

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Monday, February 18, 1974

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MR. CHAIRMAN: Resolution 97 (a)(1). The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, I undertook for the honourable members opposite to get certain pieces of information. If the pages would come I could hand those out.

I have one more handout, Mr. Chairman, if the . . . one to Mr. Spivak and Mr. Johnston.

Mr. Chairman, shortly before we went for supper we were on the subject of the Government Air Services but before that we were on the winter road subject and that's the one I would hope . . . --(Interjection)--

MR. SPIVAK: I just wonder whether the Minister can inform me whether it was his intention to furnish the contracts, the actual northern roads contracts.

MR. McBRYDE: Yes, Mr. Chairman, I apologize to honourable members. The contracts are in the office outside of the building and I can't get them this evening. I'll be able to get them for you tomorrow.

MR. SPIVAK: If we are in a position to deal with them tomorrow that's fine, but I wonder then if possible the Minister can get that to us before we go into Committee, if that's possible.

MR. McBRYDE: Yes, Mr. Chairman, I'll undertake to have copies made of those and perhaps I could even hand those out before noon or send them over to the offices of honourable members before noon.

Mr. Chairman, when we started to speak about winter roads earlier I heard a couple of cries from the benches opposite as to "why". So, Mr. Chairman, with risk of repeating myself I would just like to very briefly say the "why" of how and why the government got into winter roads. Mr. Speaker, the history of the situation is that there were a number of private freighters hauling goods in northern Manitoba; they would contract with the people who wanted goods hauled and make an arrangement and build the roads and haul the goods. In 1968 and 69, Mr. Speaker, the Sigfusson Transportation built and hauled over 50 percent of the mileage, winter road mileage in the Province of Manitoba and they were involved in another 27 percent of the mileage, winter road hauling miles, along with Expeditors Transportation of Ilford, they had 25 percent shared with that company; Duke Lindal Company had 15 percent of the winter mileage in hauling and F. McIvor and L. Mulholland, I think both of Wabowden, had about eight percent of winter road hauling.

Mr. Speaker, this operated on a permit system. The province would issue a permit which would allow people to put in a road over a certain area that they might have built or might have been built by somebody else or just slowly developed over a long period of time, and those permits, Mr. Chairman, pretty well gave an exclusive use, although not entirely. There was also, Mr. Chairman, developed a grant system where 50 percent of the cost of winter roads constructed was paid by the Province of Manitoba. There was another situation that prevailed, Mr. Chairman, in the terms of when they got into truck hauls and that is the area of PSV licences which, Mr. Chairman, although no one had what you would call a legal monopoly it gave in effect a monopoly situation for certain haulers. And that is if a person had a PSV licence to haul for example to Hoe River they would therefore be the person that could haul the goods to Island Lake; whereas they had a regulation that would apply to the tariff they could charge to Hoe River there was no regulation as to the tariff they could charge to Island Lake. So, Mr. Chairman, if you have a sole hauler in the Province of Manitoba then you have a regulation as to the rate that can be charged. In that situation, for example, you had a situation where you had a sole hauler of goods and no regulation as to rates they could charge for hauling those goods. A similar situation, Mr. Chairman, would apply for those roads out of Ilford because only trucks that could be piggybacked on the C. N. to Ilford were trucks that had a PSV licence for that area of the province. So, Mr. Chairman, that was the situation that developed.

Mr. Chairman, when this government came to office this situation was in existence and the Government, the Province of Manitoba was putting up 50 percent of the cost of building those roads into remote communities. The goal of that of course was to try and help reduce the cost of goods in the remote communities in northern Manitoba. What developed though, Mr. Chairman, was a problem situation that the government ran into and that is the case where they gave permits for use, paid 50 percent of the cost and there was disagreement over

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(MR. McBRYDE cont'd) . . . who should be allowed to haul on those roads. Mr. Chairman, from the March 20th edition, 1970, of the Winnipeg Free Press, I quote from an article: "Quarrel over use of winter roads in north. Ilford, Manitoba. It was like being in the Kentucky hills was the way one Metropolitan Security Guard flown in from Winnipeg described the situation which developed here this week as Sigfusson Transportation Company and Expeditor Transport of Ilford threw up roadblocks and counter roadblocks in their dispute over the use of the winter road linking Ilford and God's Narrows. The 107 mile road in question is part of a 1,400 mile network of roads built and maintained by Sigfussons throughout the province under government permit. Since the road runs over Crown land and is maintained to the extent of 50 percent by government grant the Expeditor firm headed by Ilford's mayor, Kip Thompson, decided to challenge the validity of the permit system which give what he calls a monopolistic control."

Mr. Chairman, faced with that situation and the lack of a clear policy in terms of government, it was decided that the Province of Manitoba would pay 100 percent of the cost of construction of winter roads and that all haulers where possible would be allowed access to that winter road. So, Mr. Chairman, the Minister responsible at that time called for bids for the construction of winter roads. Mr. Chairman, the bids that came in for example on the Ilford-God's road - and I'm quoting from the paper just handed out to honourable members: Sigfusson Transportation put in a bid of \$159,210; MeKeSe Construction put in a bid of \$95,000. Mr. Chairman, the cost of building that road in the previous year was \$79,120.00. So the estimate went from 79,120 in the previous year to \$159,210 in the next year.

Mr. Chairman, the bid on the Hoe River Sanctuaries-Garden Hill road was, \$135,988 was the cost in the previous year, \$135,000, Mr. Chairman. The bid that came in from Sigfusson Transportation was \$292,550.00. Mr. Speaker, can anyone wonder why the Minister of that day decided that in order to protect the money of the people of Manitoba that he had to re-look at the policy in terms of constructing winter roads and accepting the traditional contractor to construct those roads? When the costs jumps from 79,000 to 159,000 on one road, and from 135,000 to 292,000 dollars on another road, one understands why the Minister of the day, as quoted in the Winnipeg Tribune of October 10th, 1972, said, or the article said: "The Provincial Government will probably build its own winter roads into northern Manitoba this year because of the high bids submitted by Sigfusson Transportation Company Limited, Resources Minister Sidney Green said today. The Sigfusson Company's bid was more than \$600,000 this year, or more than five times the cost of winter roads three years ago Mr. Green explained." The company has built a 2,000 mile network of snow roads and hauled goods into remote northern communities in Manitoba and Ontario for many years. But, Mr. Chairman, we hear members of the Opposition talking about the cost to the people of Manitoba and yet they would seem to be defending a system that said, we should pay \$159,000 as opposed to \$95,000, or that we should be spending \$292,000 as opposed to \$199,000.00. Mr. Chairman, when you look at that you can understand how the Government of Manitoba got into the winter road business.

Now, Mr. Speaker, I'll just quote briefly again to the best of our knowledge in terms of figures of costs, and the cost of hauling into Garden Hill 68-67 was \$137.40 per ton; and in 1971-72, \$143.00 per ton; in 1972-73 \$70.00 per ton. Mr. Chairman, are they still going to maintain that the Province of Manitoba in light of the reasons that have been listed here, Mr. Chairman - and I don't think we deserve any great credit for that; I think whichever government was in office in light of the circumstances as they developed would have had to make those kind of decisions and get into assistance in the winter transportation business in northern Manitoba.

Now, Mr. Chairman, the people at the Winnipeg Free Press would somehow have us believe that this was an issue of free enterprise versus socialistic government. Well, Mr. Chairman, if it was an example of free enterprise I guess it was probably an example of free enterprise in sort of the worst situation, where basically there was a monopoly situation and the people of Manitoba were being asked to build the roads for a monopoly situation at a cost far above what the real cost of building that road should have been.

Mr. Chairman, I have to embarrassingly admit that the system we have today is - could not even be called a socialist situation, whereas the majority of contracts are being carried out by private construction firms in the best free enterprise sense of the words.

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(MR. McBRIDE cont'd) . . . --(Interjection)-- Mr. Chairman, there was a comment --(Interjection)-- Mr. Chairman, there was a question from the opposition as to what does it cost now. Mr. Chairman, if you take up bids received a year ago, and I think all members know that construction costs have gone up considerably, the cost of building the roads this year is less than the bids put in by Sigfusson Transportation Company for last year's winter roads. So the savings to the people of Manitoba are still quite considerable.

A MEMBER: Aw come on now Gordon you know that's not true.

MR. McBRIDE: Mr. Chairman, I wondered if members opposite wanted me to trace the - where the winter roads are at this year again or --(Interjection)--

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I think it would be a rather appropriate time in view of what the Minister has said, and the fact we have been on the estimates almost four hours, and in view of what I consider very limited information that's been given, albeit information has been answered, or questions have been answered, but it's limited and it's taken a long time. To make a statement now which I think --(Interjection)--

MR. PAULLEY: Mr. Chairman, on a point of order. Has the Honourable the Leader of the Opposition the right to interjection until the Minister has expired his time opportunity?

A MEMBER: That's not a point of order . . .

MR. PAULLEY: Oh yes it is.

MR. CHAIRMAN: Order, please.

MR. PAULLEY: . . . in accordance with the Rules of the House.

MR. CHAIRMAN: ORDER. There can be only one Chairman in this Committee.

A MEMBER: That's right. That does not include the Minister of Labour.

MR. CHAIRMAN: That does also not include the Member for Swan River either.

--(Interjection)-- ORDER. ORDER. The Honourable Leader of the Opposition.

MR. SPIVAK: I assumed that the Minister had finished at this point. We've had a process whereby questions have been asked and answers have been attempted to be given, but having said that I want to now deal with what I consider is necessary as a result of the Minister's explanation, just this few minutes that we've had today, tonight, and this deals with the whole question of winter roads and the whole question of the functioning of a committee dealing with the estimates.

