

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, June 2, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions. I should like to direct to the gallery that there are no pictures to be taken. Presenting Reports by Standing and Special Committees.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to indicate to the honourable members that we have very many guests today. To the loge on my left we have two honourable members of the North Dakota Legislature: representing the Sixth District of the State, the Honourable Howard Henry; and representing the Ninth District of the North Dakota Legislature, the Honourable Mr. Oscar Solberg.

Up in the gallery we have their wives as well, in my Speaker's Gallery.

There are also 30 students of Grade 7 standing of the Elkhorn School. These students are under the direction of Mr. Coughlin and Mrs. Chapple. This school is located in the constituency of the Honourable Member for Virden.

We have 62 students of Grade 9 standing of the Rivers Collegiate. These students are under the direction of Messrs. Janzen, Deveson and Miss MacDonald. This school is located in the constituency of the Honourable Member for Virden.

There are 23 students of Grade 6 standing of the Allard School, which is the host, and the Melita School, from which are the guests. These students are under the direction of Mr. Sheldon. This (host) school is located in the constituency of the Honourable Member for Sturgeon Creek, and the (guest school) in that of the Honourable Member for Arthur.

There are also 26 students of Grade 11 standing of the Pine Falls Collegiate. These students are under the direction of Mr. Pocatello. This school is located in the constituency of the Honourable Member for Rupertsland.

There are 40 students of Grades 8 and 9 standing of the Ste. Agathe School. These students are under the direction of Mrs. Bahaud. This school is located in the constituency of the Honourable Minister of Health and Social Development.

There are 35 Grade 9 students of the Pierre Radisson School. These students are under the direction of Mr. Kosowan. This school is located in the constituency of the Honourable Member for Radisson.

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

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Adjourned Debate on the proposed motion of the Honourable Minister of Mines and Natural Resources. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I would ask the indulgence of the House to have this matter stand.

MR. SPEAKER: Notices of Motion, Introduction of Bills.

INTRODUCTION OF BILLS

HON. A. H. MACKLING, Q.C. (Attorney-General)(St. James) introduced Bill No. 66, The Public Trustee Act (Recommended by his Honour the Lieutenant-Governor); and Bill No. 38, an Act to amend The Wives' and Children's Maintenance Act.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MATTER OF URGENCY

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I beg to move, seconded by the Member for La Verendrye, that this House do now adjourn to discuss a matter of urgent public importance - namely, that the Manitoba Development Corporation has made a loan of \$2 million to Western Flyer Coach Industries Limited and, according to statements in this House by the Honourable Minister of Industry and Commerce, is imminently likely to make an additional loan to the said company of an amount exceeding \$1 million, and that this House should therefore debate the wisdom of the making of the new loan for the following reasons:

(a) This company was taken over by one Thomas Ault at the invitation of the Manitoba Development Corporation in November 1969 for \$12.00, Mr. Ault being a resident of Detroit

(MR. G. JOHNSTON, cont'd.) . . . . U.S.A., and having no experience or other interests in Canada.

(b) The Manitoba Development Corporation loaned \$2 million to Western Flyer Coach in early 1970 and took a personal guarantee from Mr. Ault for only \$100,000, and Mr. Ault invested no further funds.

(c) Immediately upon Mr. Ault taking over, with the approval of the Manitoba Development Corporation, he began a systematic program of extracting for his personal use funds from Western Flyer Coach which funds were provided by the MDF loan, particulars of which in part include the payment to Ault Industries of Detroit of an annual salary of \$125,000, payment of Mr. Ault's legal fees amounting to some \$60,000, payment of many thousands of dollars of personal living expenses and apartment house rentals on behalf of Mr. Ault, all out of the proceeds of the MDF loan, contrary to normal business propriety.

(d) That in the month of October 1970, senior Canadian management of the company, being deeply concerned about the propriety of Mr. Ault's actions and the impending financial insolvency of Western Flyer Coach, prepared a detailed report of these activities which report was given to the Minister of Industry and Commerce upon the strict understanding that it was in confidence and was given to him so that he could take proper action to prevent any further abuse.

(e) That, contrary to the undertaking of the Minister of Industry and Commerce not to use the confidential report, he disclosed its contents in a manner which caused Mr. Ault to fire the president of Western Flyer Coach who, acting in good faith and out of a sense of responsibility to the taxpayers of Manitoba, had initiated the report to the Minister of Industry and Commerce.

(f) That the Minister of Industry and Commerce, after having used the confidential report for his own ends, then suppressed the report and denied its existence. (See Winnipeg Free Press interview March 15, 1971.)

(g) That because of this information which is clearly documented by correspondence to both the Premier and the Minister of Industry and Commerce, which we are prepared to allow this House to peruse, and because the Minister of Industry and Commerce has breached the most elementary confidence and then deliberately concealed and denied the fact of the existence of the report; because the Minister of Industry and Commerce has shown a lack of ability to handle this matter and is about to make a further loan to a company in which there are charges of serious financial irregularities and, in any event, all of which actions guarantee the assistance of this government in this foreign takeover of a local industry without the benefit of any investment by the foreign residents, it is necessary and in the best interests of the people of Manitoba that full disclosure be made of this affair to the Legislature and that this matter be fully aired and debated in this House.

MR. SPEAKER: I should like to thank the honourable member for giving me the required notice as called for under our Rule 26. Having perused the subject matter placed before me by the honourable member, I should like to indicate that according to Beauchesne's Fourth Edition, Citation 100, subsection (1) states: "The definite matter of urgent public importance for discussion of which the honourable member may ask leave to move an adjournment of the House under Standing Order 26, must involve the administrative responsibility of the government." The honourable member's motion refers to the Manitoba Development Corporation which is a Crown corporation. Therefore it does not fall within this ambit. Further, I should like to state that the honourable member mentioned a number of other subjects which contravene our Rule 26 subsection (6) (b) which states that more than one matter may not be discussed on the same motion. Accordingly, I must rule the motion of the honourable member out of order. -- (Interjection) -- The honourable member has that prerogative. Does he have support? Call in the Members. The question before the House - shall the Chair be sustained?

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barrow, Borowski, Boyce, Burtniak, Cherniack, Desjardins, Doern, Evans, Gottfried, Green, Hanuschak, Jenkins, Johannson, Mackling, Malinowski, Miller, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw, Uruski and Walding.

NAYS: Messrs. Barkman, Beard, Bilton, Craik, Einarson, Ferguson, Froese, Girard, Graham, Henderson, Johnston (Portage), Jorgenson, Jorgenson, McGill, McGregor, McKellar, Moug, Patrick, Spivak, Watt and Mrs. Trueman.

MR. CLERK: Yeas 26; Nays 20.

MR. SPEAKER: In my opinion the Ayes have it and I declare the motion carried.

ORAL QUESTION PERIOD

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I have a question for the Honourable Minister of Industry and Commerce. Did the Minister receive a confidential report from any of the senior management officials, either directly or indirectly that is, of Western Flyer Coach Limited, with respect to the takeover by Mr. Ault.

MR. SPEAKER: Order, please. I believe that question has been just settled by a vote. The Honourable the House Leader.

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, on a point of order -- just on the point of order. I believe, with respect, that the matter that has been settled is that there is no urgency debate to take place. As to whether the question is in order or out of order for other reasons, would certainly be a different question, but on the question of urgency I believe that all that has been settled is that there would be no urgency debate.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, my question is for the Honourable the Minister of Industry and Commerce. Did the Minister receive from senior management officials, either directly or indirectly, the officials of Western Flyer Coach, a confidential report drawing to his attention certain irregularities under the new ownership of the company?

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

HON. LEONARD S. EVANS (Minister of Industry & Commerce)(Brandon East): Mr. Speaker, I did receive the report that the honourable member refers to, and this report was referred to the Economic Development Advisory Board, headed by Dr. Kristjanson, for immediate investigation which did thereafter take place. Dr. Baldur Kristjanson.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Is this the report that the Minister denies receiving on March 15, 1971 in a newspaper interview in the Winnipeg Free Press?

MR. EVANS: Well, Mr. Speaker, I can't be held responsible for the contents of newspaper reports. I'm not aware of whether the newspaper's even talking about the same report.

MR. SPEAKER: The Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights): A supplementary question. I wonder whether the Minister can inform the House whether he did anything to prevent this information from coming to light, to public attention, prior to April 5th?

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I wonder if the Minister could indicate whether or not he has received a report from Dr. Kristjanson on the matter that was referred to him.

MR. EVANS: Mr. Speaker, we did receive a memorandum on the problem and also an oral report on the situation, which I then asked the Chairman of the Economic Development Advisory Board to communicate to the Board of Directors of the Manitoba Development Corporation for their attention and action.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HARRY J. EINARSON (Rock Lake): Mr. Speaker, I direct a question to the Minister of Health and Social Development. It is in regard to a Return that I placed on April 12th, an Order for Return, and my first question was stated in regard to the Scandinavian visit, and the first answer was: "Referred to government services to citizens of Scandinavian countries." This was the answer that I received but this report as yet I have not received. I am wondering when I can expect this answer, Mr. Speaker.

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

HON. RENE E. TOUPIN (Minister of Health & Social Development)(Springfield): Mr. Speaker, I was hoping to have copies available very shortly of the Scandinavian trip made by some members of the Department of Health and Social Development. I'm quite sure that when my estimates are in front of the House, or even before the estimates are considered by this House, that copies of this report will be made available to every member of this House.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I have a supplementary question to my original topic to the Minister of Industry and Commerce. Does the Minister disclaim any responsibility in

(MR. G. JOHNSTON, cont'd.) . . . . the \$2 million loan made by the MDC and the impending loan announced in today's paper associated with his name?

MR. EVANS: Mr. Speaker, decisions on loans are made by the Manitoba Development Corporation Board of Directors.

MR. G. JOHNSTON: Mr. Speaker, I wonder if the Minister would answer the question: if he disclaims any responsibility with respect to the loan.

MR. SPEAKER: Order, please. The Honourable Member for Morris.

MR. JORGENSEN: I wonder if the Minister would advise the House if the Advisory Board to the Economic Development Corporation will be appearing before the Economic Development Committee?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): There is a problem here with that question, in that the reference by the Honourable Member for Morris is inaccurate. The Advisory Board is not advisory to the Development Corporation - if he'd care to rephrase the question.

MR. JORGENSEN: Will the Economic Advisory Board be appearing before the Economic Development Committee?

MR. EVANS: Mr. Speaker, arrangements had been made for the Economic Development Advisory Board, under the Chairmanship of Dr. Baldur Kristjanson, to appear before the Standing Committee of the Legislature on Economic Development for this coming Thursday - for tomorrow, I believe - but because of other circumstances and pressing matters the date has been postponed - well, I think essentially because of a conflict with another committee meeting that was to be held of this Legislature. But we are endeavouring to convene a meeting of the Legislative Committee on Economic Development within a matter of days and the order of business will be a report being prepared and presented by the Economic Development Advisory Board on various matters pertaining to the question of economic growth in the Province of Manitoba.

MR. JORGENSEN: I wonder if the Minister would tell us if the Advisory Board will be prepared to deal with the subject matter of the question that was raised by my honourable friend the Member for Portage la Prairie just a moment ago; that is, the recommendation that was submitted to it by the Minister?

MR. EVANS: Well, Mr. Speaker, I think this matter will be in the hands of the committee and the responses and judgment of the Economic Development Advisory Board.

MR. JORGENSEN: . . . ask the Minister if he would have any objections to that subject matter being discussed at the next meeting of that committee.

MR. EVANS: Mr. Speaker, I think this is a decision that has to be made by the committee.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. Will he inform the House whether it is the government's intention to file the report of the Economic Advisory Board on Western Flyer Coach in the Legislature?

MR. EVANS: Mr. Speaker, as I stated, the report was partly oral and partly in a memorandum form which has been given to the Board of Directors of the MDC; therefore it was not our intention to do so.

