levels of cyanide.

Mr. Cummings: Mr. Chairman, the report says, and I have written on it here, but I believe it says, 2, that the drinking water guidelines are 200. No one has stated what the normal background level is in that lake.

Mr. Huot: If you are referring to the lake by the dock, Sample 2, the result that we have there is micrograms per litre of 2. Further out in the lake, we have none. Our point is that the juxtaposition of these samples call into question, as you, yourself, Mr. Cummings, called into question, the need for remedial action in this area two years ago, and also requested a ban on development at that time because of only one result in one pond.

Mr. Cummings: Mr. Chairman, in relation to the taking of these samples, it is referenced that Manitoba's Department of Environment did not accept these samples for examination. Would the members care to say why that was?

Mr. Huot: We were refused samples, No. 1, because we were told that it was too dangerous to handle the bottles. I would like to let the committee know that Helen McCullough, the president of our group, is a qualified chemist.

Mr. Cummings: Are you referring to the same person who drew the sample of water that I drank out of the stream that runs down off that site?

Mr. Huot: No. I am sorry, can you clarify, you drank water out of the Mikado Mine site?

Mr. Cummings: Mr. Chairman, I think that one thing the committee needs to reflect upon is that, in taking of the samples, we do not have any information to verify how those samples were taken, under what circumstances they were drawn, and how they were sent forth. Obviously, if you take something out of a cyanide pond, you likely would find cyanide.

Mr. Chairman: I have, ladies and gentlemen around the table here, listened very diligently to the discussion going on. I would remind members that we are dealing with Bill 6, the mining act. I would request that you direct your comments and questions to the act and how this presentation pertains to the act. I believe we are into technical aspects of water quality, and I would suggest that there might be another forum where the water

qualities aspect of the discussion here be entertained. Proceed, Mr. Cummings.

Mr. Cummings: Mr. Chairman, I quite agree with you, except that none of us interrupted in what I consider to be a presentation that was not related to this bill. That is, therefore, my line of questioning. I think that the two gentlemen here have every right to come and make that presentation. I would only encourage them to make sure that the information they bring forward is put in the context in which it should be seen, and that is that it was sampled by personnel who did not have the information presented here today as to how those samples were taken. I would only ask that they put that information in the correct context.

* (2210)

Mr. Paul Edwards (St. James): Thank you, to the presenters, for bringing this information forward. Regardless I think of the minister's comments, I think it is important information, and I think it is worthy of being added to the public record and the public debate in this context, that is debate on this act. So I think it is appropriate that it has come forward.

I want to ask you, specific to the issue of your group's visit to the site, did you see any sign of the promised remedial action which was promised by this minister in conjunction, I believe, with other jurisdictions?

Mr. Chairman: Mr. Edwards, I remind you, as I indicated a little while ago, that I would suggest members restrict their comments and their questions to the bill and how the presentation that was made by Mr. Huot and Mr. Carter in fact pertains to the bill. There are portions of their presentation that deal directly with the bill, and I suggest that we entertain and restrict our comments to that portion. Continue, Mr. Edwards.

Mr. Edwards: Mr. Chairperson, the presenters have brought forward a suggestion that we ban mining activity around the watershed area. That is the proposal which is put forward. -(interjection)- The minister says, let us discuss that. The defence, the reason given for that proposal is that it would be dangerous not to ban mining in the watershed area. The further reasons brought forward are that past mining has caused dangerous levels.

If the minister cannot see the link in my question to the proposal to ban mining, then I submit that he has not understood the presentation, perhaps, or

the question. Mr. Chairperson, I want to put my question again. It is specific to the pollution which has alleged to have been caused by past mining and support of the mining ban today.

Mr. Chairman: Proceed.

Mr. Edwards: My question to the presenters is: In their visit recently to the same site that they visited, I believe they had indicated in 1989, did they see any evidence of cleaning up of the site by the jurisdictions that had promised to do it.