There was certain statements made by the Minister, and I notice the Minister of Consumer Affairs in his normal way started pounding the table - of course he doesn't understand why he's pounding, but he's pounding because he assumes that the Minister's made the statement and because the Minister made the statement it has to be correct. Well, Mr. Chairman, Mr. Chairman, I have to indicate to you at this point that I think there is a fair division of opinion in the north, as well as in this House, as to the accuracy of the Minister's statements, and I think that it goes to the heart of what is being attempted here on the part of the government.

The object of this whole exercise vis-a-vis winter roads is to in fact save the consumers in the remote communities, the people, money. It is to reduce their costs, their cost of living, the cost of food - that's the whole object, and at the present time based on the information that I have, that is not happening, in spite of the claims that the Minister is making.

Now there are problems vis-a-vis the explanations that the Minister's made because there are differences of opinion as to the accuracy of whether the roads have been completed in a proper form or not, whether they are usable, whether they are on time, whether they in fact justify the cost for the savings that are being claimed, and it would seem to me that there are questions that legitimately should be asked, and could be asked, and must be asked of the government.

Now we are in estimates and we are in the nature of a forum in which there are opportunities for speeches to be made in answers to questions. Now what would a politician be without having the opportunity to present himself and present a speech; but at the same time, Mr. Chairman, I think that this is worthy of an investigation and inquiry which is over and above the kind of inquiry that comes in these estimates; and it would seem to me that the time has come on the issue of winter roads and as to whether the government funding of the winter roads is really helping in assisting the cost of living of those people in the remote communities, to in fact have a legislative inquiry by this house in which not only will the Minister be in a position to make the presentation but in fact we can call on the people that are affected, the

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(MR. SPIVAK cont'd) . . . people in the north and others who have had some particular experience to be able to come forward before the Legislative Committee and present their evidence. They can be sworn; they can present it accurately so that there can be a judgment made, because I'm prepared at this point to suggest to the Minister that not all of what he has represented, or in the way in which he represented it, is the whole truth - it may be partial truth but it's not the whole truth. I'm prepared to indicate to him --(Interjection)-- I'm sorry. I'm prepared to indicate here that some of the answers have skirted around some of the questions that have been given and have not been answered directly.

There are questions that must be asked with respect to the Minister, with respect to the Government Air Services supply to the supplies being brought in by private firms, and the costs that are being borne for the distribution of those supplies that are being taken in by air - there has to be some questions I think raised as to whether in fact there should not be some utilization of new planes to provide additional cargo, and larger cargo than what's being provided for in the north; and I think there has to be a question asked of the Minister and of the department of why one administrative officer of his department left at the end of the year and went into the company, and became employed by one of the companies that in fact has the contract for building the winter roads - and that question itself has to be asked and answered. And while, Mr. Speaker, those questions can be asked in this forum, we will have another four hours before we will have any answers, or answers that I think will be satisfactory and we will not have given the people who are affected the opportunity to be heard.

Now Mr. Chairman let me say this to the government and to the Minister. If the Minister's position, and if the government's position is as strong as he's suggesting; if in fact the savings are being made with respect to the cost of living; if in fact what he's suggesting is providing better service and is working better than in the past, then there will be no question of people who as witnesses who will be able to come forward and to testify - no difficulty whatsoever. And I would suggest that on this issue, because there is I think a very real concern by many people in the north that the Minister's statements are not accurate, that there be in fact an opportunity for an legislative inquiry by this Legislature, by the members here, where in fact not only will the Minister be presenting the information, but there will be the opportunity for witnesses to come forward so that in effect we can really determine whether in fact any saving is resulting, because, Mr. Chairman, the question that would have to be asked is: with all the money being spent by the government, whether it wouldn't have been far better to subsidize the people themselves directly for their purchases rather than get involved as the government is now in trying to carry on, and carry on and supposedly offer something that in the long run is supposed to save the people money.

Now there have been allegations in the past month that there in fact have been letters forwarded to the Minister and to the Premier indicating that there was no possibility of the winter roads being completed in time to be able to deliver the tonnage and the oil that was required and it would appear that there is some justification to those warnings. It would be interesting to know how the government responded, and again we can have the Minister stand up and give us his indication here, but I would prefer, and I think it would be in the interest of the people, to have a legislative inquiry so that in fact the Minister can answer the statements of witnesses who will in fact be prepared to testify with respect to this so that we are not going to have to go through what I consider is an exercise, to a certain extent, of futility, because we are not going to get any of the information - as I've indicated we've spent four hours here with very little of the information being given. So I wonder whether the Minister would be prepared, and would the government be prepared, to allow such a legislative inquiry to take place so we really can determine whether in fact there has been any savings in the cost of living of the people involved.

The Minister of Consumer Affairs suggests that now there is an internal study being undertaken. The Premier last year on more than one occasion said, I don't know why the prices in the north in the remote communities . . .

MR. CHAIRMAN: Point of order has been raised. The Honourable Minister of Consumer Affairs.

MR. TURNBULL: The Member for River Heights indicated that I suggested that an internal study was being made. May I just have, as I haven't answered his question of a day or two ago, have a specific reference as to when I said that there was in fact a study under

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(MR. TURNBULL cont'd) . . . way. Apart from remarks that I have made, of course, to the effect that the staff of my department are monitoring prices in the north and in the south, and I use that word monitoring of course in the sense that they check prices periodically and for specific purposes.

MR. SPIVAK: If the Minister is indicating that a study is not being undertaken - but that's really contrary to what the Premier suggested last year. The Premier indicated that he could not understand why in fact the prices in the remote communities were as high as they were and had not been reduced and he indicated at that time that a study would be undertaken.

A MEMBER: A play on words.

MR. SPIVAK: No. No play on words, it was a commitment. The Minister of Consumer Affairs says that no such study is taking place. Well, Mr. Speaker, for that very reason I think it would be important for the inquiry to determine what the costs really are. Now Mr. . . .

MR. CHAIRMAN: Order please.

MR. SPIVAK: Well, Mr. Chairman, I hope that you can act as Chairman so long as the Deputy House Leader will allow you.

I have in front of me, Mr. Chairman, a survey on comparative weekly food costs which was carried out in 1971. Now I admit it's 1971, and I'm not in any way suggesting that that information necessarily is correct for now but I think it would be very important for us to know whether it is correct or not, and it indicates the degree of increase for a family of six for a weekly food cost indicating the Winnipeg food cost at that time of \$35.00, and I want to go through the communities and indicate the percentage increase for each community at that time.

In Berens River the same amount was \$44.63, which was a 27.5 increase; in Brochet it was 60.47, which was a 72.7 increase; in Cross Lake it was 47.71, which was a 36.3 increase; in Garden Hill it was 57.58, which was a 64.5 increase; in God's Lake Narrows it was 65.37, which was an 86.8 increase; in Little Grand Rapids it was 57.56, which is a 64.5 increase; in Lynn Lake, Mr. Speaker, it was 41.38, which was an 18.2 increase; in Nelson House it was 56.40, which was a 61.4 increase; in Norway House it was 57.45, which was a 64.1 increase; in Oxford House it was 54.18, which was a 54.8 percent increase; in Poplar River it was 50.52, \$50.52, which was a 44.3 increase; in Pukatawagan it was 47.81, which was a 36.6 percent increase; in Shamattawa it was 59.66, which was a 70.5 increase; in South Indian Lake it was 54.28, which was a 55.1 increase; in St. Theresa Point it was 61.92, which was a 76.9 increase; in The Pas it was 40.90, which was a 16.9 increase.

Now, Mr. Chairman, it's my belief that an inquiry of this Legislature, which can be held during this session, which will allow evidence to be brought forward, not from the Minister with respect to the kinds of answers that he's given so far, but with respect to detailed information that could be furnished and questions that could be asked and comments and submissions that could be made by individuals, particularly individuals of the north, would give us an opportunity once and for all to determine whether the government's program is really satisfying the people up north, whether it is as represented, and if there's strength in the government's position they have nothing to fear. If, in fact, it is not as strong as the Minister has represented, then I think, Mr. Speaker, that at least then the program can be altered and changed so at least the cost of living to the people in the north can in fact be affected by what the government is attempting to do. Because the object of the exercise is really to affect their cost of living; the object of the exercise isn't to wipe out a private contractor, but rather to help the people in the north itself, and at this point based on the evidence that's submitted so far--or not on the evidence, based on the statements that are made by him so far, with what appears to be a fair amount of conflicting representation, I think there is at this point a fair amount of dispute with the Minister's statements.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, first of all I would like to thank the Leader of the Opposition for supporting our contention that in fact somewhere along the line people in remote communities of Northern Manitoba are being ripped off. Because, Mr. Chairman, in 1971, and he quotes those figures, those were the days of the monopoly hauling of goods into remote communities Mr. Chairman, those were the times when we had, Mr. Chairman, no method,

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(MR. McBRYDE cont'd) . . . no method of checking the retail prices, checking the retail prices in stores in northern Manitoba. And, Mr. Chairman, in June of this year we went to the people of Manitoba and said one of the things we want to do is have a consumer price study, a northern consumer price study. And, Mr. Chairman, that study is now beginning and the results are starting to come in from that study. Mr. Chairman, I would suppose that the Leader of the Opposition of course isn't going to believe the figure from that study; he probably doesn't believe the figures from his study; Mr. Chairman, I doubt if he's going to believe any figures that come from this side of the House, or come from any source other than himself I would guess.