MR. SPIVAK: A supplementary question to the First Minister. Does he consider that report to be an inter-departmental memorandum?

MR. SCHREYER: Well, Mr. Speaker, if the Honourable Leader of the Opposition is asking me whether I regard a report that has been submitted to the Minister in response to the Minister's request to the Board Chairman for information and for study and research and information and reporting back, then I would have to say yes, it is "inter".

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I wonder if the Minister of Industry and Commerce could indicate whether Western Flyer Coach is in technical bankruptcy, as reported.

MR. EVANS: Mr. Speaker, not to my knowledge.

MR. CRAIK: Can the Minister indicate the percentage of shares that are held by the province of Western Flyer Coach?

MR. EVANS: Mr. Speaker, that question was asked by the same honourable member about two weeks ago, and the answer I gave to him at that time is the same answer that I'll give today. It was made public knowledge and it's in the newspapers of Manitoba and it's in the archives of the Province of Manitoba.

MR. CRAIK: Will the Minister confirm, in the event there has been some change, is it 25 percent as reported?

MR. EVANS: Mr. Speaker, I believe that was the amount we indicated a year or so ago.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, on May 18th the Member for Churchill put a question as to the amount of grain sold through the Port of Churchill in the current crop year. The figure is 23, 551, 000 bushels. I believe he put the question in the order of "billions". It's not quite that high, Mr. Speaker.

On April 27th the Member for Gladstone had put a question as to the number of veterinary clinics established in the Province of Manitoba and in operation. The answer is that there are 12 clinics under construction, or established and under construction, not yet in operation. There is also a supplementary question as to whether we would be able to staff these clinics with veterinarians and the answer is to date there has been no problem in arranging for veterinarians.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Thank you, Mr. Speaker. A supplementary question to the Minister of Agriculture. I believe I said "23 million" but what is the Agriculture Department doing about trying to obtain more than 25 million bushels to be shipped through Churchill this year?

MR. USKIW: Well, I think I can say, Mr. Speaker, that there have been some discussions some time ago about the possible expansion of the facilities at Churchill and I'm not at liberty at this point to indicate whether indeed there will be, or how much or how great the expansion will be in this area, but there has been some discussion with the Government of Canada or representatives - informal discussion.

MR. BEARD: Well, a supplementary question, then. Is it correct to say that the Federal Government have \$15 million put aside on a five-year program for Churchill?

MR. USKIW: I was led to believe some time ago that there was a pending program for the added facilities at the Port of Churchill to handle greater volumes of grain, but that was not official so I would hesitate to state that that was a definite commitment. But I could check into the matter for my honourable friend.

MR. BEARD: I'd like to redirect the question to the Minister of Industry and Commerce then. If in fact the Federal Government are disbanding the National Harbours Board, will the province be responsible . . .

MR. SPEAKER: Order, please. The honourable member is stating a hypothetical question. Will he rephrase it?

MR. BEARD: Mr. Speaker, the National Harbours Board has been disbanded by the Federal Government; will the province be taking responsibility for equipping the harbour?

MR. EVANS: I understand it is still a functioning group at any rate, Mr. Speaker, but really the honourable member is asking a question of policy, you know, which as per usual will be announced in due course, but I'm not quite sure whether the honourable member has all his facts straight in this case.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: A supplementary question on the same point. If the Harbours Board is not disbanded . . .

MR. SPEAKER: Order, please. That's a hypothetical question the member is putting.

MR. FROESE: No, I was going to ask the question at what date it will be if it is not.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a question to the Minister of Industry and Commerce. Can he advise the number of jobs that were -- employment figures for Western Flyer Coach as of the first of this year; what they are now and his predictions for later this year.

MR. SPEAKER: Order, please. I think that would be better for an Order for Return. The honourable member is asking statistical data. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Honourable Minister of Municipal Affairs. I wonder if he can advise the House how many government auto insurance agents have been appointed up to the present time.

MR. PAWLEY: Mr. Speaker, I'm not aware of any government automobile insurance agents being appointed as of this date.

MR. PATRICK: A supplementary, Mr. Speaker. I would like to ask the honourable

(MR. PATRICK, cont'd.) . . . . minister, under what authority does Mr. Bill Lylyk of Bill Lylyk Insurance Agencies, 934 Autumnwood, offer to sell government auto insurance?

MR. PAWLEY: Mr. Speaker, I am aware of the reference that the honourable member is making. I've seen the memo in question. I have been somewhat puzzled, as he is, except that I recall from the submission to the Public Utilities Committee last summer by the party in question the information so offered, and I think it's pretty clear that he would meet, according to the financial data that he presented to the Committee, the criteria that we've indicated as being such as to permit the appointment of an agent.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is for the Minister of Finance and Urban Affairs. Could the Minister indicate whether or not additional copies of Bill 36 will be available to the public?

HON. SAUL CHERNIACK, Q. C. (Minister of Finance)(St. Johns): Mr. Chairman, may I say in response that I heard the honourable member who asked this question suggest on radio this morning that he suspects that I might be desirous of withholding that bill from public circulation, which I felt was a remark that was not necessary and unwarranted. As a result, however, of hearing him make the remark, I caused enquiries to be made from the Queen's Printer who is responsible for printing. I've been informed that he has instructed that a number of bills be prepared, double the number that is normally prepared, because he expected that there would be requests for it.

I've also been informed that the Queen's Printer made an effort to make sure that members of the House had copies available quickly and they were distributed last week, and the question of the honourable member was; will they be made available to the House? And the answer is they have already been made available to the House. However, I've also been informed that they are still going through the binding process for the balance of the printed material and that the Queen's Printer should have it fairly soon.

I'm informed just at this moment that 100 copies have been received by the Queen's Printer this morning from the Binder's and there will be more tomorrow, so that there is action being proceeded with at that level.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is for the First Minister. I wonder whether he can indicate now to the House whether the government intends to finance Metro in the purchase of 50 buses from Western Flyer Coach.

MR. SCHREYER: Mr. Speaker, that remains a distinct possibility.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder whether he can indicate to the House whether employment figures will go up or down for Western Flyer in the immediate future.

MR. EVANS: Well, Mr. Speaker, you know, the honourable member is asking a very speculative type of question. I think that this industry is a very important industry for the Province of Manitoba and I have every confidence that it will carry on both within the Greater Winnipeg area and in the Town of Morris.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I should like to direct my question to the Attorney-General and ask him if he successfully lost -- if there is any indication that he successfully lost the case that he presented before the Supreme Court on Monday.

MR. SPEAKER: The Honourable the Attorney-General.

MR. MACKLING: Well, I regret to say, Mr. Speaker, that the matter is before the courts. All I can say is that we're getting more support, which is of course what we didn't want.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. When will the insurance companies be notified as to whether they will be eligible to sell the supplementary coverage?

MR. PAWLEY: Well, Mr. Speaker, I had assumed from various statements that I have been making for some time, that it has in fact been clear to the insurance industry that supplementary coverage could be made available to the consuming public either through the government agency or through the private companies, so that I do not think that there should be any lack of precision at this time as to knowledge of that fact.

MR. McKELLAR: Mr. Speaker, have you written insurance companies in Manitoba, selling insurance in Manitoba, have you written them a letter yourself? The Chairman of the Corporation?

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: I should like to direct a question to the First Minister and ask him if he is contemplating a Cabinet shift involving the responsibilities of the Attorney-General.

MR. SCHREYER: Mr. Speaker, I fail to see the humour and certainly there is no necessity. There is no necessity of even considering that suggestion.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. My question is for the Minister of Municipal Affairs. Can the Minister inform me if the changes that have taken place in the lumber industry and the sizing of the finished product, will this have any effect on the National Building Code?

MR. PAWLEY: I'm afraid that the honourable member has asked me a question which is a little bit out of my particular water so that I'll take the question as notice. I would think not. I don't even know what specific changes he has in mind that have taken place recently in the province.

MR. GRAHAM: Mr. Speaker, if I may have the indulgence of the House, I would like to clarify. Under the new changes adopted by the lumbering industry, the material will be planed to a smaller dimensional size which might very well weaken the strength of the product, and I wonder if it would affect the National Building Code.

MR. PAWLEY: I'll take that question as notice, though I wonder if the only source that the answer could be obtained from would be from the lumber industry themselves.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Yes, Mr. Speaker. I can't express my amazement and therefore I have to ask another question of the Minister of Industry and Commerce. Is it a fact, then, that one Mr. Ault only invested \$12.00 in this Western Flyer Coach in the takeover?

#### ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 25 please.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer Affairs. The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I adjourned debate on behalf of the Honourable Minister of Consumer, Corporate and Internal Affairs.

MR. SPEAKER: The Honourable Minister will be closing debate? Is that correct?

HON. BEN HANUSCHAK (Minister of Consumer, Corporate & Internal Services)

(Burrows): Mr. Speaker, as I had indicated on introducing this bill on second reading, the purpose of it, there will be two amendments that we would wish to make in committee. There are two corporations which have been reinstated, namely the Presbyterian Synod of Manitoba and the Riverview Golf and Country Club. So I would urge honourable members to allow passage of this bill on second reading and then in committee the appropriate amendments will be made to remove the names of those corporations which have been reinstated.

MR. SPEAKER: I would like to confer with the Clerk for a moment. The Honourable Member for Brandon West.

MR. EDWARD McGILL (Brandon West): Mr. Speaker, I have a question for the Minister. Could he confirm that all reasonable steps have been taken to ensure that any other people now associated with those charters which are being rescinded have been given notice of this step?

MR. HANUSCHAK: Yes, Mr. Speaker.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Will you call Bill No. 32, Mr. Speaker, and then Bill No. 33.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Minister.

MR. HANUSCHAK presented Bill No. 32, an Act to amend The Real Estate Brokers Act, for second reading.

MR. SPEAKER presented the motion.

MR. HANUSCHAK: Mr. Speaker, this is a very short bill. The only purpose of it is to tie it in with the bill to follow, the Mortgage Brokers and Mortgage Dealers Act which I will be moving shortly, and to make it an offense under the Real Estate Brokers Act of any offense

(MR. HANUSCHAK, cont'd.) . . . . committed under the Mortgage Brokers Act, so anyone registered under the Mortgage Brokers Act committing an offense under it would be treated in the same manner, would be deemed to have violated the provisions of The Real Estate Brokers Act.

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

MR. JORGENSEN: Mr. Speaker, in looking over the -- and there's not a great deal of difficulty in attempting to determine what is involved in this particular bill. What I do notice is that the change that is involved is a change which says that anyone who is in violation of the Act or its regulations will deem to have been committed a fraud under the Act. The previous Act read that if anyone was in violation of the Act itself, he would deem to have been committed a fraud. Sir, what this boils down to is that the regulations, changed as frequently as they are, surely the Minister cannot expect that the public in general are going to be apprised of those changes from time to time and it could be that inadvertently and unwittingly, people could come in violation of this Act simply because of changes that are made from time to time, and I don't know what mechanism or machinery there is for the Minister to advise everyone who is going to be affected by this Act, of changes in regulation in time to prevent them from coming in violation of the Act, and I would want the Minister to, before he closes the debate on this particular Act, I wonder if the Minister could advise the House if there are going to be any steps taken to ensure that people who do become involved with the Act -- that is, all of the real estate brokers in this province -- are going to be sent copies of the regulations immediately that those regulations are approved by Order-in-Council. If not, then it becomes possible for the Minister to accuse and bring to court people who are in violation of the regulations from time to time without their knowledge, and I hope that the Minister can give some satisfactory answer to this question to ensure that people, who without deliberately attempting to defraud or deliberately attempting to be in violation of the Act, are not going to be accused as a result of the passage of this amendment to the Act.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. In carrying on from where the Member for Morris left off, there's something here that bothers me a great deal, Mr. Speaker, and this is the difference between the intent of legislation and the application of legislation and the commission of an offense, shall we say, which can be brought about by a change in regulation. I don't think anyone questions the fact that through -- a commission of an offense of the intent of the House as laid down in the bill is, in fact, a fraud. This has stood up to the test of time for a considerable length of time, but now we're getting an expansion of the field of fraud from the intent of the legislation to the actual application of the legislation. And I would think, Sir, that an offense, a wrong-doing caused by regulation, which might be only a minor thing, should not be considered fraud at all. It might be ignorance of the changes in the regulations; it might be a fault of government in their rapidity in changes in regulations; in fact, it might be because of a tendency that we see inherent in this government at the present time to bring in retroactive regulations and legislation that a company could be, or a real estate broker could be actually completely innocent but, because of the retroactive nature of regulations, could be in fact found guilty. So I see grave danger here in having the offense of fraud extended to cover regulations, and I would ask the Minister to consider seriously a possibility of an offense of regulations having some lesser charge than that of fraud.