Mr. Huot: The answer is no. I have no reports of any remedial action whatsoever. My contacts with the Ontario environment department were that there had been nothing done, that something could be done but nothing was going to be done right yet. Our intention of being here today is to draw attention to the requirement of why the mining act must protect our water supply, why governments can fail in protecting water supplies, why regulation does not provide enough protection, and why legislation would do so and empower us to send a strong message back to Ontario that we are serious about this. Maybe if they heard that we were serious, the present site Mikado Mine would not be existing in the fashion that it is today, that it would have been cleaned up.

Mr. Storie: Mr. Chairperson, I may have accidentally found why, I believe, this amendment that is appended to their presentation is not appropriate in Section 4. I believe it should be Section 14. It should be 14(11) that is amended which deals with the withdrawal of land. It says: The minister may by order withdraw open Crown mineral land from exploration stake-out and lease. Then it goes on to list the conditions, and it may be 14 and not 4. So, perhaps that should be noted for the record. I assume that is where the amendment should be.

My question was, you had indicated that the area that this group wants protected is the watershed going into Shoal Lake, and it is 720 square kilometres. Other than the existing claim and the existing mine, are there any other current mining activities in that watershed area that you have designated?

Mr. Huot: Within the Manitoba side?

Mr. Storie: Yes.

Mr. Huot: The information that we have, unfortunately, has come only through the Ontario side, and it is their assessment through their own

internal documents that there is little or no value to the Manitoba portion side of Shoal Lake, that the mining potential is not great. In looking at some of the old mining claims, we believe that there are existing mining claims. Whether or not they are active or in a purpose of exploration at this time, I would not be able to elaborate on.

Mr. Storle: But there are no other mines currently being developed or, as far as you know, any proposal to develop existing property within the watershed area that you have designated?

Mr. Huot: I am not aware of any other ones.

Mr. Cummings: The abandoned site on the Ontario side of the border that the gentlemen are referring to, is it within one kilometre of the shoreline?

Mr. Huot: Yes, it is.

Mr. Cummings: Is the gold mine on Stevens Island either within one kilometre of the shoreline or in fact, situated on a island?

Mr. Huot: In its entirety, no.

Mr. Cummings: Where is the balance of it?

Mr. Huot: The balance of it is within a point north of Shoal Lake and unknowing what the proposal will be, we are unsure as to where the shaft will go in. We have heard of proposals of going in from the lakeshore area. That could be well set back a thousand metres.

Mr. Cummings: The regulation that we are proposing then would ban extraction, if Ontario were to adopt the same proposal, would ban extraction on the island site or closer to the shoreline than one kilometre. Is that your understanding?

Mr. Huot: Mr. Cummings, your regulation as you propose it, is really a regulation only for Ontario, and to the extent that you seem to want to focus on the one kilometre because that only affects Ontario. That only affects Ontario in the sense that we are committing a half square kilometre, and if that is the message we want to give to Ontario, then that is the message we will get back.

Mr. Cummings: Mr. Chairman, that is an obvious disagreement of opinion. A kilometre, I thought, was the same on both sides of the provincial borders. The question that I have is, did the gentlemen inquire of either Manitoba department of mining or Manitoba Environment about whether or not there were any active claims on the Manitoba side in the sensitive area?

Mr. Huot: The forum that we are discussing here tonight is where is the appropriate place for this ban. The place for this ban is under the mining act, so that we can have a complete ban within the whole of the Shoal Lake watershed. That is the important message. It is not one of a 1000 metre exclusion zone, which has no effect essentially in Manitoba; it is a ban under the mining act that we are looking for that would ban 100 percent of the mining within the Shoal Lake watershed of Manitoba. That is the important part. That message is what has to be sent.

Mr. Cummings: Does the presenter include extraction of gravel?

Mr. Huot: We include all resource extraction in the mining definition.