Mr. Chairman, that kind of study is being carried on now, and Mr. Chairman, when we see the results of that kind of study then we're going to have to decide; okay the prices are still going up, we've lowered the costs of the hauling of goods in there but retail prices are still going up, what are the next steps to take? Well, Mr. Chairman, if the Leader of the Opposition had some recommendations as to what are the next steps to take in terms of the cost of goods, retail goods in northern Manitoba, then those would be welcome.

But certainly, Mr. Chairman, for example, in the Island Lake area the bands themselves are setting up retail facilities in those communities. Now, Mr. Chairman, that will show whether those facilities actually help to lower the cost of goods to people in those communities Mr. Chairman, now we're dealing; Mr. Chairman, now we will be able to see the cost of taking the freight in on those goods. Mr. Chairman, I believe we'll be able to get the costs of those goods wholesale, and we'll be able to see where the big mark-up is coming in, if in fact there is a big mark-up. In 1971 when he quotes, Mr. Chairman, we didn't know. Mr. Chairman, there was a monopoly situation in terms of hauling goods, only a certain contractor could haul those goods. Mr. Chairman, I would suspect that the price would have to be much higher since the costs of hauling the goods was much higher, as I quoted earlier in my remarks.

Mr. Chairman, the Leader of the Opposition would like to have some kind of Legislative inquiry every time there's disagreement. Well, Mr. Chairman, we would spend all of time in Legislative inquiry because one of the functions and roles of this House is to have disagreement. Mr. Chairman, I don't think that the Leader of the Opposition, if he's not going to accept the figures and facts that I have distributed to him, and I believe I have answered and attempted to answer every single question that have come from the Opposition side of the House, and there's no attempt to withhold any information from them, to help them understand the situation to present their case, to say that the government's case is not correct. Mr. Chairman, that information is being made available to them to deal with. Mr. Chairman, there is disagreement in the north and there always will be disagreement in the north.

Mr. Chairman, there was a couple of other points that I wanted to --(Interjection)-- Well, Mr. Chairman, in '71 when the figures were quoted it was the same person who built the roads, had in effect through the PSV licensing system the exclusive right to haul on the majority of those roads.

There was another fact, Mr. Chairman, that hasn't been commented on, and I'm sorry I didn't really get a chance to discuss it - it was in the information that I passed out to honourable members - and that is a contract with the Oxford House Cross Lake Indian Bands in the amount of \$50,000 to build a light traffic road between the Community of Cross Lake and the Community of Oxford House; and Mr. Chairman, this was not in our original plans or estimates in terms of winter road construction in northern Manitoba. However, we had under way, or we will have under way shortly, a study that was planned at that time to survey, to do engineering studies of the possibilities of a winter road between the Communities of Cross Lake and Oxford House. Mr. Chairman, these two Indian bands came in with a proposal and approached the Federal Government as well. The Federal Government agreed to put up 50 percent of the cost, that is \$25,000 toward this experimental road, and then we agreed to put up \$25,000 towards the cost of this experimental road. I think our reasons for getting involved was : (1) We wanted to use this information because we are studying the feasibility of this route for the next winter season; and Mr. Chairman, we also wanted to establish the principle that the Department of Indian Affairs of the Federal Government would cost-share with us in winter roads. I pointed out to - early statements in my remarks in regards to winter roads, that one of the biggest, or probably the biggest group that benefits from winter roads construction is the Department of Supply and Services of the Federal Government who ships in goods

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(MR. McBRYDE cont'd) . . . to the reserve communities in the remote areas, and they achieve the biggest saving in terms of the cost of hauling goods in. Since the majority of the communities, and the vast majority of people in the communities served by the winter roads network are of treaty Indian status, we feel that it is only fair that the Department of Indian Affairs get involved with us in the construction of the winter road network. Now, Mr. Chairman, the estimates show the full cost of us getting involved in the winter road network next year because we have no guarantee from the Federal Government at this time, but we are in the process of discussing with them and hopefully we will be able to get cost-sharing on the winter road network.

The other, Mr. Chairman, is that we have a contract with MeKeSe Construction to put a winter road over the old route into Red Sucker Lake; the Department of Indian Affairs had to agree to go 50 percent on the cost of putting in an entirely new route into Red Sucker Lake, and this works out - our share of 50 percent of that would be the amount we're already contracted for with Me Ke Se, so we have agreed to enter into that kind of an agreement with them. So now we have two cases where the Federal Government has in fact put up 50 percent of the cost of the construction of winter roads into northern Manitoba.

The other important point that I think that I must make in regards to winter roads - and it might be applied I think to a lot of comments from the members opposite on economic development in general - if the people, Mr. Chairman, in remote communities are ever going to be able to get involved in economic development in northern Manitoba, they're going to have to first get involved in that economic development that affects them immediately. So, Mr. Chairman, if there's something being built in that community, the people in that community are going to have to get involved in that kind of construction project and not have an outside contractor come in, bring his own men with him to do the construction work. If there's wild rice to be harvested in a remote community, it's not going to - Mr. Chairman, if we're going to have economic development of remote communities, then it's not going to be able to be an outside person who will come in and hire people at the rate he decides in terms of that harvest, but that the people themselves are going to have to be involved in the harvest of that crop. And the same thing applies I feel to winter roads, that if the people in remote communities are going to take advantage of economic opportunity, then one of the opportunities that's going to be available to them, I hope, is going to be the construction of winter roads in northern Manitoba.

Now, Mr. Chairman, that's an important problem that we face in the Department of Northern Affairs; because, yes, we could have our own firm ready to go next year at the start of the winter road season, and we could get all those winter roads in there very quickly - we're going to be taking a bit of a risk, Mr. Chairman, if we're going to hire and contract with local people to do that job, and I think the risk we're taking or the disadvantage of the risk we're taking is far outweighed by the advantages of having people do their local development themselves. But I have no fear, no fear that next year in this Legislature when one community isn't able to fulfill its contract that the Member for Portage la Prairie is going to stand up and say, the Minister has bungled the winter roads into that particular community, and I tell him now that there's going to be a certain risk involved in having local people more involved in that construction; and we're going to have to take that risk; we're going to have to take that risk in terms of the economic development of that particular community.

I think that if you look over the estimates for this year, and I think if there was some justifiable criticism that came from across the House in regards to winter roads it would be that how come there are so many private outside contractors involved in winter roads this year? And I'll have to admit that that is a weakness in this year's winter road program, there are not enough local contractors involved in the construction of winter roads into their communities. And I'll have to explain very briefly to the House the reason for that. The reason for that is that early on in the fall of this year it appeared that one of the major contractors, Me Ke Se, would have trouble fulfilling their contract and the department was not anxious to take the risk of taking on too many contracts ourselves if in fact - because we are worried that the one big contractor may not be able to deliver. Had we been sure that that contractor could have delivered you would look at this list today and see more local companies involved in the construction of winter roads.

And I think the case of the Cross Lake Oxford House Indian band is an excellent example,

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(MR. McBRYDE cont'd) . . . because they came forward with a proposal to us, they came forward with a proposal to the Federal Government; they showed us they could do something that we were only studying; they did it successfully without any major problems; they had the administrative capability, and they had the drive to go ahead and get that light traffic road in between their two communities. And I think, Mr. Chairman, that this is the avenue in the future that winter road construction will take, that it is an important policy of government that we have to involve the people in the remote communities in that construction process, and there are a number of risks involved, and I'm sure I'll answer for those risks in this House at the next session of the Legislature. Hopefully by that time we'll also have some commitment from the Department of Indian Affairs to cost-share in the construction of the winter roads in the northern part of our province.

At the time of the adjournment I was making some comments on the Government Air Service. Unless there are some specific questions or comments on winter roads, I'll proceed to make a few further comments on the Manitoba Government Air Services. I must mention, Mr. . . .

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: I've listened to the Minister and I would like to make two comments to him, or three comments. First, he hasn't indicated at all that there's any saving; he indicated that a study is going to be undertaken but the Minister of Consumer Affairs has indicated that no such study is being undertaken. --(Interjection)-- Well, he basically said that they are monitoring prices, which is very different than suggesting such a study. --(Interjection)-- Well, I wonder if the Deputy Leader is going to act as the committee chairman now or not.

Mr. Chairman, you know, the fact is --(Interjection)-- that prices are high in the north. My understanding is that fresh milk is 89 cents a quart in the north today; the gasoline is \$1.65 a gallon; and I cite those as only two prices which would indicate not a particular rip-off, but that something obviously is wrong here, Mr. Speaker. --(Interjection)-- Wrong?

A MEMBER: Rip-off.

MR. SPIVAK: Oh, rip-off. Well, Mr. Speaker, then if it's a rip-off then I would assume that the Minister of Consumer Affairs who is the person responsible for protecting the consumers would act. He's indicated that he's monitoring, and obviously his monitoring hasn't resulted in any action cause there's nothing that's being undertaken by him. In fact he is doing less than what was promised by the Premier last year. So, Mr. Speaker, I have to suggest that the Honourable Minister can stand up all he wants and say, well look at the prices, they were, 71, when it was by private contractors, and the percentage has been indicated as far as the increases over Winnipeg, but he has no evidence to support or even present a position that would indicate with all his work that in fact there is substantial savings being presented. And I go back to the necessity of . . .

MR. CHAIRMAN: Order please. Now, I allowed the honourable member before, the Leader of the Opposition, to quote statistics, but if the Honourable Leader of the Opposition has something to do with prices, Consumer Affairs, that item will come up under discussion. We are now on Northern Affairs and I would ask the honourable member to confine his remarks, and I'll refer him to Rule 64 2 of our House rules that the topic of discussion has to be relevant to the section that we're under. We're under Northern Affairs. The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Chairman, just on the point of order. Mr. Chairman, I don't know how you could even suggest that discussing the prices in northern Manitoba are not relevant to the question of winter roads. I mean, I just do not know how that cannot be discussed. This is the whole object of the winter road exercise, and so for that reason, Mr. Chairman, I think that I should have the freedom to discuss this, particularly when it's been brought up by the Minister and it's been discussed before, and this is the object of the exercise.