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

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

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

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Minister.

MR. HANUSCHAK presented Bill No. 33, The Mortgage Brokers and Mortgage Dealers Act, for second reading.

MR. SPEAKER presented the motion.

MR. HANUSCHAK: Mr. Speaker, the need for an overhaul of The Mortgage Brokers Act was revealed by the collapse of Transcontinental Mortgage Investments Limited at the end of 1968. This company, which was registered as a mortgage broker, solicited and received money from numerous clients for investment in mortgages and a great deal of this money was misapplied or squandered and, when it was eventually put out of business, it had liabilities to



(MR. HANUSCHAK, cont'd.) . . . . clients for money received and not invested amounting to about \$70,000, and it had practically no assets. Now there was no bond because at that time the Act did not require one. The company had not kept its clients' money segregated from its own in a trust account, again because the Act did not require it, and obviously, I'm sure that honourable members will agree, Mr. Speaker, that this situation should be corrected.

Now in point of fact the Act was passed to protect borrowers from fraudulent mortgage lenders and this objective appears to have been achieved. Now unfortunately, it was given a misleading name. It really ought to have been called The Mortgage Lenders Act. It was not designed to protect investors who invest their money, or entrust their money to a broker for investment in mortgages, and this protection has now, Mr. Speaker, been shown to be required.

Now we in Manitoba, I think we're fortunate that we've not had more trouble of this nature. Maybe the principal reason is that a large part of the mortgage investment business in Manitoba is in the hands of one company, and fortunately that one company conducts its business in a very responsible manner. However, it is apparent from our experience that at any moment another competitor may enter the field, and in addition some real estate brokers also engage in this business as a sideline. Now our existing regulation of real estate brokers was not designed to cover a mortgage investment business, and it's liable to prove inadequate to do so. Now, although a real estate broker does receive money from his clients in trust, he normally only holds funds for a few weeks and a failure by him to honour his trust obligations is therefore likely to result in complaints to the Public Utilities Board while the amounts are still quite small.

Mortgage investment, however, is a long term proposition and it is possible to cover over a shortage for quite some time by robbing Peter to pay Paul, while underneath the shortage is getting steadily larger. Now in 1969 the Bill No. 67 to amend the Mortgage Brokers Act was introduced, but it died with the last election. Now while that Bill could simply be re-introduced, there are other minor shortcomings in the Act which might as well be cured at the same time by completely re-writing it, and this is what this draft bill proposes to do.

Mortgage broking is really three distinct businesses; the lending money on a mortgage, the one; second, the arranging a mortgage by bringing together the borrower and the lender; and the third, receiving money for investment in mortgages. Now in the first, the lending money on mortgages, the broker may be lending his own money. In the second instance, arranging the bringing together of borrowers and lenders, no money passes through the broker's hands. The parties are referred to a solicitor and he completes the transaction. Now in the case of receiving money for investment in mortgages, it's in that case that the broker is handling an investor's money; and the draft bill, you will find, Mr. Speaker, draws a sharp distinction between persons carrying on business as lending money on mortgages or arranging the meeting of borrowers and lenders on the one hand, and those receiving money for investment in mortgages on the other hand.

The former, those who arrange for a meeting of the two, those alone lend money on mortgages, are called the mortgage brokers while those who receive money for investment in mortgages are called, in the Act are referred to as the mortgage dealers; and the third part of the bill, honourable members will find, applies only to mortgage dealers. They are the ones who are required to keep trust accounts and file financial statement and furnish a bond. These are wholly new requirements. The regulation of mortgage brokers, on the other hand, will be much the same as it is now - a person registered as a dealer will not have to register separately as a broker, because of course the greater will include the less.

At the present time, registered real estate brokers can carry on business as mortgage brokers without having to register under the Mortgage Brokers Act. Now this exemption will be continued, but if they are going to handle investors' money, they will now have to register as mortgage dealers and this will, incidentally, for the first time, disclose how many real estate brokers are doing this.

This Bill creates for the first time a category of mortgage salesmen corresponding to that of real estate salesmen. At present there is no control whatsoever over the employees of Mortgage Brokers. The bill also contains certain exemptions from registration. These are similar to those contained in the present act, Mr. Speaker, except that they are split up on what is thought to be a logical basis as between exemptions from registration as a broker and exemptions from registration as a dealer. The definition of Mortgage Dealer necessarily has to include not only persons who accept money for subsequent investment, but also persons who

(MR. HANUSCHAK, cont'd.) . . . . . make a business of lending money and then selling the mortgages. A non-professional lender who wants to sell a mortgage would not thereby make himself a dealer because he is not carrying on a business, but a professional lender is carrying on a business as a broker; there is a danger that as soon as he sells the mortgage he thus makes himself a dealer, and the Bill permits a broker to make occasional sales without being classified as a dealer.

Dealers will be required to furnish two bonds. The first is an ordinary surety bond obtained from a bonding company, as in the case of real estate brokers - this is intended as a source of funds to make good losses suffered as a result of defalcations by the dealer. The second bond will be a bond of the dealer alone, without a surety, for \$1,000.00, and the purpose of this is solely to give the Crown a claim for \$1,000.00 against a defaulting dealer, which is enough to found a bankruptcy petition. This will enable the board to file a petition in cases where this is desirable but no creditor is prepared to take the first step. A possibility exists that a dishonest dealer may defraud a borrower and then sell the mortgage to an investor. It's very difficult to protect simultaneously both the ultimate lender and the borrower against a dishonest middle man, but the bill tries to accomplish this so far as it is possible to do so.

Now together with this, Mr. Speaker, there was the accompanying bill which I had introduced a few moments ago proposing an amendment to the Real Estate Brokers Act, which contains reference to the present Mortgage Brokers Act because the fraud as defined in this legislation is an offence calling for certain sanctions that can be imposed by the courts and others by the Public Utilities Board.

That, Mr. Speaker, in general is the content of the bill, and I'll be happy to, in closing debate later on, answer any questions that honourable members may have.

MR. SPEAKER: The Honourable Member for Brandon West.

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

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

MR. GREEN: Would you call Bill No. 26, please, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Health and Social Development, The Honourable Minister.

MR. TOUPIN presented Bill No. 26, The Hearing Aid Act, for second reading.

MR. SPEAKER presented the motion.

MR. TOUPIN: Mr. Speaker, I would like to explain why we are proposing legislation regarding the fitting and sale of hearing aids as provided in Bill 26. This bill by its composition has a twofold purpose. Its primary purpose is to protect the consumer by ensuring competency by the individuals fitting hearing aids. The second purpose is to prepare an educational program that will aid the hearing aid dealers in becoming hearing aid fitters with a healthy margin of professionalism.

This bill provides for a board appointed by the Minister of Health and Social Development. This board would have powers (a) to protect the consumer by regulating procedures to be carried out by the hearing aid dealers in this province; (b) to decide upon the educational requirements to practise as a dispenser of hearing aids; (c) to enforce both the regulations instructed by the board and the various phases of this proposed Act.

Mr. Speaker, this legislation is not being proposed with the purpose of harassing the present sellers of hearing aids in Manitoba. It is not intended to throw the present dealers out of business. As you know, at present anyone, anyone who can secure one or two brands of hearing aids can set himself into business and call himself a hearing aid specialist. It should be made clear, Mr. Speaker, that a hearing aid, like a pair of eyeglasses or false teeth, is a prosthetic device.

A prosthetic device is actually a paramedical device that corrects certain pathological problems. It is expected of the optometrists who measure the eye for eye glasses to take a five-year course to be competent. The government not only requires this but their own organization demands it. A poorly fitted hearing aid can cause very serious harm both physically and mentally, as can a poorly fitted pair of eyeglasses.

Certainly the consumer has the right to know that the person fitting his hearing aid has met a set of standards in his profession that will enable him to fit this prosthetic device properly.

As you may have noticed, there is no grandfather clause in this proposed legislation.

(MR. TOUPIN, cont'd.) . . . . The people presently fitting hearing aids would be given a temporary licence. The licence would become certified after the dealer has passed a set of examinations determined by the board. However, it should be understood, Mr. Speaker, this only applies to the present hearing aid fitters and not to salesmen - or to put it bluntly, pushers - roaming the province and selling hearing aids along with other goods.

Mr. Speaker, as I have said before, the prime purpose of this proposed legislation is to protect the consumer. I would respectfully draw to your attention clause 12 (2). It is felt that particular attention must be given to the young people of this province. There are 40,000 people with hearing problems within the Province of Manitoba. I am told by eminent otologists and audiologists that if many of these people had received care when they were young that some of these problems would have been reduced, like the Honourable Member from Morris seems to have now.

A hearing aid does not always solve a hearing problem. The condition can sometimes be effectively cured by surgery and medicine. It is the intent of Section 12 (2) to make sure that at least children are going to be assured that no pathological condition exists that could be effectively taken care of by means other than a hearing aid.

It would have been better if all people with hearing problems would have to see an otologist and an audiologist before purchasing an aid. -- (Interjection) -- Is there a question?

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Did he say ecologist?

MR. TOUPIN: I would suggest, Mr. Speaker, that the honourable member read Hansard - he has a little problem hearing.

However, there are not sufficient otologists and audiologists in Manitoba to make this feasible. Perhaps in the future, 12 (2) will include everyone in the province with audio problems.

Mr. Speaker, California has just enacted legislation regarding hearing aid dealers. Other states are following this pattern. Britain has had legislation for some time. Our neighbour to the west, British Columbia, has passed Bill 35 called the Hearing Aid Regulation Act, and I would like to read to you the explanatory note at the end of the Act: "The purpose of this Bill is to regulate the practice of hearing aid dealers and consultants to provide for registration to discipline members and to penalize those persons practising without registration."

I feel that the purpose of Bill 26 has much higher aims. It is not proposed only to protect the consumer, but upgrade the professionalism of the present fitters of hearing aids, and I am confident, Mr. Speaker, that within a very short time the Hearing Aid Dealers Association, comprised of certified hearing aid fitters, will approach the government of Manitoba requesting that this Act incorporate further additions to ensure their higher competency.

Mr. Speaker, for the good and welfare of the consumers of this province, I strongly urge support of Bill 26.

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

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I move, seconded by the Member from Morris, that the debate be adjourned.

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

GOVERNMENT RESOLUTIONS

**MR. SPEAKER:** The Honourable the Attorney-General.

**MR. MACKLING:** Mr. Speaker, I move, seconded by the Honourable the Minister of Mines, Resources and Environmental Control, a resolution:

**RESOLVED** that the Standing Committee on Statutory Regulations and Orders appointed at this Session be authorized to sit during recess and after prorogation for the purpose of considering the consolidation and revision of regulations of the province presently being prepared by the Revising Officer in the Department of the Attorney-General and for the purpose of considering any other matters referred to the Committee under any Act of the Legislature or any resolution of the Assembly, and I so move.