Mr. Cummings: That is fine.

Mr. Chairman: Thank you, Mr. Huot and Mr. Carter, for your presentation. That, I believe, concludes the presentations, at least finishes the list, unless there is anybody else in the audience that has not indicated previously that they would present. If not—I see nobody. Can we then continue to clause by clause of the bill?

Point of Order

Mr. Storle: Mr. Chairperson, the hour is already after ten. We have had a number of proposed amendments. We have had individuals and groups recommend amendments, deletions from this bill. The minister has indicated that he has a series of amendments. I am not critical of the number of amendments.

This is a big piece of legislation, and I think we can expect a number of amendments. I think we have to, in fairness to members of the committee and to the presenters, have a chance to look through the amendments that are being proposed before we begin clause by clause. It would be extremely unfortunate if we unwittingly passed clauses which were subsequently found to be inconsistent or contradictory, and that had been pointed out to by presenters.

* (2220)

I think we should review the presentations and the amendments together and come back to consider the bill clause by clause on Thursday, if necessary. I certainly think a couple of days is reasonable. This is a major piece of legislation. I can give the minister the assurance that it is not the intention of our critic

or our party to delay passage of this legislation. Our intention is solely to make it better legislation.

The minister has given us a good start. We have some amendments which we think might be in order, and I think we deserve a couple of days to consider it. We are going to be here for a couple of weeks. I do not think that is an unreasonable request.

Mr. Chairman: Let me remind all members of the committee, the normal procedure in committee is, the bill is presented. After second reading, the public is heard, which we have done. Normally, after that, we proceed into clause-by-clause consideration. Amendments are proposed by opposition members, by opposition of government or by government by the minister on a normal basis, and are considered by this committee as we go along in clause-by-clause consideration of a bill.

I ask the committee, what are your wishes today, whether we continue discussions and consideration of clause by clause of this bill or whether we in fact rise? What are the wishes of the committee?

Mr. Storie: First of all, you are factually wrong, Mr. Chairperson. In fact, on many occasions including last session, bills were considered, presenters were given the opportunity to make public presentations and bills were adjourned. In fact, it happened in the wildlife amendments last year, at least that bill, I believe also on an environment bill. There are at least two occasions. There are many precedents where the committee has decided to adjourn before clause by clause after hearing presentations, many occasions. So the Chairperson is factually wrong.

The second point, Mr. Chairperson, is—

Mr. Chairman: Mr. Storie, you have no point of order. I indicated clearly to the committee that, normally, the procedure in committee is to consider a bill after public presentations on a clause-by-clause basis and that amendments are normally proposed on a clause-by-clause basis. Therefore, I have asked the committee very clearly, what are your wishes?

Mr. Neufeld: I think we should go clause by clause, but in view of the opposition by the opposition critics, I would be prepared to allow them to study the amendments for a period of a week. Then I would want them to come back here prepared to do page by page.

An Honourable Member: Page by page?

Mr. Neufeld: Yes.

An Honourable Member: Come on.

Mr. Neufeld: If you have, as critics, reviewed the bill you know what is on every page, including the amendments. I see no reason why you cannot deal with this.

An Honourable Member: We do not have the amendments yet.

Mr. Neufeld: Well, you will have them before you go home.

An Honourable Member: Well, that is very good, we are passing legislation on the seat of our pants.

Mr. Neufeld: No, you did that for 14 years, for God's sake, why stop now?

Mr. Carr: Mr. Chairman, I appreciate the minister's offer. I think it is a generous one and one that recognizes that what we have seen tonight is an example how not to make law in the province of Manitoba. The Chairman may say—and he may be right or maybe the facts can be questioned—that this is the normal way in which laws are made. That does not make it the best possible way to make law.