My point is to indicate to the Minister that at this time there is no hard evidence of any savings, notwithstanding the statement that he's made, and there's really no evidence that the government is undertaking any substantial study and the need for the inquiry that I suggested was for the purpose of information being brought properly before the Legislature because the information here is at best speculative and not authoritative at all.

Now there is one other question - and that's why, Mr. Chairman, while the Minister may reject, and the government may reject the necessity of enquiry, the value of a Legislative

(MR. SPIVAK cont'd) . . . enquiry, which is made up of the members of the Legislature here - we're talking about the people who are present here now - where this evidence can be brought forward, which is not an expensive kind of undertaking but which would allow an opportunity for a, you know, for a full review of this, and I think possibly settle some of the problem areas, I think is very important in really assisting the government as much as the members in the Opposition in trying to develop the programs for the following year.

Now I'd like to understand from the Minister, because he's referred to the fact that some contractors have been employed this time who had he had the opportunity he would not necessarily have chosen because he would have chosen people who were from the remote community areas themselves, had they been in a position to do it, whether he can indicate the qualification of C.I. Madill Limited and why one of the administrative officers from his department had to leave in December to become employed with that company after they were awarded the contract.

MR. CHAIRMAN: The Minister of Northern Affairs.

MR. McBRYDE: I'll try and deal with the member's comments in the order that they came. I'll just make a note so I don't forget his last . . .

The saving that - you know I indicated in that we have statistics for, and I think that the honourable member probably understands this, but I'll just repeat it to be sure, is the statistics in terms of the cost of hauling goods. Now the cost of hauling goods has been shown not to have gone up - which is quite an accomplishment in this day and age - or have gone down considerably. Since the cost - I suppose then there would be two things that could be assumed, if the cost of hauling the goods have gone down but the prices to the consumer have gone up, then the member must be telling us that either the wholesalers are increasing their price unreasonably or the retail stores are increasing their prices unreasonably, and this I believe is what the study or monitoring under way is all about.

Now, the Minister of Consumer and Corporate Affairs is being quite correct when he says that at this stage there is a monitoring process under way; that monitoring process however is not being administered by one of our department but by the Statistics Bureau, but this monitoring process is the first phase of study of northern transportation and retail costs. The next phase will involve the kind of thing I was talking about in terms of what is the wholesale cost of those goods, what is the freight cost of those goods, and how is that reflected in the retail, and if in fact, as the Leader of the Opposition says, if there's a rip-off taking place, then where in fact is that rip-off taking place? But the first stage of that is the monitoring or the sort of a monthly review of retail prices at a selected sample of remote communities and other northern communities and to compare those prices with the city between themselves and how and if they change, because certainly the member is correct, if in fact the prices are at a certain level when they have to haul in by air during the summer, and the prices stay at that level when they can go in at half the cost on a winter road, then there is something wrong and we should have that information, and the people of Manitoba should have that information and this is what's being undertaken by the government to get that information and to make it available to the people of Manitoba.

The question that was asked in terms of an administrative person in our department - well we do not have any way of forcing people to remain in the employ of the Department of Northern Affairs, and I don't see any reason why we would want to. In fact, most people enjoy it quite a bit and would like to stay. The man in question, Mr. Chairman, was an air terminal - what's the proper title? An airport manager at Norway House during the year that he, or year and a half that he was the airport manager at Norway House he had no connection with the winter roads section of our department, but his job was managing the airport at Norway House. He asked for a leave of absence to go work with a private winter road contractor; we said that was not possible, and so he left the employ to go work on the winter roads. That's his decision and I don't think anyone would question him for making that particular decision.

Now I would like to move in and complete a few of the comments and answer some of the questions that were asked a little bit earlier, Mr. Chairman. I think that I will complete that at this time so that I can finish those particular comments.

MR. CHAIRMAN: Order please. Does the Honourable Member have a point of order?

MR. GRAHAM: I would like to ask him a question before he moves on.

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MR. McBRYDE: . . . the last bit of question then, Mr. Chairman.

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

MR. GRAHAM: Mr. Chairman, the Minister has indicated that the cost of transportation has been reduced. He was going to prove it to us, and yet he has failed to cite us one example of where it has been reduced. Could he cite us some examples of where the cost has been reduced?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, I'll apologize to the Member for Birtle-Russell in that I had three copies of everything so that he could get one as well as both opposition parties or their leaders, and I misplaced - ah I've got one here that I used in my speech; it has lines under it but I think he'll accept that. I'll just quote it for him to see if he understands it.

A MEMBER: Read it again.

MR. McBRYDE: All right. This is the best estimate, Mr. Chairman, of the - some goods cost a little bit more to haul than others. This is the best estimate of the averages of those goods and the difference in costs, and as the members look at this chart there are a number of prices since from '67, as one would expect, in hauling goods that have gone up and in these particular cases, I believe that there was not a winter truck road into some of these communities but a tractor train route or no route in at all. The ones I quoted was the Garden Hill where in 1967 the cost per ton of hauling goods to Garden Hill was \$137.40. The cost in 1971-72, still under the old system which to Garden Hill I think you could fairly call a monopoly system because of the PSV licensing system, was \$143.00 per ton. The cost of hauling the same amount to Garden Hill in 1972-73 when other haulers were allowed on that road, was \$70.00 per ton. Mr. Chairman, I'll send the - I don't think I'll have to quote that again so I'll send this copy over to the Member for Birtle-Russell if one of the pages will do that so he'll have that for his reference.

I would also --(Interjections)-- Well, Mr. Chairman, I had assumed that not all the members were interested in all the detail of this debate and I've made copies available to the members opposite who had expressed some interest. We certainly could probably get a few copies. There is another . . .

MR. McKENZIE: . . . in northern Manitoba and if there are copies available. . .

MR. McBRYDE: Well the figures I just quoted, Mr. Chairman, were quoted on the first day of my Estimates debate. They are in Hansard at this time, so that those figures are there, available in Hansard.

The other study that I wanted to make available to members, but I couldn't find enough in my office, was the study not done by the Department of Northern Affairs but a study done by one of the haulers on last year's winter roads system, who put down his facts and figures and his thoughts on the winter road hauling in northern Manitoba. I called him the other day and he agreed that I could make that available to members but I could only find one extra copy and I didn't want to discriminate against anyone so I'll wait until he can get me over a couple more copies, and he has just given me leave to give out his report; it's not a Northern Affairs Report.

The questions that I had the other day in relation to the Manitoba Government Air Services were around the number of hours flown by government aircraft, and whether in fact we were getting our money's worth in terms of Manitoba Government Air Services aircraft; I said earlier today how many aircraft were owned by the Province of Manitoba, how many aircraft were leased by the Province of Manitoba, and what were the types of aircraft that were available to the Province of Manitoba,

In answer to the question in terms of hours, I have a - I think it's fair to say, or the private operators and officials of Government Air Service tell me that it's usually - if you get 400 hours a year in on an airplane that you are getting good utilization. If you start getting considerably less than 400 hours a year on an aircraft, you start to get concerned that you're getting the maximum utilization. I don't believe that 400 rough figure is sort of the break-even point, I think it's lower than 400 hours quite a bit. I think generally the industry feels that 400 hours on a charter airplane is good service and above that is really a bonus or an amount of flying beyond the need of maintaining that craft.

I have a list here for all the Government Air Services planes, including those on lease, but for example the Turbo Beavers owned by the Province of Manitoba or leased by the Province

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(MR. McBRYDE cont'd) . . . of Manitoba, the lowest number of hours for one of the aircraft was 419 hours from January '73 to December of '73, and the highest usage of a Turbo Beaver was 629 hours in that one year period.

For the Otters, Mr. Chairman, the lowest figure is 217 hours, that is an Otter that was only in service for part of the year and the other one that was in service for a full year was 660 hours. Probably the Piston Beavers, the usage of Piston Beavers is about the same, and that is the average is between 618 hours in a year and 766 hours per year. The 180 put on 791 hours in the year. The twin engine aircraft, the Piper Aztec put on 932 hours in the last year, and the twin engine Skymaster put on 747 hours in the last year. So members can see that the utilization rate is well above those expected in the air industry and therefore I believe that we are getting good service for the aircraft that are owned or leased by the Province of Manitoba.

The other figures were for aircraft, some of them were used only part of the year; however, I think you can get a fair picture of the MU2 aircraft which last year - two different aircraft at different times put on a total of 657 hours, so the utilization rate of government aircraft is quite good, Mr. Chairman.

The other aspect as I mentioned the other day to members opposite is the concern that we're getting from civil servants travelling in northern Manitoba, and not just civil servants in the provincial service, Mr. Chairman, but civil servants with federal agencies as well are expressing their concern about flying with some of the private carriers, and some of the civil servants who phone Government Air Service and are then - a private firm is contracted for their use, have refused to use that service. Mr. Chairman, I think that the Member from Lakeside has some appreciation of the Red Air Service as he was the Minister responsible for it at one time, and I'm sure he helped set the foundation for the utilization of the aircraft and the service of the people of Manitoba, and even though the number of aircraft has gone from 7 owned to 14 owned and a number leased in the year of the report that the Members opposite have, the utilization of government aircraft, the needs of the Government of Manitoba, only 58 percent of that was filled by the use of Manitoba government aircraft, so there could be a considerable increase in the fleet of government aircraft to meet the needs of the civil servants in the Province of Manitoba. But, Mr. Chairman, 42 percent of that during the last year that the report is for was handled by private charter companies. I understand that figure has increased a little bit for this year but I don't have the exact figure in there.