**MR. SPEAKER** presented the motion.

**MR. MACKLING:** I don't know whether members want any explanation. Well, Mr. Speaker, as the words of the resolution indicate, the Revising Officer of my department has been spending a considerable amount of time in the revision and consolidation of the regulations that have been passed and promulgated under the many, many Acts of this Legislative Assembly. We, as you recall, completed a revision in consolidation of the statutes in 1970, and we then embarked on the revision and consolidation, or consolidation and revision, whichever juxtaposition of those words, immediately thereafter because the regulations can become dated and confused and archaic, and it's just as desirable to have the regulations reviewed and revised, consolidated, so that hopefully we'll be able to put the regulations, once they've been revised on magnetic tape and through the computer be able to make revisions and deletions, additions and so on and keep the regulations as up to date as the Revised Statutes. It will be a great saving of time to the honourable members of the House and all persons who are concerned about the regulations that are enacted pursuant to Statutes of the Legislature.

I think it's a very simple resolution. The resolution will make it possible that during the recess, members of this committee can come together at the call of the Chair when necessary, when the Revising Officer has prepared a sufficient amount of regulations in revised form for our review and if it is agreeable, approval and recommendation back to the House.

It is anticipated that this will be an ongoing process. There are a great many regulations and I can't tell honourable members when the work will be completed but the Revising Officer has indicated to me that he would like to be able to have a meeting of the committee during some time perhaps this fall. He has been discussing the matter of programming the recording or the print-out on magnetic tape with the computer people and they indicate that they wouldn't really be ready to do much in a co-ordinated way until some time in the fall. So I would like to have this resolution passed so that the committee can meet when the Revising Officer thinks it is appropriate, call a meeting together, review the regulations and hopefully get on with the work.

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. JORGENSEN:** Mr. Speaker, as I understand the explanation given by the Minister, it is the intention of the government to set up this committee, and if I'm not mistaken, the committee has been a standing one of this House that has been meeting on somewhat infrequent occasions. I don't know if the committee met at all during the last session. I am not a member but I don't think so. If the Minister's explanation, if I understand it correctly, it is the intention of the government to set up a system insofar as the regulations are concerned, similar to that which now applies to the statutes where changes - and they seem to be coming at an ever-increasing rate - will be incorporated in the looseleaf -- and I presume it's a looseleaf folder similar to that now in use in the statutes -- the changes will be incorporated as quickly as possible after they have been passed by Order-in-Council. I would hope though, Sir, that the changes in the regulations could come out to those who would be desirous of receiving them at a much faster rate than they're coming out under the statutes. It is some time from the date of passage of an Act in this House before it is forwarded on to those who have copies of the statutes to be included in the amendments to the statutes and being kept up to date. I think it is even more important that the regulations be sent out to those who are concerned, because it is by those regulations in many instances that they are governed. I have been following the Canada Gazette in the past few weeks and have noted some substantial changes in many of the regulations, that unless one spends a considerable amount of time reading them you could fast become outdated and it was this very point I raised in connection with Bill 32 just a few

(MR. JORGENSEN cont'd.) . . . . . moments ago - the desirability of insuring that changes in the regulations are brought to the attention of those concerned as early as possible.

If the setting up of this committee and the intention of the Minister to incorporate those changes in the regulations in a similar fashion to which they are now being done, with the one exception that they be done at a faster rate; if that is the intention of the government then of course we wholeheartedly support it because we feel it is a very desirable thing to do. How the setting up of the committee and the work of the committee will fit into all this is something that I'm not sure of at the moment but we hope that once the committee is set up and they have met, some order will come out of what is -- (Interjection) -- well, I don't know if the members have been named on that committee as yet; if that is the case, then it only requires the authority of this resolution for the committee to meet at the earliest time, and if that is the intention of the government then we have nothing to say but that we approve of it and we hope it will be done very early.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): . . . possibly for clarification. It's my understanding that the committee has been set up by virtue of the report from the Special Committee of five that was appointed to deal with committees. Now if there is an inclination, Mr. Speaker, again by way of explanation, for the committee to meet during the session, there's nothing to prevent that from being done. The resolution of my colleague the Attorney-General merely gives the authority for payment of expenses and for the sitting of and per diems and the like for the committee to sit during the recess.

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

MR. FROESE: Mr. Speaker, I'm not sure whether I should speak now. I only have a few minutes. -- (Interjection) -- No, but honestly I feel that we should also have a concurrence motion every year so that the regulations would be sanctioned by this House. I feel that this was done in years gone by and it has been discontinued for some reason or other. I don't know what the reason is, why it isn't done, because for many years at every session we had a motion of concurrence in connection with the regulations that were passed in a given period of time. I feel this has not been done and I feel that it should be done because I feel every piece of legislation, whether it's statutes, whether it's bills passed or whether it's regulations by Cabinet, should be sanctioned by this House and for that reason I feel that motions of concurrence should be passed by this House in conjunction with resolutions such as is before us.

I feel that the committee should still be sitting, or be set up and sitting so that they could deal with the more detailed business that comes before it and consider matters and then bring in recommendations which is quite in order. However, the matter of having regulations ratified I think should also be a matter for this House to deal with.

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

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Mines and Natural Resources that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of Supply with the Honourable Member for Radisson in the Chair.

#### COMMITTEE OF SUPPLY

MR. CHAIRMAN: We are dealing with the amendment to Resolution No. 58. Are you ready for the question? The Member for Riel.

MR. CRAIK: Mr. Chairman, I want to resume some of the comments from last night regarding the water control on Lake Winnipeg with regard to the Nelson River studies. The concern with regard to last night is that we still are not getting down to the meat of the Minister's responsibilities with regards to Lake Winnipeg and the accusations from this side which I still think are legitimate, are that a power decision has been made on Lake Winnipeg and the Minister has not fulfilled his responsibility under the Water Commission responsibility or his own department's responsibility.

After my few remarks last night in which I went over some of the details of past reports and tried to point out that the Chairman of Hydro was far afield when he said that there had

(MR. CRAIK cont'd.) . . . . . been unanimity and an alarming degree of agreement on the work that had been done by consultants and specialists in the last 20 years, pointed this out to the Minister, referring and giving him specific quotes from the reports as late as March, 1970. The Minister came back with a very inappropriate, I think, attack - maybe not an attack - certainly a very inappropriate set of comments about the former Premier of this province, Mr. Campbell, who made his presentation at the committee hearings yesterday morning.

Now, in my remarks I had not made any reference to Mr. Campbell's remarks. However, the Minister must have had this preying uppermost on his mind because he bounded to his feet and attacked on the basis that he had proven unequivocally that Mr. Campbell had been wrong and that it was a closed book.

MR. GREEN: Mr. Chairman, I rise on a point of privilege. I neither attacked Mr. Campbell, nor did I say that he had been proven to be wrong; all my remarks were to the effect that Mr. Campbell had my every respect. I don't know why the honourable member should now make a case out of the fact that I attacked Mr. Campbell; nor did I say that he was wrong. I said that other people disagreed with him.

MR. CHAIRMAN: The Member for Riel.

MR. CRAIK: The Minister's remarks are quite temperate today. It was quite clear last night that his exchange with Mr. Campbell had in his mind, he'd found a great contradiction in Mr. Campbell's position and this therefore had some sort of implication on his judgment, he was a layman and therefore didn't have judgment to pass on this particular issue. And if the Honourable Minister thinks I'm taking him out of context perhaps there are other members who were in the House last night that can tell him what he actually did say so that he can know for sure or he can read Hansard. But he suggested that we were busy quoting Mr. Campbell's position over here and his position was not mentioned. That incidentally is beside the fact, but let's perhaps look at some of Mr. Campbell's presentation to the committee and see if, in fact . . .

MR. GREEN: Mr. Chairman, on a point of order.

MR. CHAIRMAN: Order, please. I have to listen to the point of order before I can ascertain whether it is a point of order. The Minister of Mines and Environment Management and Natural Resources.

MR. GREEN: I want to indicate that I feel, and I have no sensitivity about dealing with these questions, except I want my honourable friend to be aware that there are two departments. There is a Minister responsible for Hydro, there is a Minister responsible for the Department of Mines and Natural Resources. My honourable friend wants to deal with the Hydro decision for deciding to proceed in a certain way. I would submit that the estimates of this department deal with how a resource is being affected by hydro use. As to why Hydro is proceeding in a certain way - I'm not saying that I couldn't deal with the question - I am saying that it is not appropriate under these estimates. It is now being discussed at Public Utilities and the Minister for Hydro is the First Minister.

MR. CHAIRMAN: Order please. The point of order is well taken. The remarks relevant to the Hydro as such should be directed to that Minister, but in allowing the latitude that we have in debate, because of the overlap of water resources and hydro development, perhaps we have been a little too lax and I would ask members to direct their remarks to the Minister's particular responsibility. The Member for Riel. The Minister.

MR. GREEN: Mr. Speaker, on the same point of order I would like to make the point that in making my answers throughout, I have always dealt with the way in which the Hydro resource affected the water which is the problem which is under my jurisdiction. As to the Hydro decision, I've indicated that that was based on the judgment of Hydro and the reports they have received. I'm not saying that that's not open to question; I'm saying that that is not the particular responsibility of this department.

MR. CHAIRMAN: The Member for Riel. The Member for Morris.

MR. JORGENSON: I was going to deal with the same point now just raised by the Minister of Mines, Resources and Environmental Development and that is that it is extremely difficult to deal with the whole question of Hydro development because precluding any Hydro development is the question of water resources which does come under my honourable friend's jurisdiction; and if I followed the debate that has been going on and especially as it's been conducted by my friend from Riel, he has been dealing with that very aspect of water resources and I think as long as he's dealing with water resources as they relate to Hydro, then he is perfectly

(MR. JORGENSON cont'd.) . . . . . in order in dealing with them . . .

MR. CHAIRMAN: The Minister.

MR. GREEN: Mr. Chairman, on the point of order, the member was not going into Mr. Campbell's remarks about how the Hydro decision and the value of the amount of loss that will be occurred in terms of Hydro's use of one decision as to another, doesn't deal specifically with the water resource.

MR. CHAIRMAN: The Member for Swan River.

MR. JAMES H. BILTON (Swan River): I'm amazed at the attitude of the Minister today as opposed to his attitude yesterday. He was far-ranging and he covered the subject that my honourable friend is possibly attempting to answer today. Surely he's going to have the opportunity to answer some of the questions that my honourable friend brought up yesterday. And he was not concerned whether it was Hydro or water or what yesterday.

MR. CHAIRMAN: I'm sorry. The member did not have a point of order. The Minister, I would ask members - some of you may recall, I pointed out when we first got into this particular can of worms under the Minister's salary that perhaps we should not address ourselves to things that were under consideration by the Public Utilities Committee, but it seemed to be the will of the committee at that time that we include some of the aspects of Hydro development relative to water resources. I would ask honourable members to keep their remarks relevant to the Minister's responsibility, but not Hydro.

MR. SPIVAK: Mr. Chairman, on the point of order. I hoped to have occasion to enter the debate and I have some precedents -- on the point of order -- I have some precedents which will indicate that these discussions in the past have taken place on the Minister's Estimates, appropriately, and I think we should follow the . . .

MR. CHAIRMAN: Order please. I will address myself to whether the remarks are in order or not in order when they are made. The Member for Riel.

MR. CRAIK: Mr. Chairman, how it's possible to divorce these two is going to be quite a job for you. -- (Interjection) -- Well you . . .

MR. CHAIRMAN: Order please.

MR. CRAIK: I remind the Minister that I was not the person that referred to Mr. Campbell's position but it was him who introduced it into this debate. I don't intend to talk about Mr. Campbell's particular views on all aspects of Hydro but there are certain aspects that are so closely and inexorably tied to the water resources of particularly Lake Winnipeg that you have no alternative. Let me read you one bit. It says: "Is it not a fact that inter-connections with neighbouring utilities" -- now, just a minute. Now I'm not -- Mr. Chairman, I rise . . .