The minister's suggestion that opposition critics and members of the committee have an opportunity, of some days, or in his case he has offered, kindly, a week to review the amendments, is a responsible suggestion. Otherwise, what the committee is asked to do is take a very complex bill, which has not been amended for 60 years, and to digest 46 amendments in the course of several hours that would take us, perhaps to one in the morning or two in the morning or three in the morning and then for us to go home and say we have done a responsible job for the people of Manitoba. That is not reasonable.

Anyone who is looking at this process objectively and not from the sometimes bizarre and irrational walls of this building will see patently that it is not reasonable. The minister's suggestion on the other hand is, and we take him up on his offer to look at the bill clause by clause, a week Thursday, so that members of the committee will have a chance to consult with experts.

As the member for Flin Flon (Mr. Storie) has said, this is a complex and technical bill that requires comment from experts. The minister knows that, because if he would have been able to get it right the first time he would not come back on committee night with 46 amendments.

I think we ought to be looking for a reasonable solution to what is an ongoing problem and not simply a problem with this piece of legislation but one that we have witnessed time and time again. The minister says that the NDP did it for 14 years. That does not mean we ought to continue to do it if we believe there is a better way.

I think suggestions are on the table that are better, Mr. Chairman. Our party supports the minister's suggestion that we take a few days or a week to have a look at the amendments in detail, to come back to do a responsible job on behalf of the people who put us here.

Mr. Laurendeau: I have to respond to this, Mr. Chairman.

I do believe that the critics from the official opposition and the official Liberals here, Mr. Carr and Mr. Storie and Mr. -(interjection)- The official Liberals, yes. They are really off the wall this evening, Mr. Chairman.

When this was brought forward on March 22, this minister did his job and went forward and told these members what was before them. He instructed them what was in the amendments to this bill.

An Honourable Member: No, he did not.

Mr. Laurendeau: Yes, he did. He brought this forward and he brought the bill forward on March 22 -(interjection)- The bill. The bill was brought forward. If you want—

An Honourable Member: ... the amendments, we have never seen them.

Mr. Laurendeau: You are right, you did not see them. I am not finished.

As I said, it is their responsibility as critics to go out and do their homework, as our minister did his and went out to the public and asked for their comments on this bill. That is why this responsible minister has brought back some amendments. What amendments do these critics have ready for this evening, Mr. Chairman? Not one, I bet, not one -(interjection)- Table it.

Mr. Storie: Well, as usual, Mr. Laurendeau is quite entertaining, but he misses the point entirely. Mr. Chairperson, the fact is that the amendments that he referred to in the press release of the minister's in March—

Mr. Laurendeau: That is not what I am talking about. I am talking about the bill.

Mr. Storie: The amendments that are referenced there are the bill itself. The amendments that the minister intends to table have not been tabled. The opposition, nor has anybody else, the presenters, seen it—

Mr. Chairman: Order, I remind all members. We are simply disputing the facts. What I have asked and put very clearly before the committee is the question, do we want to retain procedures tonight? Do you want to proceed in clause-by-clause consideration, or is it your will to adjourn? That is the question.

Mr. Helwer—

Point of Order

Mr. Storie: Mr. Chairperson, I was cut off and had not finished my remarks. The point is—

Mr. Chairman: You have no point of order.

* * *

Mr. Storie: The point is, yesterday, Bill 38, The Wildlife Act, was adjourned after the presentations. Clause by clause was considered today. That is precedent.

Mr. Chairperson, I move committee adjourn.

Mr. Chairman: Mr. Storie, although I have a mover for adjournment, I indicate to you that yesterday did not set precedent.

I am going to ask Mr. Helwer to comment before I recognize the motion.

Mr. Edward Helwer (Gimli): Mr. Chairman, I think the minister had a valid point to make. He said he would give the amendments out and give the opposition some time to study them. I think that is only fair, and come back at a future date to pass the bill.

Mr. Chairman: Is it the will of the committee to adjourn for a week?

I declare the committee adjourned. Committee rise.

COMMITTEE ROSE AT: 10:30 p.m.