The Air Division was only bothered by one problem and that is the problem of the air mechanics this year. The air mechanics have some concern in terms of their salary range because they tell us in private industry they could earn a considerable amount more and when they did go on a few weeks, I don't think they got any publicity or work to rule campaign, the Government Air Service was hindered quite considerably because of the effort put forward by the air mechanics; and if there's any reason for our safety performance as compared with other air carriers in the Province of Manitoba, it is because of the air maintenance and the mechanical work that is done on aircraft, because the number of accidents that have been in northern Manitoba have been mostly because of mechanical failure on the part of those planes.

The other important aspect of the Government Air Service of course is the Patient Air Transportation Program and maybe it's hard to explain the whole program, but I think it's fair just to read briefly you know a short comment. "An emergency flight by Manitoba Government Air Service on a stormy night did much to help save the life of a Berens River boy. The boy, Harvey McKay was in fact in very serious condition after an accident on the night of November 14th and required emergency transportation. Manitoba Government Air Service plane CF MU2, a M . . . twin engine turbo prop, responded to the call. Dr. Johnson of the Health Sciences Centre, Winnipeg reported later that any delays would have resulted in a real problem for Harvey. He is now reported doing well. The pilot who did it all wished to remain unnamed but termed it a routine flight." And this kind of emergency air transport goes on in northern Manitoba with great regularity and I think that credit is due to the staff of Government Air Services and/or pilots for being able to carry out these emergency operations, so far thankfully without any serious problems.

MR. CHAIRMAN: The hour being 9:00 o'clock, the last hour being Private Member's Hour, committee rise and report. Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply directs me to report progress and asks leave to

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(MR. CHAIRMAN cont'd) . . . sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Rupertsland, that the report of the committee be received.

MOTION presented and carried.

. . . continued on next page.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Private Members Hours, Resolutions, first item. The Honourable Member for Fort Rouge. I'm sorry the Honourable House Leader wish to say something?

MR. GREEN: Just on a point of order, on the resolution that we have been dealing with presented by the Honourable Member for Portage la Prairie, I believe that I terminated the debate on that resolution but I had not yet finished my remarks unless I was out of time.

MR. SPEAKER: The Honourable Minister had finished his time, I believe - that's right. Unfortunately I must inform honourable gentlemen that that resolution is not before us. It will appear again some other time.

MR. GREEN: That wasn't the reason for my rising Mr. Speaker. If I had not finished, I wanted it standing in my name, but if I did finish of course then I can't.

MR. SPEAKER: No, the Honourable Minister had finished his time. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you Mr. Speaker, I wish to move, seconded by the Member from St. Boniface, the following resolution:

WHEREAS events of the past year have clearly demonstrated that the problem of energy, its discovery, its development, its conservation, its distribution, its cost and its use is of fundamental importance to the well being of every region in the world;

AND WHEREAS under the constitution of Canada, the provincial government has jurisdiction over the natural resources which are an integral part of any energy system;

AND WHEREAS it is in the best interest of the people of Manitoba that our energy position both short term and long term be safeguarded in the most effective means possible;

NOW THEREFORE BE IT RESOLVED that the government consider the advisability of establishing a Manitoba Energy Board to deal with the matters regarding Manitoba's energy supply and use, which Energy Board would be charged with the following responsibilities:

(a) The development of a long term provincial energy policy which is harmonized with national energy policy and applicable to all forms of energy -- coal, natural gas, oil, hydro and nuclear.

(b) To carry out such studies and hold public hearings, and report to government and the public with regard to the pricing of energy, the inventories and potential, both in supply and demand, and all matters related to safeguard the long term energy needs of the Province of Manitoba.

(c) To take, or cause to be taken, inventory of the total provincial energy reserve in all forms, including the means of development and transportation from the source to all parts of the province, and Canada, and inquiring into the use, misuse, waste and conservation of these resources, in aid of putting before the public and its elected representatives sufficient data on which to base long term energy policy.

(d) To consider and hold public hearings on application for any export of Manitoba-produced energy, with the power to restrict such export if the Board is not satisfied that it is in the long term interest of the Province.

(e) To promote public awareness of our position with regard to energy and its conservation and to recommend means to the government of Manitoba whereby the vast energy potential of Manitoba will be used wisely and with the objective of benefiting the people of this province, including means whereby the energy potential of Manitoba will be used to expedite the industrialization and further economic development of Manitoba.

(f) To promote and direct research aimed at determining which form of energy is best suited for each consumption purpose and for developing techniques whereby existing methods of using energy can be converted, where it is thought fit, to alternate energy consumption techniques, so as to promote the greatest efficiency from the use of these important resources.

MR. SPEAKER presented the motion. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you Mr. Speaker, my purpose, Mr. Speaker, in presenting this resolution is a very simple one, and it is simply that the Province of Manitoba at present does not have an energy policy.

Now, Mr. Speaker, we may have bits and pieces, we have some policies in the field of Hydro but I would caution members to recognize that a hydro policy is not an energy policy. We have statements in various sorts from different ministers, often contradictory in their nature; we have the statement of the First Minister at the Energy Conference which was basically platitudinous in its direction and purpose; and besides that, Mr. Speaker, we really have

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(MR. AXWORTHY cont'd). . . no well integrated comprehensive approach to determining the supply, the pricing, the use and the conservation of our energy resources so that we can guarantee in this day and in future days that the energy requirements of the people of this province will be properly safe-guarded and that furthermore we will be able to deal with this most precious resource in a most careful and cautious and wise manner as possible. So the purpose of this resolution is to bring to the attention of this House and to the Government, the requirement of establishing an integrated comprehensive energy policy for the Province of Manitoba, and by that policy we mean one that ties together the various elements and components that makes for a total fabric of energy policy, one that relates, one piece to the other, which ties together well and which has a certain cohesion and certain coherence to it.

Now, Mr. Speaker, one reason why we don't have a fully effective or in any way comprehensive energy policy in the Province of Manitoba is that we do not have the mechanism to develop such a policy. I grant that there is in existence a body called the Energy Council but as much as we can determine, Mr. Minister, this is a ghost council, alive and well only in the minds of the imagination of the Minister of Industry and Commerce, because rarely do we see it in public, rarely do we see any evidence that in fact it is doing its job. I suppose, Mr. Speaker, the measurement of effectiveness of any program is the degree to which the results are produced, and if we look at the results we would have to say that if there is an energy council, if it is providing advice, then that advice is confused, that advice is oftentimes irrelevant and it oftentimes can lead to the most facetious statements on energy policy which have been uttered in this province in a long, long time. And of course I refer to the statement made last fall by the Minister concerning the fact that we might as well burn what we've got now, because goodness knows what's going to happen in the future. Plus the fact, I would put in the evidence to the question of the need for an Energy Council, is the basis problem -- another piece of basic evidence, Mr. Speaker, is the fact that the Minister of Public Works felt himself so frustrated at the lack of an energy policy, or the lack of a proper mechanism that he felt obliged this fall to introduce his own kind of mechanism, an energy advisory council which is going to advise him, so now we have a couple of mechanisms at work here. So the point I'm making, Mr. Speaker, is that if you look at the results in terms of performance which should be the primary measurement, then the mechanisms that have been thus far established aren't working and if they work they work only in a fitful way or they work to produce the wrong kinds of policy.

One thing that is particularly wrong with the present mechanism, and I think this was revealed in the questioning by the Member of Riel this afternoon, is that the present Energy Council or the advisory body really is not a public body, does not open itself for full disclosure, full debate and full sort of openness to public understanding of what's going on. The present body is one that's appointed by the Minister meets somewhere in the labyrinth and deals God knows with what, because we can't read the minutes and no one tells us what's going on. So the fact of the matter is that that mechanism if it is designed -- what we need is a mechanism that's designed to open the system up, to bring in together the best of viewpoint and attitude and opinion and data and skill throughout the province so that we can get the best information possible.

So I think it would be fair to conclude, Mr. Speaker, that the present machinery is ineffectual - and I use that word in its most modest terms. The only real energy planning that is being done in the Province of Manitoba is being done by Manitoba Hydro, and one often wonders whether in fact, the tail is not wagging the dog, because Manitoba Hydro itself is, we all recognize, a well-established, long-standing, powerful commission which sees energy requirements and energy uses and energy needs purely in terms of what's good for Manitoba Hydro, and I suppose we could use the aphorism of what is good in energy is what's good for Manitoba Hydro. So if the energy council is supposed to be providing any supervision or any overall comprehension it in fact is not doing so, because Manitoba Hydro is the agency which determines energy policy, I would like to bring particular emphasis to this because at the Energy Conference held in Ottawa and in subsequent statements, the First Minister made quite an effort to demonstrate that in Manitoba we are concerned about what he euphemistically calls renewable resources, which is a nice phrase for saying hydro I suppose, and saying this is a clean way of developing energy, it's an easy way of developing energy, no problems at all - not like that dirty oil and gas that those Albertans have.

Well the fact of the matter, Mr. Speaker, that is a misnomer when you call it renewable

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(MR. AXWORTHY cont'd). . . resources because the fact of the matter is the development of hydro energy has very serious and very heavy costs attached to it. It is not a renewable resource, because it is a very damaging cost and once you destroy the environment which is oftentimes the consequence of developing hydro resources, that environment, that northland, those resources are in no way renewable, they are in no way being recaptured; so it really is a misnomer to label it as a renewable resource.