MR. CHAIRMAN: I can't determine until I hear the point of order whether it is not a point of order. The Minister.

MR. GREEN: Mr. Chairman, the member is now referring to the Hydro policy as to inter-connecting utilities and I urge my honourable friend that if he will refer to the remarks that I made yesterday when I was talking about Mr. Campbell I talked about use of Churchill River diversion as a resource, use of Lake Winnipeg as a resource, the way in which the Hydro program affected the use of that resource, but I did not deal with and I -- if the debate ranges in that way I have no objection, but I submit that there is a Minister responsible for Hydro under whose Estimates those things come; there is a Minister in charge of water resources under whose Estimates those things come which -- Water Commission, yes; how Lake Winnipeg will be affected, yes; how the Churchill River Diversion will be affected, yes; but the Hydro decision itself and the basis upon which they made the decision, that is not my responsibility. -- (Interjection) -- Well it's not . . .

MR. CHAIRMAN: Order, please. The Member for Riel.

MR. CRAIK: I want to ask the Minister who signed the interim licence on Lake Winnipeg?

MR. CHAIRMAN: Order, please! Order, please! A question to the Minister is not a point of order. The Member for Riel.

MR. CRAIK: All right, Mr. Chairman, I'll ask you. Are you or the Assembly aware of who signed the interim licence on Lake Winnipeg? -- (Interjection) -- Fine. And is the Minister aware, are you aware, is the House aware that the drawings are all provided with that that show control structures on Lake Winnipeg that apply to the control of waters on Lake Winnipeg drawn up by Hydro? The Chairman of Manitoba Hydro says that included in that

(MR. CRAIK cont'd.) . . . . could be lock control for transportation between Lake Winnipeg and the system? -- (Interjection) -- What do you think I was trying to do? I've been trying for fifteen minutes to discuss it.

MR. CHAIRMAN: Order, please! Order, please! The Member for Riel. -- (Interjection) -- Point of order? The Attorney-General.

MR. MACKLING: Mr. Speaker, I think it's quite clear that the Minister of Mines and Resources has pointed out that it's necessary to differentiate that he is not and cannot speak for Hydro on a weighing of the economics of Hydro decisions. He is prepared to speak and comment and argue in respect to decisions in respect to the use of natural resources but as to the economics of the Hydro decisions . . .

MR. CHAIRMAN: Order, please! Order, please! I wish to thank all honourable members for their advice to the Chair and it will be taken into consideration in trying to maintain order in this august Assembly. The Member for Riel.

MR. CRAIK: The Minister used last night as the basis of his position the Task Force Report presented by Hydro. Right?

MR. CHAIRMAN: Order, please.

MR. CRAIK: It's all water control.

MR. GREEN: Is that a question?

MR. CRAIK: No, it's not a question. I'm stating a fact. The Minister last night stated that the basis of his position and his decision on Lake Winnipeg was very highly based on the Task Force Report.

MR. CHAIRMAN: Order, please! Order, please! That is a matter of debate and the Minister will have his opportunity to reply. The Member for Riel.

MR. CRAIK: All right, the Lake Winnipeg interim licence was signed by the Minister, was granted by the Minister, with drawings showing the control structures on Lake Winnipeg, Manitoba Hydro drawings. The Chairman of Manitoba Hydro says that there could be a lock system tied in with these. Question No. 1: Is there a lock system planned to be tied in with these? Has consideration been given to this? The drawings are complete. I don't see any lock system here. I asked him the question yesterday whether the Hydro graphs that were shown show the peaks occurring normally in June and July, whether these are logically -- that's water control? That's fine. That's what I was trying to ask you yesterday but you were trying to present another case yesterday. Well maybe you'll answer it today.

Is it not a . . . factor that the elevations that he's talking about, 717 or 715 for Hydro, is to occur in the fall of the year where normal peaks occur earlier in the year? Is this not a factor that should come out in hearings on Lake Winnipeg? Fine. After the facts. After the interim licence is granted and the final licence is granted. I ask you if it's not important to take into consideration the fact that the inter-connections from a hydro point of view have very clearly been pointed out to -- have had a significant effect on water storage requirements in Manitoba? This is pointed out in the Task Force Report which the Minister referred to; or am I allowed to refer to the fact that there is a tie-in between water storage requirements and external import-export policies of this government? Has the government considered the import-export factor? I don't think the government was aware of the predictions of the United States. I don't think the Hydro officials were. -- (Interjection) -- You're a member of the Cabinet. This is government policy.

MR. CHAIRMAN: Order, please. Order, please. If those people who wish to speak speak and ignore those people who seem to not be able to control themselves, and while they're speaking not couch their contribution in terms that require an immediate answer perhaps we can proceed in an orderly fashion. I would suggest that the argument used by the Member for Riel would pertain to any department. All Ministers are members of the Cabinet so that if we grant enough latitude then any Minister could be examined on any responsibility of another Minister. So I would once again ask the Member to direct his remarks as much as he can directly to the responsibility of the Minister. The Member for Riel.

MR. CRAIK: Well, Mr. Chairman, I'm not given to usually trying to deliberately start a fight and I'm not deliberately trying to start a fight, but I find it very difficult to see how you can separate water policy from decisions which come above it and how I can separate in asking the questions or making comments from the more basic decisions that do affect water I don't know. I think that if you insist on imposing this to the nth degree then what you're going to do to the House is much more serious than not having some forum for open hearings on the



(MR. CRAIK cont'd.) . . . . . decisions with regards to Lake Winnipeg.

A statement has been made and the claim has been made with a great deal of technical background by a number of consultants on environmental work, have been involved in environmental work, who also are involved in systems work that tie in with it, claim made that Lake Winnipeg control is not a necessity before 1993 and only then conditional upon economic restrictions. But in the meantime we've had a decision to go ahead with it at a level of control which is higher than the people of the lake were advised of three years ago, or two and a half years ago, and there has been no open forum for discussion of this higher level, albeit it's only one foot, with these people, although a foot is a significant difference on that particular lake.

I don't know exactly how you divorce these topics. If I could I would but I know it's impossible. What I am trying to ask the Minister is whether the import-export sales of power, imports of power does not have a significant effect on whether or not Lake Winnipeg regulation is implemented. The decision to go ahead with the lake regulation now is a power decision - despite what some may say it is basically a power decision and not a resource decision, not a people decision - does not take into account the fact that -- no, it's not a people decision. Their recreation facilities, the environment are not a factor. It's never been indicated there was. We now find another \$650,000 being spent to find out what is going to happen to the lake, after the fact, and the Minister is very desirous of cutting off any wide-ranging discussions of the topic and probably with darn good reason because he knows that you can't divorce Lake Winnipeg regulation from bigger decisions which affect Manitoba.

I would like him to answer if he can the questions as to whether any transportation considerations have been given, if that's a fair question, on navigation of Lake Winnipeg and the Nelson system into Cross Lake in particular, whether this has been given consideration. It doesn't show up in the drawings. If he can give us some indication as to whether at some future date if 711 or 715 is installed whether control with the same excavation that's there can be exercised to a lower maximum limit, which is a pretty important question. If the Hydro requirements are not as great, can it be made 711? You can't change the minimum limit but it may be possible to change the upper limit. Is it possible to reduce the upper limit to 714 or 713? What is meant by the range 711 to 715? These are all questions that people that live around the lake want answered and people that make their living from it would want answered; question they would want to ask, probably would have to ask only at a public meeting but not at a public hearing.

I would like to ask him if with regards to the Churchill River whether there is a significant difference in the effect of 854 feet of water to 850 on the community, whether the resource loss calculations that have been given - and again I suppose these have been presented by Hydro. It seems that Hydro can do resource work but we don't want Hydro work done by resource people. What are the values of the resource losses at the different levels? What is the degree of confidence in the predictions? Why was the Federal Government told by the Chairman of Hydro that a million dollars had been spent on resource inventories and on environmental damage inventories on the Nelson system when I think the maximum was \$100,000 over the last few years? Will the elevations of 854 versus 850 significantly affect the Granville community, because this is part and parcel of the proposal for hydro development? These are many of the questions, there are hundreds more that have to be asked. They all revolve around the decision now to control Lake Winnipeg, because as has been presented out at the hearings the agreement to the diversion or the control of Lake Winnipeg, the regulation of it basically is tied in with the control of levels on the Churchill River in South Indian Lake and on Granville Lake. Can he indicate to us whether or not the 25 houses, homes referred to by Mr. Campbell, moving of them, is a realistic figure at 854?

These are some of the questions, Mr. Chairman, that we'd like to have answered and I think that I'll leave it at that and see if we can make some headway and then I'll have some more.

MR. CHAIRMAN: . . . like to thank the Member for Riel for his obvious contribution to taking some of the heat out of the argument. The Minister of Mines and Environment Management and Natural Resources.

MR. GREEN: Mr. Chairman, I, too -- (Interjection) -- I would like to deal with the member's questions. I, too, sincerely want to say that I believe that I am also not trying to make an argument where one does not exist. I believe that any of the Hydro decisions which affect the resources of Manitoba and as to how they affect those resources and what we are

(MR. GREEN cont'd,) . . . . . doing about the effect of those resources are decisions which I am responsible to answer for. As to the financial reasons for them coming to a decision I believe that I could do a job on it but I think that I am not the appropriate Minister to do so.

I tell the Honourable Member for Riel that when this matter -- I hope the honourable member is listening because he wanted the answer -- the fact is that when we were last in the House, the Minister, the Member for Lakeside, answered all of those questions which dealt with the resource use of the Churchill River; as to why Hydro needed the program, as to how it justified the program, as to the economics of the program that was answered by the Honourable Gurney Evans who was the Minister in charge of Hydro. Now I believe that I could deal with these questions but I don't believe that it's appropriate. As to all of the last questions that you raise certainly I am responsible and I'm not attempting to in any way prevent a wide-ranging debate as you've indicated. I think we have been at this for some time and there's been no attempt to inhibit it. So I really ask the member to accept my sincerity that I'm trying to deal with those aspects of it which I feel that we are responsible for.

The member asks about a lock system and transportation system for Cross Lake. I think that you were there with everybody else when the Chairman of the Hydro Board indicated that they were talking about where control structures would go, and he indicated a possibility of three control structures on certain channels and then said we could substitute for this one control structure leading into Cross Lake; and then he said as almost an afterthought, "and it's suggested that if transportation was to be facilitated it's possible that a locks could be put in, but I suppose that the government would have something to say about that." So I think that that's the extent of any discussion on transportation. It appears to be a germ in the mind of the Chairman of Hydro which was not presented as an accomplished fact, which was presented as a possibility, which was not presented as something that had been put into diagrams or provided for. I can't suggest that any policy whatsoever has been made with regard to putting a lock system into the control works as they lead into Cross Lake - no. That's not something which anybody undertook to do, not something that anybody suggested would definitely be done; it was suggested as one of the possibilities that could or might arise eventually from the program that was being pursued.

My honourable friend asks about the elevations 715 to 717 and said that these occur at the spring of the year and why have I used the figure 717 when the lake only reached there on one occasion? Well I can't give the honourable member all of the occasions when the lake has been in the vicinity of 717, but my department assures me that there are many occasions when the level of regulation which we would now achieve would be a benefit in flood control on that lake. Now I hasten to add, not a wonderful flood benefit, if one wanted to use modest adjectives it would be a fairly moderate flood benefit but it would be a flood benefit to the extent that they were able to take the top level, if it was 716.5 and reduce that to somewhere in the naturehood of 715, that would be a flood benefit. And when you refer to people wanting it lower, then may I say to my honourable friend that you are asking for Lake Winnipeg regulation. You are asking for Lake Winnipeg regulation, you are asking for that money to be spent but you're saying that it should be spent to bring about lower levels, and I tried to make it clear yesterday, obviously I didn't - Lake Winnipeg regulation probably could not be proceeded with unless it was part and parcel of a Hydro project. So the only reason that we get this benefit is that Hydro in its judgment has been able to present to the government an acceptable Hydro program which will regulate the lake and at the same time have use of it for Hydro projects.