The second fact is also important to bear out, and this will come to an argument I want to make later. It is not a renewable resource if you sell it to someone else on a long term commitment, and we have had a history in Canada for the last 20 years of provincial government sellouts to the United States of energy resources, energy which we never get back. Now that is a basic fact and a fact that we are in danger of repeating that once again in Manitoba. And that is not a renewable resource if you tie that into a power grid as the British Columbians have well found out in the sale of Columbia power, they are not going to get that power back. It's not a renewable resource and even though that water is flowing brightly and virginally down the stream, it is not of any use to the people of British Columbia in developing their economic potential, its for the benefit of the people of Oregon and Washington. So the fact of the matter is we must be very careful about the notion of what we call a renewable resource, and one reason why we need an energy board is to provide some basic supervision and responsibility over the activities of Manitoba Hydro. Manitoba Hydro in effect needs a boss, and quite frankly, Mr. Speaker, I do not believe that the Minister who now says he's the boss, is really in control and that's why we want to promote the development of an energy board. So, Mr. Speaker, I would suggest then that based on this evidence, there is a clear and demonstrated need for an energy board and I will just repeat the basic requirements for it.

First, it has to look at the question of demand. We know that the growth of energy demand in Manitoba is an average of 7 or 8 percent a year which means by 1990 we are going to absolutely double the energy demand in Manitoba. That means that we've got to be looking at new sources and the kind of sources that can best provide it at the best kind of cost; which means we've got to be looking at sources like nuclear and rather than receiving the somewhat general statements that we have received in this House we need the kind of planning that goes on to develop those alternative sources to supply that demand.

We certainly need, Mr. Speaker, a pricing policy because you can't talk about supply and demand without looking at the equation of price and how it trades off. And, begging the indulgence of the House, I don't believe that we can always trust the facts and figures given to us by Manitoba Hydro. Again we need a board that's looking at alternative pricing policies and alternative situations so that we can determine whether in fact, the prices related to Hydro energy relate to other uses such as nuclear and other hydro carbons in fact so it balances out.

We need to look at the whole question of conservation, and this, Mr. Speaker, is probably the most neglected aspect of energy policy in this province, is that we are not engaging in any significant way in looking at how we can reduce the cost and use of energy in the way we put together buildings, in the way we develop urban transportation, in the way we develop industrial uses and conservation is an absolute requirement, an absolute component of any energy policy and it's not being provided.

We also need research to develop new sources, to develop conservation techniques, and finally we need a board such as this because we need to fit in provincial energy policy with that of national and international agreement. And again I feel that the demonstration of the last six months has showed that we are weak or lagging in our ability to negotiate and deal effectively with other levels of government. So I would suggest Mr. Speaker, there is unquestionable need, and let me just conclude by saying then if there is a need what is both the constitutionality and the feasibility of the kind of energy board that we are promoting?

First, let me deal very quickly with the matter of the constitutionality because this may be a matter that other members would raise. I think it is fairly clear and well demonstrated that in the area of energy policy, provincial governments do have the right based upon the legal principle called wasting to establish this kind of marketing agency to control the export of energy sources, and a demonstration of that is in the 1955 and 1956 Oil and Gas Conservation Acts in Alberta where they did set up an oil energy conservation board, that principle is recognized and has been accepted. Similarly, energy boards have now since been established in the Province of Quebec in the Deutsche Report; in the Province of Ontario the advisory committee

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(MR. AXWORTHY cont'd). . . on energy recommends a similar kind of body in that province.

The First Minister is always apt to point out, well we're not as bad as those other provinces and look what our sister provinces aren't doing. Well I would turn the argument around for him to consider - look in fact what your sister provinces are doing and begin to see the need of an energy board which provides the ability to have public hearings on the export of power and the use of that power.

The feasibility I think again has been proven, that it gives you some control in an open forum, Mr. Speaker, where people can make representation, where the full information can be divulged and people will know exactly what the sources are, what the cost will be and you don't have to fool around as we had to do in this province last year when the . . . and confusion that surrounded the development of the Nelson Diversion simply ended up making the Province of Manitoba and the people of Manitoba both confused and basically they're disgusted with the whole debate, which meant that in many cases the gist of where we are going sort of simply was eliminated and as a result we didn't get an effective energy policy.

So I would suggest, Mr. Speaker, in the time remaining that there is a constitutionality for such an energy board with the powers that we recommend, it is a feasible kind of board and it would have the basic advantage which we now lack, of providing the mechanism of delivering and developing an energy policy for Manitoba to enable us to use our resources wisely and well in the years ahead. Thank you.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to speak to this resolution because of a very much vested interest in it, and I am not given to the habit, Mr. Speaker, of referring back to old speeches in Hansard but this is one time I'm going to do it. I am going to refer to a speech that was given in Hansard June 6, 1972, and in this case it was given by myself. I opened it by saying, Mr. Speaker, I'm more prone to quote the members opposite than I am the ones on this side, because it's more dangerous doing the latter, but I will read this item and say, "Mr. Speaker, it said that politics is the art of the possible, therefore we always tend to deal with those things that are emergencies, and I would doubt that there is a very large segment of the population that would consider the matter of this resolution to be a matter of day to day urgency. However, Mr. Speaker, the matter is urgent for those people in Manitoba who wish to enjoy reasonable costs for power and for other energy sources in the foreseeable future."

Mr. Speaker, that was an introduction on the 6th of June, 1972, in which I had a resolution that said: "Therefore be it resolved that this government consider the advisability of establishing a Manitoba Energy Board whose responsibility would include a watching brief on the patterns of energy development in Manitoba and other provinces in the northern territories, examination of the negotiations between the national energy board and other energy controlling agencies, examination of the implications of continental energy agreement proposals, and to make recommendations to the Manitoba Government on these and other such matters which contain energy cost implication to Manitoba consumers."

Well, Mr. Speaker, that says that essentially that we have no trouble supporting the resolution presented by the Member for Fort Rouge, because essentially it's the same as the resolution that was presented two years ago in this Legislature. And, Mr. Speaker, the government did respond I believe to the resolution although it did not receive a great deal of debate in the House because I think nine months later they established in February of 1973, the Manitoba Energy Council, not the Manitoba Energy Board but the Manitoba Energy Council, and for all intents and purposes it should have the same objectives, that is to perform those duties that the member for Fort Rouge has outlined here tonight essentially, and I think probably the items that were contained in the resolution two years ago but Mr. Speaker, the problem is that we obviously have not had the results from the institution of that recommendation, or for whatever reasons they did establish Manitoba Energy Council, because if they had, Mr. Speaker, it must be self-evident that if the Manitoba Energy Council was doing its job, that we wouldn't be standing here, and the new member of the Legislature wouldn't be standing up unapprised of the fact that there already was one in existence, and here he is a member of the Legislature and it's not his own fault, Mr. Speaker, it's the fault of the government establishment of this committee and probably because of the terms of reference they gave it, and perhaps the make-up of the committee, Mr. Speaker, because when this was presented originally, the idea was that we would in fact have people on this board who would be heard by the people of Manitoba,

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(MR. CRAIK cont'd). . . who could speak forthrightly and make themselves heard, have their hearing, make their recommendations, and become a body of which the people of Manitoba were aware.

Now if we look at it, at the make-up of it, we have as the chairman of the present energy council, the Minister of Industry and Commerce, perhaps well intentioned; we have his deputy minister, we have the chairman of Hydro, I think we have the chairman of the Public Utilities Board, and we have the Deputy Minister of Mines and Resources. Well, Mr. Speaker, it's a pretty close vested sort of a board and as the Minister replied in the question period today, that they have no obligation, Mr. Speaker, to make public the minutes of their meetings or to the members of the Legislature they are simply - all we can say so far, Mr. Speaker, from evidence from the outside, is that they satisfied a political need to set up a board that was presumably going to display to the public that they were going to satisfy the needs of Manitoba vis-a-vis an energy policy.

Well we fully expected that after that there was no crisis in February 1973, but as the year wore its way on, of course, we had a massive crisis in the fall of 1973 and culminating in the Energy Conference in Ottawa early this year, and the Manitoba Government went to it. And the only observation that you can make from that is that if the Manitoba Government's position was based on a recommendation from the Manitoba Energy Council that it doesn't recommend to us that this energy council is looking after the interests of Manitoba, because to say the least the position of the Manitoba Government at that Energy Council, at the energy meeting in Ottawa in February of 1974, left us all wondering what Manitoba's energy policy was. And here we sit, we are a province that is associated with the west; we're caught with all the liabilities of the west and our traditional problem of freight rates on products moving from the east to the west, and now we find ourselves, Mr. Speaker, associated with the east.

A MEMBER: East of the Ottawa River.

MR. CRAIK: Associated with the east, Mr. Speaker, because we have all the vulnerabilities of the eastern provinces in respect of energy. So we are headed headlong, Mr. Speaker, regardless of what we have thought to date we're headlong into the position of being caught between these two predicaments, associated with the west, and bound by tradition to support a western position on all things, because we always have in the past, but if we support them, Mr. Speaker, in the position of supporting the policy of Alberta and Saskatchewan with regards to oil and gas, we are of course cutting off our own nose in spite of our face. We're working against our own best interests in Manitoba.

Well, given that decision, given that observation, if it is invalid, Mr. Speaker, if that observation is invalid, the government has a full right to stand up and say, well, we're not identified with the west on this position; we're for, as they said at the National Energy Conference, a strong national position. But what is a strong national position? Because Mr. Speaker if we do in fact support a strong national position on energy we have an obligation to the people of Manitoba, and an obligation to Canada, to the other people in Canada, to articulate that argument, to say that we in backing a national energy policy stand for all these items. And it may mean, Mr. Speaker, it may mean, Mr. Speaker, that in fact the Province of Manitoba is going to have to take a very pro-active role of non-support, a pro-active role of non-support of Alberta and Saskatchewan in this argument; and as the National Energy Board and the Federal Government work towards a position, I think we ought to realize very well - and I would gather, Mr. Speaker, from the response that is coming from the bench over there, that basically the government does tend to probably support that. What I am saying is that if you support it you've been hiding your position very very well. You've been masquerading your position behind some sort of a support for a national energy policy. Well while all of this is going on, while all of this is going on, Mr. Speaker, time is so short in this matter that the decisions that are being made by the other provinces are not going to be reversed once they're made, and unless this position is articulated immediately and forcefully to head off moves by the other provinces, we're going to end up sitting here having to absorb the decisions of the other provinces, and we're going to end up with the high oil costs, high gas costs, and high freight rate costs, in the Province of Manitoba. And everybody's talking about western Canada, despite the world situation experiencing a massive boom from hereon in. Mr. Speaker, they're saying it in western Canada, they're saying it in the OECD report, they're saying it across the world, western Canada is going to experience a boom.

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(MR. CRAIK cont'd). . .

Mr. Speaker, Manitoba may - if Manitoba experiences a boom it's going to be as a fallout from what's going on to the west of us, and I don't think, Mr. Speaker, that we have to sit and worship the goddess of the gross national product in order to stand up and say that it's in the best interests of Manitoba at this time to take a position on gas and oil that is clearly in the best interests of Manitoba. Let's forget whether it's pro National Energy Board policy or whether we're offending a neighbor, we have to do it; we have no choice, because regardless of political strife we have an obligation in Manitoba to defend the province's people's rights.

Mr. Speaker, I'm hoping to elicit from the government by way of this resolution - I trust we'll hear from the government - a concise, several, a number of very concise statements on exactly where they stand on the issues regarding principally oil and natural gas. I want to say also that I have supported, even two years ago, and if it's of any interest in here I suggested that it was probably a mistake for the Federal Government to ever have given the natural resources to the provinces in the first instance. It's dangerous to say that now because it looks like you're backtracking from a problem that you're in, but I'll say again, Mr. Speaker, I said it two years ago, and I would have supported it prior to that, at any time in history in saying that in the interests of all of us we would be better off as a nation, and Manitobans, if all along, even before the energy crisis, the resources of Canada had been under the jurisdiction of the nation, as they were in Manitoba prior to 1930, and it's not going to do much good to say it now because it'll look like you're trying to coerce the other provinces into doing something that they don't want to do.

In addition to that, Mr. Speaker, I want to refer to a comment that was contained in the reports this week, last week in the newspaper, made by Maurice Strong, who is now as you know with the United Nations, with their Environment Committee and head of it, Mr. Speaker, and one of the most forceful men now, a native Manitoban, who headed up one of the largest Canadian corporations, was a Deputy Minister in Ottawa, and went on to head up the United Nations' group on environment, and was chairman of the conference in Stockholm a year ago on many of these matters. He came all the way from Oak Lake in Doug Watt's constituency.

Mr. Speaker, here's a comment made by him: "Canada's sovereign right to its bountiful natural resources, such as the Athabaska Oil Sands might soon be challenged internationally, even by the country's best friends," United Nation's spokesman, Maurice Strong said Tuesday.

Well, Mr. Speaker, can you fathom the nations of the world getting up in arms because Canada wants to hibernate its natural resources, keep them to themselves. That's a very difficult saying to believe that in fact this is going to happen in the world, that this could happen. But take it now one step further, Mr. Speaker, and look how parochial we're being in Canada. In Canada, within Canada, Maurice Strong, and the United Nations are saying, perhaps he is at least, that the nations of the world aren't going to stand for the parochial, provincial attitude towards natural resources. Why should we hesitate as a province in Canada from speaking out for a position that is in the best interests of the province if in fact you can see a rationale for this happening on an international basis.

Well, Mr. Speaker, all this does is lend credence to the fact that we have very little choice but to lobby as hard as we can to protect the rights of Manitobans, and it may mean offending both the Provinces of Alberta and Saskatchewan in doing so; we have no other alternative, we have to work and work hard to keep energy costs down.

As has been mentioned here, we have been preoccupied with Manitoba Hydro's performance and the cleanliness of electrical energy, and so on. Mr. Speaker, it doesn't matter whether electrical energy is clean or it's dirty or whatever it may be, it's never going to amount to a position where it can replace our dependency on oil and natural gas. Our oil gas and coal imports amount to somewhere in the order of 75 percent of our energy requirements. Hydro is very little more than a quarter segment of our energy requirements, and despite the fact that 50 years from now it may be larger it will be all over the world as well, but between now and that 50-year development our obligation, Mr. Speaker, is to stick up for the rights of Manitoba for the purposes of protecting Manitoba.

I think, Mr. Speaker, that in short there's nothing contrary to marrying with this approach; a general change in our attitude towards energy and its development and coupling it with a conservation attitude towards all energy consumption. I think it's going to take a great

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(MR. CRAIK cont'd). . . deal of education to see this done. We've noted that the Minister of Public Works has set up a committee to advise on the use of conservation of energy within the public service alone. This is a step in the right direction, Mr. Speaker, but it's not big enough. This attitude has to be parlayed into something that is much bigger and much more an attention grabbing mechanism for the people of Manitoba. I think one of the things we ought to do that is perhaps again a detail, is to remove the ban on electrical energy consumption that was placed by this very House in haste last year, when jointly this House decided that Manitoba Hydro should be banned from advertising electric heat. Mr. Speaker, that's only one year ago. That shows the sort of hand-to-mouth, hand-to-mouth energy policy we have. A year ago we curtailed Manitoba Hydro from advertising electrical energy for heat; this year we see that we have absolutely no alternative but to double their budget for advertising - get on with the job, take full page front page ads, Mr. Speaker.

MR. SPEAKER: Order please. The Honourable First Minister state a point of order?

MR. SCHREYER: Well, Mr. Speaker, the Honourable Member for Riel even recognizing a wide latitude in debate, made a statement which is not in accordance with any action taken by this House last year, when he said that this House took action to preclude Manitoba Hydro from promoting the use of heat, of electrical heat; what was done in this House was to indicate to honourable members that there was some decrease in Manitoba Hydro's promotion budget in its generality.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Well, Mr. Speaker, the House didn't pass a resolution to that effect, the First Minister is perfectly correct; but as a result of the exchange in the House, Manitoba Hydro ceased advertising --(Interjections)-- its electric heat. Mr. Speaker, --(Interjections) -- Well, Mr. Speaker, we'll settle the matter because it's contained in Fansard and we'll find the answer to that, but I clearly recall an undertaking on behalf, by the First Minister, by the First Minister, that this practice of subsidizing the advertisements of companies advertising electric heat through the agency of Manitoba Hydro would be brought to stop. And it was. We saw - whether it was a resolution or not, we saw no more ads, Mr. Speaker. Well, I use that not as a criticism directly of this government; all I'm saying is that shows you the constituency of an energy policy and how fast things have changed in the last year. And we're on the slippery slope now --(Interjection)-- regarding energy costs and energy available like we probably never will be again in history, and we're sitting here having nothing coming out in a very forthright and forceful way by the government. There is no hearings, there is no public debate going on, there is no massive statement being made by the government. We find that the minutes of the Energy Board meeting are in-House, in-House minutes that are to be dealt with only by the Minister of Industry and Commerce. All of this, Mr. Speaker, in the face of what for Manitoba is a crisis, not a crunch, Mr. Speaker, but a crisis because of the very rapidly changing scene that we're faced with right now.

Mr. Speaker, I'm out of time and I got your message, I'll quit.

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

MR. EVANS: Thank you very much, Mr. Speaker. I must confess, as the chairman of the Manitoba Energy Council I was rather pleased with some of the remarks made by my honourable friend from Riel, because he put in some ways the position - and very clearly in some ways, the position of the Manitoba Government, which is simply to protect the interests of the Manitoba people. Now it sounds like a motherhood statement, it sounds like a motherhood statement, and the Honourable Member from Riel made it. He said the Manitoba Government must protect the interests of the Manitoba consumers, the Manitoba citizens, and everybody applauded on that side, and I can tell you, Mr. Speaker, if the honourable member had listened to the statement of the Premier of Manitoba at the National Energy Conference held only a few weeks ago in Ottawa, that exactly was the statement, and was exactly the position taken by the Manitoba Government, a position in favour, a position in favour of optimizing the position of the Manitoba consumer, and that's where we stand. And the Honourable Member from Riel says we can't be overly concerned with our sister provinces to the west, and we shouldn't be concerned about the east, we should be concerned about Manitobans, and I agree with him 100 percent; and if he had read the statement, and if he had listened carefully to the statements made by the First Minister of Manitoba, by the Premier of Manitoba, he would have understood full well very clearly that this is the position that we take, and we do take a national position;

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(MR. EVANS cont'd). . . the national position is the Manitoba position and for a very good reason. If you look, Mr. Speaker, at the energy consumption patterns in Manitoba, you will see that - and these statistics relate to 1972, which is the latest information I have available - but that of the total energy consumed in Manitoba in terms of British thermal units over half or 50.2 percent was made up of oil. In other words, oil or petroleum products comprised 50.2 percent of the energy supply or the energy consumption rather, in the Province of Manitoba.

Natural gas comprised 29.3 percent, coal comprised 6.3 percent, and electricity if you rate it at 3412 or 3,412 beeps used per kilowatt hour comprised 14.2 percent for a total of 100 percent.