As to whether it is technically possible to use that regulation for not 711 to 715 but 711 to 714, or 711 to 713, I indicated to my honourable friend that technically it would be possible, but I have no intention of putting rose coloured glasses on the people of Lake Winnipeg and saying to them that there is a good possibility that with enough pressure you could bring about this \$50 million to be used to regulate below 715 because nobody has ever presented any cost-benefit studies which would justify this expenditure except as it's associated with the Hydro project, and Hydro only sees it as a feasible, viable alternative if it can regulate the Lake between 711 and 715. So if you're asking me whether it technically could be done, yes; if you're asking me whether I would lead any people into false hopes that that's the way it will be used, then I won't do so. It was indicated to the people around Lake Winnipeg that attempts would be made to use the regulations so that you got the 714 in the late fall and you didn't bring it up to 715 until the ice came, that that would be the attempted pattern; but as to whether that is going to be the ultimate method of regulation I indicated yesterday that a Board is going to be set up, that that

(MR. GREEN cont'd.) . . . . . Board is going to be a representative not merely of Hydro interests but of the resource interests as well and I think that this is probably, I hope I'm not wrong, probably a first time that where there is a Hydro project, the ultimate control of the regulation is not in the hands of Hydro but is in the hands of a board which reflects other interests as well, that that is one of the means that's going to be used to protect the other users around Lake Winnipeg.

The import-export material, I just say to my honourable friend that he'll have to get that from Hydro, the Chairman of Hydro will be there tomorrow and he'll be able to ask him questions on it; also the Minister in charge of Hydro will be asked to deliver his estimates and it can be done at that time.

The \$650,000 studies which he says are after the event, I believe that I explained that yesterday, I'm not going to repeat, except that I appeared to get the concurrence of the Member for Lakeside that whatever project was undertaken that this kind of a study would be definitely a feasible study, and a feasible study to conduct as a result of the progress of the program that is taking place, and the Federal Government appears to concur in that because they are proceeding with the study on that basis.

The transportation questions I've answered. The resource calculations as between 854 feet and 850 feet, there has been no attempt to minimize this, Mr. Chairman. The Underwood McLellan report indicates that we are in trouble at 854 feet, we are in trouble at 850 feet; that's why Hydro has been asked to use whatever time is available to it to see if they can bring that flooding down to below even 850 feet. But all of that material has been made available not only to members of the House but to the entire public for a long time and we don't pretend that you can flood 850 without having an effect on resource value.

There appears to be an advantage in 850 over 854 in that at 850 you don't have to move any homes; at 854 you have to move 25 homes. At 850 I believe that the savings in resource losses is not a great deal but it is some saving and that's why no definite commitment in terms of not asking Hydro to see whether they can come below 850 has been made. The Hydro has been asked to see whether in the time that is allotted and proceeding with Lake Winnipeg regulation first, they can do better than 850. They indicate now that they can do better than 854 and from our department's point of view 850 is better than 854; 848 would be better than 850 and we're trying to bring them down. As to what the Federal Government was told by the Chairman of Hydro about the amount of monies that were spent on a survey, I can't make any assumption that my honourable friend has heard correctly or that Mr. Cass-Beggs has been properly interpreted and I say that it's best to get that material firsthand from the Chairman of Hydro.

MR. CHAIRMAN: The Member for Churchill.

MR. BEARD: Thank you, Mr. Chairman. I suppose many of the things that I'll be saying have been said sometime or another but I think they bear repeating. Firstly, I would like the Minister to consider water policy as one policy for all of Manitoba, not what is good for one area and what is good for the other. We see when we look at Lake Winnipeg that there is very much of a concern as to whether they can keep water controlled at 4 feet, yet at South Indian Lake they turn around and say well, if Hydro needs 850, if Hydro needs 10 feet, well we'll allow it, and they say, if we can shave off a foot that will be good. But, Mr. Chairman, as far as I understand, if it's ten feet it may as well be high level, the people are saying. Yes this is what the people are saying.

If you look at Lake Winnipeg, they are trying to protect beaches, houses and such on, so that there will not be any disturbance to the people. And I suppose there are more people living on Lake Winnipeg. It is again in that part of southern Manitoba which has been inhabited for a long time, but it's very narrowminded thinking of the agencies when they say that South Indian is only inhabited by between 600 and 900 people. That is now, but I would say what will happen in a hundred years from now, or what will happen even in 50 years? Certainly with the road from Lynn Lake coming down through that area it will open up new territory and I think that we've got to keep in mind that South Indian is the second largest lake I believe in Manitoba - and this is important, this is very important. If it's four feet for Lake Winnipeg and they think they can get away with it and have some good come out of that for the people that are living around, I say go ahead but give the same consideration to South Indian Lake; because a 10 foot rise, you can conceivably say there will be no beaches left, there would be no beaches left. If the brushing doesn't take place, and I'm going back a long time to recall this, but at

(MR. BEARD cont'd.) . . . . the hearing in the Winnipeg Auditorium, Hydro said at that time that it would be a 50 to 60 million dollar cost to brush for high level flooding and it would be beyond the costs of Hydro to assume that type of a cost.

Well 50 and 60 million dollars does stun you when you first hear it and maybe it will always be said that we are irresponsible if we advocated that, but if you took 50 or 60 millions of dollars over 50 years or 100 years it comes to quite a bit less; it comes to a million a year or less; and that's just to save something. It is preventative medicine and policies that you need in the north to make sure that it is passed on to other people. I know Indian people will always say in the north that nothing that they have ever done in the time that they have lived in Canada, have they ever added to pollution or ever destroyed ecology, and they say - well they don't know how to say it in white man's language and the Indians have always said it and always fought against pollution. In fact they almost worship, or they did in the past, worship those things which were responsible for stabilization of mother nature. Their water was very important to them, not for electricity but for life. The same with the air and the same with forest fires, such on. They're not responsible for that; but on the other hand, they feel that those things of mother nature are more important to them as a source of livelihood, etc., and all through our years we've encroached on these things, whether it's been 50 miles away or a 100 miles away. It destroys the importance of this type of nature to them in their living and so in fact, what we have done today is destroy their way of life. We have destroyed their opportunity to make a living and we have destroyed the things that they wanted so much for the many, many years before we came here, and in many cases they haven't changed since we came here because they preferred the life that they lived, but we have in fact taken away the opportunity for them to live as free citizens of this country the way they were before we came here. And now we say the flooding will only cause 10 houses to be rebuilt, 25 houses to rebuild.

This is not the case as far as the people of South Indian are concerned. They don't put a value on that. They may demand those things but that isn't the value they put on their water or the water that they use. It is only through destroying or changing some part of mother nature where we find the effects in years to come, and those effects are the ones that people are concerned about; not the effect tomorrow because it is proven that say over a ten year period the fishing may be better and it usually is better, but it's only after ten years that you find the real effect of meddling with mother nature. I think the Indian people in South Indian have a very good point but people aren't listening down south. They are not listening to what these people are saying. They are saying why should a few Indians try to stop the development of Hydro so that we in the south can have all the electricity that is necessary or people in communities outside of the Indian people will have the benefits, and this is the case.

The farmers said during the briefs that were given in respect to high level flooding, we should have that South Indian flooded so that we can have cheap electricity to farm. Others said why should we let the people of South Indian stand in the way of the great benefits that will come to Winnipeg because of cheap electricity; new industry, new pollution, etc.

I think that the resource people in Mines and Resources should stand up on their feet and say if they lose their fight on South Indian - and I don't like to depart from the fact that we would lose the fight in respect to flooding of South Indian - but if there is a case such as this, there should be assurance that brushing would take place and there would not be the dollar price put on brushing as far as costs of Hydro, but the dollar value should be assessed in respect to what we are turning over to the children in the future, so South Indian Lake will be important to Manitoba or just as important as the worn-out Lake Winnipeg will be in years to come. Lake Winnipeg has been destroyed through pollution and I would hope that South Indian can be saved, and the only way it can be saved is through far-reaching policies of the people in government today, and certainly if we're going to live by experience we should re-assess what we have done to nature over the last 100 years and make sure that it doesn't happen again.

But here we have people advocating, such as Mr. Campbell - and I respect him as most people do - but he has closed his eyes to what has happened in the past and he says for dollars, for the sake of dollars, you must go ahead and rush into a program that is not looking at the ecology, not taking into consideration the things that will happen in the future, and while we can't look into the future for sure, we can look behind us and find out what has happened when we have destroyed Mother Nature for industry and for our own selfish purposes. We have not looked after and made sure that we are going to share Mother Nature with our children who

(MR. BEARD cont'd.) . . . . . will be left after us.

I think also that we have to look at the Churchill River, and I don't seem to be able to get across to people what would happen if they lost 60 percent or 80 percent of the river. Now, if you do away with high level flooding, it should be down around 60 - 60 percent of the river would be diverted, say 50 percent or even 40 percent. We have an expression for the bottom of the river and unfortunately I can't use it; it's not parliamentary. -- (Interjection) -- I've thought but there's no way. But -- (Interjection) -- Well, they blame it on the loon and such on, but . . . So anyway, if you take off 50 percent of the flow of the river, which at spots is half a mile wide or more, you take 50 percent out of that flow, then the river banks will deteriorate, the river will move into the middle of the bed or have channels, leaving these dry channels with two feet, four feet of mud and the corruption that is in the bottom. And that type of thing will go on with the water, and when it gets to Churchill I don't know what would be done to try and use that water for drinking and for purposes of the community. Certainly I can't see how it could ever be salvaged, and I've asked around and apparently there's no water available in the area of Churchill, and this amazes me. But they tell me that the permafrost has looked after that and most of it is frozen that would be down at any depth.

So you can't go to wells in Churchill. But again, the people of Manitoba say, well, communities should be prepared to give for the rest of Manitoba, and I can't see it; I can't share that feeling with them. All of a sudden the North becomes very important because there's dollar signs all over, and they say that the people who are living there, who have lived there, the ones that have chosen to live there, should give up their way of life, give up their good things for the rest of Manitoba. And yet when you turn round to the rest of Manitoba and say, "you should invest in other . . . in a better way of life for the people in the North," they put that dollar figure back in and say, "No; we're liable to lose projects in southern Manitoba; we cannot afford to invest in the North." But they can afford to rape the North of all the things that it is becoming important for, and I think that we have to change our policy and protect the North. We have the experience and I think that it should be used.

Now I suppose we should move into one of the other areas of the Minister and that is of course Northern Affairs, and I believe that we have to again reflect the quality of life in the small areas of the north. While a great deal has been done, I think there's a great deal left to be done, and it would be hoped that the government could continue on and invest more and more dollars - not the same dollars, but more - to prepare these people for this new life they're going to thrust on them, because you can't live one way and think another and these people are being asked now. We've taken their livelihood away from them; we've taken the opportunity that they've had in the past to live their own way of life, and we've all of a sudden said, "you're going to have to change because we're too stubborn; we won't change; but you have to." And the incentive isn't there as yet for them to change. Just because we said to them, "That's fine; we'll bring you in to the university or into a technical school and change you, give you the opportunity to change," maybe they'll go but they won't like it and they come back, and it's a waste of money today because they're accepting these training courses primarily for the money that will be in it for them to look after their family, but when they train a welder and he goes back to a community that only has the very basic of living, then he's not going to have a job nor is there going to be any incentive for him to go out and get a job because he's again leaving the land that's known to him and going into a modern community which has all the pitfalls and things that he doesn't like.

I think that you can realize, if you like, the drastic change, or the change and the drastic results of the change, when you look at the people, the Chippewyan band at Churchill. Since 1955, I believe they were moved there in 1955 or '56, and they deteriorated continuously until today they have said, "Let us go back to the kind of life we had before, because we've lived here and stayed here long enough to prove to you that we can't adjust and we can't integrate." And while most people would say: why would they want to go back to a wilderness? Why would they want to go back further north and fight the discomforts of the type of living that they had in '55 and '56. But they're saying to government that they prefer this to living in modern houses, living in beer parlours day after day, and being close to Liquor Commissions. You can't change people. The culture of these Indians they're passing along from one generation to another, and unfortunately the bad habits are too, and we can't cure bad habits unless we do a little preventative work, and I think the prevention would be in seeing to it that government listens to the people and then perhaps we'll come close to solving the problems of the Indian

(MR. BEARD cont'd.) . . . . . people of Northern Manitoba particularly.

I think that they're struggling with high cost of living; they're struggling with high cost of transportation; and I think that this is one thing that is foremost on the Minister's priority list and I congratulate him for it. There have been warnings to these people for years. Transportation people have been told that this is an expensive way of getting products into the North and the transportation people have done nothing about it. Perhaps they have rushed it along a little so that they can get it there a little faster, but they seem to want to charge that excess amount. Now if it is a true excess amount, and I'm not in the transportation business, then I think the people of Manitoba will have to take a look at it and say if you want to come into the north and take these great benefits of cheap electricity straight through to the south, to make sure that every little community and every person in the southern part of Manitoba has hydro at cost, you still find that the cost is too great to bring it into the communities surrounding these areas and so they live in the life that we did 50 years ago.

But that's good enough for the North; that's good enough for the North, because people do not worry about it down here. They don't want to live up there themselves and they don't see why anybody else should, and when we go to flooding the South Indian, they say, "Why not? It only will affect 600 or 900 people, depending on how you look at the amounts. Why shouldn't they give up these things?" And yet in fact, I would say that in trying to protect South Indian Lake, the people of South Indian Lake community are trying to assure that this will be passed along as it is now to their children, and in doing this they are protecting it for the rest of Manitoba. But Manitoba as a whole seems to be too greedy to think about it in those terms. They are not looking ahead to protecting their children; all they want is something new and good for themselves, and I think the heritage that they pass along is more important if it is done through the protection of the natural resources in the North to make sure that those natural resources as they are . . . will be of the greatest benefit to the greatest number of people in Manitoba.

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MR. CHAIRMAN: The Minister of Mines, Resources and Environmental Management, and Commissioner of Northern Affairs.

MR. GREEN: Captain Marvel for short, Mr. Chairman. I want the Honourable Member for Pembina to forgive me because I did have some answers to make to the Member for Churchill which I didn't make the other day. I know that the Honourable Member for Pembina is going to be on a different subject so maybe we can keep that separate, besides which I have some out-of-town visitors in the gallery who have read about the Legislature and I want to be speaking at a moment when they are here, so I know that he'll accept the fact that I want to be able to . . . -- (Interjection) -- Not quite everything. I'll say something different next time.

Mr. Chairman, I really think that the Honourable Member for Churchill has said a lot of things which are a far more eloquent answer to some of the remarks that have been made over yesterday and today with regard to Lake Winnipeg than I could have said, and perhaps if I hadn't been so anxious to get to my feet on previous occasions and had let him speak, it would have saved me a lot of agitation because I think the case that he has put for the regard that the government should have to what is happening at South Indian Lake is a sufficient answer to the suggestion that we merely look at the figures that have been proposed by one of the members of the Hydro Board and therefore ignore other considerations and immediately proceed with a Churchill River Diversion as opposed to dealing with Lake Winnipeg. And I want the honourable member to know that, with regard to Lake Winnipeg, we are not only treating that area more favourably - and I admit that we are treating it more favourably - but there are no feet of flooding being put on Lake Winnipeg; if anything, the top levels of the lake are being reduced by two feet, so when you want to talk about how you are not being treated fairly in the North as against the South, I have to concede that you are accurate in that; that whereas in Lake Winnipeg we are reducing flooding to some extent, in South Indian Lake the present Hydro proposal is that they may need 10 feet on top of the highest point of that lake.

And I sympathize with the remarks that have been made, but I have to say to my honourable friend that if he thinks that dollars are not going to be considered no matter who is involved, then he is dreaming, and I know that my honourable friend maybe dreams on his feet but when he gets down to basic facts he would know that if this government was not able to show that the proposals are reasonably within the same figures dollar-wise, then despite all of the good things that he has said about South Indian and despite the efforts of many people - and I don't know who they would be at this time - to say that we are not doing the right thing, that this kind of thing would happen and the dollar figure would be the most important figure. Now that might not be nice but it's a fact of life, and therefore even the proposals that are now made had to be justified on some reasonable basis in terms of the almighty dollar.

I think that the Member for Churchill will have to accept this fact. If he were thinking that the northern community is going to stay the primitive, happy, isolated person who has his fishing and his trapping, and his way of life is not disturbed, and if he thought that that would continue indefinitely and that the white man would not pollute, that the white man would not make use of these resources, then he would have to say that there would be no nickel mine at Thompson because he knows that you cannot take the nickel out of the ground without polluting both through the smokestack and leaving the tailings into some of the waterways. He knows that there would be no nickel mine at Lynn Lake, and despite everything that he said as to the value of the type of life that he is now talking about, he knows and I know that it's the dollar that's going to talk, and that unless somebody can bring people to their senses and show them that the situation that you can put these people in will in the long run cost you dollars, as it did cost in the United States when they thought that they could handle affairs in a certain way and then on one evening in the United States 36 cities at one time rioted and billions and billions of dollars were destroyed, it was only then that people realized that you can't just behave as if people don't count, and what the government is trying to do in delaying the implementation, in postponing the South Indian Lake diversion to the Lake Winnipeg regulation that we are proceeding with, is to see just what we can do to make sure that those people are most fairly treated.

I assure the honourable member that when he says that nobody down south is listening, I can tell him that I have seen the Chippewayan in Churchill, in Denny Village, and I have seen the Chippewayan in Brochet, and I know what the difference is; that I have been to South Indian Lake where the problem of social assistance is non-existent, where the young people are prepared to live in that community and to grow up as adults in that community and to have children in that community; that there is no drug problem; that there is no problem that is commonly

(MR. GREEN cont'd) . . . . . associated with what we think is the best way of life, and I assure him that we are trying everything possible to give sway to what we know will be the movement of the so-called civilized and organized community in Manitoba while at the same time trying to preserve some of the ways of life of those people who enjoy it that way and who get along very well in that way. So it's not that nobody is listening. The whole debate that has taken place in the last two days and the pressure that the government has been under to ignore Lake Winnipeg and to put another fifteen feet on South Indian Lake, indicates that people are listening, but it's never going to be an easy job and I suggest to you that it will always be done in the best way in which it can.

With regard to the transportation problems in Northern Manitoba and the Northern Affairs Department generally, I think that the honourable member knows as a result of his participation in the Northern Task Force what is being done in this area, and I assure him that by the time next winter comes along we hope to have a policy with regard to northern roads which will not follow the old line of giving a franchise to a single user for him to have then control, private control of the roads of northern Manitoba with the power to then charge whatever rates the traffic will bear in competition with what is now only air rates or other rates by rail which can then be joined up with the other areas.

The honourable member asked several questions the other day, one with regard to the mining exploration company and his concern that the government is going into the mining business. I say that the government has this dilemma. The people of Manitoba, including the Leader of the Liberal Party and sometimes other members in the House, and the members of this party, have said that we have to get more money out of our mining industry. The suggestion has been from time to time that you can tax them whatever you want to tax them and that they will continue to mine. The Member for Churchill knows that that is not correct; that at a certain level, if an industry does not see a return coming to it, it will stop its activity. We say that if the people of Manitoba are to get more out of their mining industry, then they have to realize that a certain amount can come from taxation. If they are jealous of the amount that the industry itself takes, then they have to give themselves another option. That doesn't mean that you will not continue to have a private mining industry, but the people of Manitoba can move also to do the same things, to make the same type of investments, to make the same type of explorations, and if they are successful at it, then they can get some of the return that they are now jealous of that go to the mining companies per se, because taxation is a means of return but it has its limitations, and if the mining company comes to the Government of Manitoba and says that "if you increase our taxes we will not explore or mine in your province," then you have one of two choices. You either let the mining companies become the government and tell you what taxes you can levy, or you say to them that you will go along with what we consider a reasonable tax and if that affects exploration then it will be up to the people of Manitoba to replace what lack of exploration we get from you, or what lack of activity we get from you, with activity of our own. And I see no way out of this dilemma when other parties are suggesting that if you want more industry you have to give more tax concessions, and I suppose the ultimate of that is that you have no taxes at all and this will give you a lot of industry; and I suppose that if you wanted to carry that further, you could say, "We will pay you money to come in and take our riches out of the ground." That could be the ultimate extension of that.

Well, there's no point in continuing solely on that course of action, and all we are saying to the people of Manitoba is that we will have one more option, that we will also have the option of developing the industry ourselves.

With regard to the one-industry town, I can tell the honourable member that the manner in which we have dealt with Leaf Rapids is one which we hope will result in all of the input there using its resources to try to create a bigger community, because up until now where the mining company merely pays a share of the infrastructure and a share of the cost of its people who go to school, it has no interest in really other investments coming in and taking a share of the assessment. With regard to the Leaf Rapids development, we are hoping that because the mining company is simply one of the taxpayers whose assessment goes to the general expenses it will be in its interest to attract other taxpayers into the area, because whatever assessment develops from other taxpayers reduces the assessment of the mining company. So that's one of the values of the experiment that we are trying in Leaf Rapids.

In regard to the freeze on Paint Lake cottages, I am advised that the department is now getting together with the Department of Tourism and Recreation and that once the Parks Branch



(MR. GREEN cont'd) . . . . has obtained final clearance from INCO for a revised boundary an Order-in-Council will be submitted which will place the responsibility for the management and development of Paint Lake with the Department of Tourism and Recreation and Cultural Affairs, which I understand would result in the release of some cottage lots.

MR. CHAIRMAN: The Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I have a few remarks I'd like to make on this Department, however the discussion had quite a wide range yesterday and some of my remarks might want you to rule me out of order. However, I'll try and not depart from what I should be talking about too far.

I only wish I had a crying towel for the Member from Churchill. He's come along with his hard luck story again about the people in the north and about the people in the south wanting everything, and I'd like to suggest to him that the south was settled first and it is a very fertile area and this is where we're getting our money and our revenue from, a lot of it, and by the development of the south, money is made available which is helping the north. We are aware, we are aware that mining and minerals and oils are being discovered in the north and that there has to be something done there. But the way he talks, he doesn't want anything changed, he wants everything left just the same, and yet he wants improvements. He wants it both ways, that's what he does, and I find it very difficult to accept. I have to think - and I hate to bring it up at this time - but it comes back to my mind so vividly that we are talking about 600 families or Indians, I don't know which it is up there, which were going to be looked after in a very very good way and he's complaining about these, but last year he didn't hesitate to take the side of the government when it affected the lives of so many insurance men so badly.

Now I attended the meeting yesterday on Public Utilities at which the flooding of Lake Winnipeg and the Churchill diversion was discussed by Mr. Cass-Beggs -- I mean Mr. Campbell. -- (Interjection) -- Well, it don't matter. I was very impressed with the meeting, but I was really impressed very much with Mr. Campbell's figures, because I'm a practical person myself - and I believe it's like the Minister of Mines and Natural Resources says, you have to consider practical things too - and if it's a difference in each year of about \$11 million that can be saved, and this could go on for four years before Lake Winnipeg was, we'll say, worked on, this is a saving of \$44 million. To me that's a lot of money, and I have the feeling that this project - it's talked about being flooded anyway, South Indian Lake, it's not bringing in something new, it's just a matter of which you do first and if you're going to save \$44 million by doing it first, I feel that it should be given real consideration and I'd feel awful bad about it being done any other way without a real good reason being given for it.

Now the Leader of our Party yesterday in talking about these things - or was it the day before - he suggested that the Minister of Mines and Natural Resources hadn't been doing such a good job and that his salary should probably be reduced to 50 cents a day. If he's the strong man in that party and he apparently seems to be, very influential in it, I wish he'd use his good influence in the right way because it keeps bothering me to think that if he's the strong man in this party and we're going to lose \$11 million a year and it's going to be \$44 million and things like this, I think we'd be further ahead to pay him, but pay him to stay out of the House.

Well, I want to switch onto another subject which is probably right within his department for sure, and this is the damage that's being done in the country areas by ducks and wild game. A lot of people that are great lovers of hunting like to go out and shoot ducks and they like to see ponds all over the place and be able to drive here and there and shoot them, but they don't think anything about the farmers that have these people running around and the damage that ducks do to their crops. This has always been a sore spot as far as I'm concerned because I don't believe the farmers should be at a loss in this case. If they want to keep ducks for hunting, I think there should be some other plans made so as they aren't -- (Interjection) -- Well, I don't know that there'd be any ducks up there or not; maybe we could get the people up there shooting ducks.

Another thing that we have in the country, we have a lot of muskrats and beavers which are really doing a lot of damage now. There's a lot of muskrats in my particular area and they're eating, tunneling right through roads that go through sloughs. We have a very good area down there and we don't say that we're going to go around all the sloughs and we're going to save all the sloughs and we can't interfere with the muskrats, we're progressive down there and -- (Interjection) -- Are they what? There's very few NDP beavers down there. However, these muskrats are doing a lot of damage to the roads and the beavers are damming up natural runways and this -- (Interjection) -- Are they all good Tories? There's more good Tories

(MR. HENDERSON cont'd) . . . . . down there than there is all the rest altogether. That's what there was.

Well, Mr. Chairman, these beavers are damming up the natural runways and they're causing flooding that's going over the farm land and this is doing a lot of harm. Some people think that there shouldn't be any beavers trapped or destroyed, but they're becoming fairly thick and I think that something has got to be done to get them out of that area, because if you were the farmer and were having them dam up your runway and it was flooding across your farm and even diverting the way the water's going in some cases, you'd think that something should be done.

And now I want to come back to the flooding that's going on in the southern part of Manitoba every year causing a great loss of topsoil and flooding the towns of Morden and Carman and Winkler and around Greta. It's been going on for this last few years and it's been getting worse and there's no doubt, no doubt that it's going to get worse, because the way it is the people on the high land are draining it and it's coming down through the southern area, and it's flatter, and it's spreading out and it's flooding and it's going to get worse. So I wish that something would be done on this. One small thing that could be done is if they would go ahead with this Pembina Dam that I've spoken about before because it would improve it somewhat. Now I'm not saying it would help it around the Carman area and other parts of it because it wouldn't affect that area, but it is a good thing for the area and if we had the Pembina Dam there -- I'm talking about the Plan No. 2 that was proposed, which was approved by the International Joint Commission in 1967, and by the way the cost of that plan, the total cost of that plan at that time was \$33 million. This would have been shared if it had been went ahead with between the Canadian Government and the United States Government first. Now this means that from the Canadian share Manitoba would have to pay a portion, we'd get the rest from the Federal Government, so chances are Manitoba's share wouldn't be too awful great. You know, I have to think of the government with its priorities when they won't do anything about something like this when it's going to waste, or shall we say not earn, \$11 million by going ahead with the diversion rather than with the flooding of Lake Winnipeg first, because the cost of the project probably could be saved in one year.

If we did have this Pembina Dam in we could probably have a very fine resort down there which would attract tourists - and this is becoming a very big industry nowadays - and the people down there where they're fairly densely populated, the towns of Winkler and Morden and Carman and Altona and the surrounding areas, the farmers are fairly - they're not really large farmers there because they're very suited to row crops and special crops - and these people have just as big a right to want a resort in their area where they could go and have a cabin or go fishing or boating or any of these things, so I wish the Minister would really look into this and try to make it one of his priorities.

Now I haven't got the list in front of me right now but I remember looking at it, the men who were on this International Joint Commission, and I see the name of Tom Weber on there and the late Mr. Stephens and these men were in favour of this project, Plan No. 2, at this time, and I just wonder why it's never brought forward and why it can't be considered. You know, it really isn't something that's going to take all your money right now anyway, and maybe you won't be in power by the time it's going to be costing so much, but the planning should be gone ahead with, and particularly now at this time when the people over at Walhalla are wanting to go ahead so badly. If they go ahead with this low dam at Walhalla, the dam that they're talking about, they will not be able later on, or probably it'll be difficult for us to go ahead and dam the water and use it for other purposes, and they would put in a lower dam at Walhalla which would just accommodate themselves. So I think that this should be pursued.

I want to mention, too, how important irrigation could be to that area in years to come, because it's a very fertile area and very flat and nice soil and very suited to canning and special crops. As I said before, you've got Eddy's cannery down there now at Morden and the people at Morden, and other people in the canning business, always said that a certain amount of irrigation is necessary for the successful operation of a cannery, because any one year that you'd get a dry spell when your crop was at a certain stage it would wilt and you wouldn't have a choice quality, and if you want choice quality in canning you have to have some assurance of water. So it could be very influential that way.

I don't think there's anything more that I'd like to say except I wish the government would do, shall we say, more long range planning that's more practical, because I think if a person's

(MR. HENDERSON cont'd) . . . . representing a government he has to run it like he was running his business and you're going to try to make progress for years ahead. I think if you'd go ahead with planning for an area where you'd be building in industries and special crops, where you'd be going ahead with a water program, where you wouldn't be having to build more thermal plants or spend millions of dollars elsewhere, where you have such a great resource-- probably the resources of Manitoba in water is as great as the resource of oil in British Columbia. And it's a renewable resource, it doesn't wear out by being used. The way I see it, it's going out to the ocean anyway and I can't see why we don't get with it and do things so as we can export and so as we can have money coming in where we can afford to do the things that give us a better life.

MR. CHAIRMAN: The Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, the time is drawing to our 5:30 period, but for the few remaining moments - and it's my intention to deal at greater length with the Minister's salary but not tonight - I'd like to deal with possibly two items that I think are important in view of the information that was supplied by Mr. Campbell yesterday at the Public Utilities hearing and it relates to the question of Lake Winnipeg and control of Lake Winnipeg, not for power purposes but for the purposes outside of power.

There are a number of principles that I've learned in law, as a lawyer and my training in the - and the Minister of Mines and Natural Resources seems to question it occasionally - but there are two things that I think are pretty fundamental. First, in court you do not rely on the testimony of someone who presents hearsay evidence; in court you rely on the testimony of the witness, the witness who is a witness of the facts or the expert who presents his evidence. You don't rely on somebody else to present it. We had a demonstration the other day when the Minister of Mines and Natural Resources stood up and said that Professor Kuiper, whom he had some contact with, had given an indication of his position, yet Mr. Campbell in his presentation on Tuesday morning said that one of the reasons that compelled him, if I understand him correctly, one of the reasons that compelled him to offer his resignation was that his position with respect to Lake Winnipeg regulation was supported by others at the university, one of whom was Professor Kuiper. So we have the contradictory evidence being presented by way of hearsay of the -- (Interjection) -- Mr. Chairman . . .

MR. CHAIRMAN: Order, please. I'll hear the point of privilege.

MR. GREEN: Mr. Chairman, I never made any reference to Dr. Kuiper's position on Lake Winnipeg - on the Churchill River diversion, not on Lake Winnipeg.

MR. CHAIRMAN: Before the member proceeds, I'm having difficulty seeing the relevancy of his comments up to this point in time. I hope he can relate them to the Minister's responsibility. The Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, I'm going to relate this to the Minister's responsibility, because I have already indicated in my opening remarks with respect to the estimates that it's my belief that the Minister has a trusteeship which he has not exercised correctly and that trusteeship concerns our natural resources, one of which is water, and concerns the trusteeship of Lake Winnipeg, and I'm suggesting through you, Mr. Chairman, to the Minister of Mines and Natural Resources, that if Professor Kuiper was given the opportunity of speaking to the members in this Legislature that he would support Mr. Campbell's position and not the Minister of Mines and Natural Resources' position. And I suggest, Mr. Chairman, that that opportunity should be given to him and I suggest that for the simple reason that . . .

MR. CHAIRMAN: The Minister on a point of order.

MR. GREEN: I believe that my honourable friend is now talking about opportunities that should be given to Dr. Kuiper to be in another area before another committee, and I suggest that if the debate is to be held it should be held at that committee. It's not a matter for my estimates.

MR. CHAIRMAN: The point of order is well taken and the last few remarks of the Leader of the Opposition in my view are irrelevant. The Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, I again repeat that I have moved that the Minister's salary be reduced to 50 cents on the basis that he has not taken his responsibility as trustee for our water resource -- (Interjection) -- Below the minimum wage? Well, I don't think he's even worth the minimum wage.

MR. CHAIRMAN: Order, please.

MR. SPIVAK: And I suggest, Mr. Chairman, that I indicated in my remarks that

(MR. SPIVAK cont'd) . . . . Professor Kuiper should be one person who should be talked to by the Minister and he indicated that he had talked to him, he talked to him about the Churchill River diversion. But the impression was that in discussing with him - at least I received the impression and I think many others did and we may have been wrong - but we -- (Interjection) -- not about Lake Winnipeg. Well, it seems to me rather strange if the Minister admits that he has discussions with an expert on the Churchill River diversion he wouldn't have had discussions with a noted expert on Lake Winnipeg -- (Interjection) -- He didn't? Well then he should have, and I'm going to talk about why he should have, because obviously if he had he may have come to the conclusion that Mr. Campbell did, because Mr. Campbell indicated in his testimony before the committee, or the informal committee, that in effect he was moved to his position simply because there was supporting positions by noted experts.

And this is our problem, Mr. Chairman, and a problem that's going to have to be dealt with at great length when we deal with the manner in which he carries on his trusteeship. Does the government, or has the government sufficient evidence to justify the control and regulation of Lake Winnipeg? The Minister says yes, and again of course he relies on his intuition. -- (Interjection) -- No? I say yes. Or he will rely on the Chairman of Hydro's interpretation of what the Task Force said. It would be very interesting, Mr. Chairman, if the members who made up that Task Force were allowed to come before the committee and testify themselves. It would be interesting, because I wonder whether we would find the same conclusion drawn from them that the Chairman of Hydro has made, because when they were questioned they suggested an impartial technical review should be conducted. It wasn't Mr. Campbell that suggested it; it wasn't the opposition that suggested it; the Hydro officials who were part of the Task Force suggested, as I understand it, suggested that an impartial technical review be made.

Mr. Chairman, what everyone fails to understand is that what has been relied upon by the government and others is the interpretation of the Chairman of what the technical report of the Task Force said, and that I suggest is a subject for legitimate debate and that I suggest is something which goes to the heart of the very matter that we're discussing. Is the Chairman's interpretation the basis on which Lake Winnipeg is to be controlled? I suggest, Mr. Chairman, that given the opportunity for experts who are knowledgeable on water resources in this province that you would find that their evidence would probably support Mr. Campbell's contention rather than the government's contention. It appears interesting to me that a government, who at one time was so concerned with the necessity of opening up government and seeing to it that the secret transactions of government would not be kept from the public, would be afraid to allow the technical experts who supported the Task Force report, to allow them to come forward -- (Interjection) --

MR. CHAIRMAN: Order, Please.

MR. SPIVAK: No, you don't hate at all.

MR. CHAIRMAN: Order, please. Order, please. It nears the hour of adjournment. Committee rise. Call in the Speaker.

#### IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J.R. (Bud) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for Flin Flon, that the report of the committee be received.

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

MR. SPEAKER: The hour being 5:30, the House is now adjourned until 2:30 tomorrow afternoon (Thursday).