Now, if you go back, I said that oil made up half of our total consumption and if you look at the production in Manitoba you will see that one third, only one third of what we consume in Manitoba is produced within the provincial boundaries. In other words, Manitobans collectively import two thirds of their oil or petroleum requirements, so we're therefore dependent on the provinces to the west of us, Alberta and Saskatchewan. And no matter how much we like Alberta and Saskatchewan, and we have much in common with these other prairie or western provinces, the fact of the matter is it is not in Manitoba's interests to see a rise in the price of oil by even one penny per barrel, because it means that in a net fashion when you calculate this on a net basis you will see that we in Manitoba will have to pay that much more, so it is not in the interests of Manitoba to have a rise domestically in oil prices. Therefore the First Minister of Manitoba took the position to as much as realistically possible to keep the price domestically of oil as low as possible, the domestic price of oil as low as possible. Therefore this may seem like a nationalistic position but I say in this case the nationalistic position complements the provincial position. I stated that gas made up about 29.3 percent of our total energy consumption; all of the natural gas we use in Manitoba is brought in from Alberta, and to a lesser extent from the Province of Saskatchewan.

Coal, I said, made up 6.3 percent: all of the coal that we consume in Manitoba is imported from either Saskatchewan or Alberta or perhaps elsewhere, but essentially Alberta and Saskatchewan. In the case of electricity, this is the only energy commodity that we do have indigenous to the Province of Manitoba where we have more control over the supply and pricing policy. But nevertheless this makes up only 14 percent of the total energy component.

Mr. Speaker, I was rather amused and then confused by the address of the Member from Fort Rouge, who was a little academic, but I'm sorry to say it was a bit uninformed and really based on an ignorance of the constitution - he referred to a few examples. But the real fact of the matter is, Mr. Chairman, that ultimately the interprovincial and international flows of energy or of any commodity, is in the hands of the Federal Government. Now, the honourable member is a member of a party that is now in power in Ottawa, and he has had some experience with the Ottawa boys, but the fact of the matter is that the National Energy Board does have a very vital role to play in the allocation of supply and indeed therefore in pricing policy within Canada. And, you know, to lament, and to pronounce, and to make many motherhood statements is all very well, but we must remember that we are not an island unto ourselves, we are one million people out of about 22 million people and as I said we import two thirds of our oil, all of our gas consumption, all of our coal consumption, and the only product that is indigenous to Manitoba is electric power. I believe the honourable member wants to ask a question.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I'd just like to ask the Minister if he has read the Gas and Preservation Act of Alberta of 1956. --(Interjection)-- Well, the point is that it provides...

MR. CHAIRMAN: Order please. The honourable member is debating now. The Honourable Minister.

MR. EVANS: Mr. Speaker, I haven't read that particular Act. I don't know whether he has --(Interjection)-- You have. Good for you. I don't know whether any other member has. --(Interjections)-- No, I have not read that Act, but. . .

MR. CHAIRMAN: Order please.

MR. EVANS: Mr. Speaker. . .

MR. CHAIRMAN: I wonder if we can have a debate addressed properly to the Chair as is normal for our procedures. The Honourable Minister.

MR. EVANS: Well, Mr. Speaker, the honourable member by his impolite intrusions is showing his ignorance of constitutionality in Canada. He is showing his ignorance of

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(MR. EVANS cont'd). . . parliamentary debate; he is showing his ignorance of the constitution. You know, he's quoting one isolated incident, one isolated act, and saying, you know, that makes - this comprises the legal jurisdiction of Canada - one act passed by one provincial legislature, you know, therefore, is the foundation and the basis of all energy policy in Canada. Well, that, Mr. Speaker, is sheer nonsense, absolute nonsense. And, Mr. Speaker, the Honourable Member from Fort Rouge will find as he studies the matter more carefully and as the months proceed, that the Federal Government of Canada is going to take - and I will make this predication and I will stand by it - the Federal Government of Canada is going to be forced to take a greater nationalistic viewpoint in terms of energy supply, in terms of energy consumption in Canada.

Now, the honourable laments - he says, you know, we should be very concerned. He takes a nationalistic view in terms of electricity, but I ask him to take a look in the past as to what has happened in terms of the routing of oil and gas in Canada. I too, I can vie with the honourable member for being a great nationalist. Some of my friends, some of my very best friends are nationalists. However, Mr. Speaker --(Interjections)-- . . . But the fact is, Mr. Speaker, that the Province of Manitoba has taken a position, and as I said earlier it has been very well stated in a document tabled by the Premier of this province which is in complete harmony with the best interests of the Province of Manitoba and which is in complete harmony with the national development interests of Canada.

And, you know, I should go on and discuss some of the elements of the resolution. As far as I am concerned --(Interjection)-- Should I? --(Interjections)-- Mr. Speaker, as far as I am concerned, and it should be obvious that the resolution is completely redundant; I would suggest as my colleague who is sitting beside me was suggesting earlier from his seat, that he must have read the Order-in-Council establishing the Manitoba Energy Council because it almost sounded like a verbatim copy of what this government acted upon over a year ago today. The fact is, Mr. Speaker, that we recognize the fact that energy, the consumption of energy, the supply of energy, was an increasing problem and therefore we did, as the Honourable Member from Riel pointed out, we did gather together a number of very senior people in the government civil service, and together we are formulating policies and providing advice to the government as is necessary. If the honourable members are interested --(Interjections)-- Yeah, yeah. If the honourable member is interested, we have within less than 12 months - it's not 12 months I believe since it's been established - we have met at least ten times and on those occasions we have not met in isolation - although the honourable members may not be interested - we have met with official, senior officials of Trans Canada Pipelines, we met with senior officials of Imperial Oil, we have met with officials of the Greater Winnipeg Gas, we have had meetings and communications with other provincial government officials, so all in all we have had a very active agenda in communicating with the industry to learn their viewpoints on the energy problem as they saw fit.

The Energy Council of Manitoba, Mr. Speaker, was created in recognition of the vital role that energy plays in today's society. It simply stated the objective of the council is to contribute to the best interests of Manitoba --(Interjections)-- Mr. Speaker, I can't hear myself speak. Mr. Speaker, I wonder if you could cut out some of the noise in the Chamber, because I can't hear myself speak.

MR. SPEAKER: Order.

A MEMBER: The noise must be coming from over there.

MR. EVANS: As I was saying, Mr. Speaker, the objective of the Manitoba Energy Council is to contribute to the best interests of Manitoba by advising the Provincial Government on energy policy matters and by providing a focus on energy policy formulation for the government of the province. And I believe the council fulfills its objectives through not only collecting information but by considering policy alternatives and by developing recommendations relative to all energy sources, all energy supplies, demand in price movements within and as may affect this province. This entails, Mr. Speaker, considerable amount of economic analysis and research, liaison with other governments, with users, and with representations at public hearings on the position of the Manitoba Government. And the council offers to the government. . .

MR. SPEAKER: Order please.

MR. EVANS: The council does offer, Mr. Chairman - I'm sorry, Mr. Speaker, policy

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(MR. EVANS cont'd). . . recommendations and advice as requested by the government.

As I stated a moment ago, the council has met with representatives of the industry, both the oil industry and the gas industry. We have developed a Manitoba position and advised the government on natural gas price changes; we have filed several submissions with the National Energy Board with regard to Canadian oil exports; and we have done a number of other things in the interests of the Province of Manitoba.

If we look at the resolution, item by item, Mr. Speaker, Section (a), the development of a long term provincial energy policy which is harmonized with national energy policy and applicable to all forms of energy, coal, natural gas, oil, hydro and nuclear.

Well, Mr. Speaker, while we affirm provincial responsibility for natural resources, including energy, and do not support harmony at any cost, the Premier has acknowledged the crucial importance of a national energy policy, and at the First Minister's conference on energy, the Premier advocated that energy be handled as a public utility, and I'm quoting: "With a strong public control by the Federal Government." The Premier warned that without strong federal initiative it would become necessary for the various provinces to become involved to protect their own interests and those of Canadians generally. Failure to achieve a national energy policy will result - this was the position of the Manitoba government - we stated that it would result in 10 or even 11 energy policies in our country. And we suggested therefore, Mr. Speaker, a strengthened and a broadened national energy board operating as a national energy planning board to ensure that the public interest is protected. And so therefore, Mr. Speaker, Section (a), development of a long term energy policy simply stated the objective of the council is to contribute to the best interests of Manitoba by advising the Provincial Government on long term energy policy matters.

Section (b) suggested we carry out such studies and hold public hearings and report to the government and the public with regard to pricing of energy, inventories, supply and demand, etc. Mr. Speaker, I'd like to advise members of the Legislature that we're fortunate in retaining the services of Dr. A. Daniel K. . . of McGill University who set up the --- division of the United States Federal Power Commission a few years ago, and is now a professor at McGill University specializing in energy, economics, and that he is assisting our staff in presently developing supply and demand projections for Manitoba in the light of recent and probably future energy price changes.

MR. SPEAKER: The Honourable Minister has five minutes.

MR. EVANS: Thank you, Mr. Speaker. So, Mr. Speaker, what I'm stating is. . .

A MEMBER: Tell it as it is.

MR. EVANS: . . . Energy Council of Manitoba fulfills the objective of collecting the information that the Honourable Member from Fort Rouge seems to be concerned about. We do consider policy alternatives, and we are developing recommendations relative to all energy resources supplies, demand and price movements within and as may affect the Province of Manitoba.

A MEMBER: Right on.

MR. EVANS: Mr. Speaker, recently the Federal Minister of Energy, the Honourable Donald McDonald announced certain export controls on gasoline and home heating oils to ensure an adequate domestic supply despite unusual export demands. I don't where the Honourable Member from Fort Rouge was, I don't know where the Honourable Member from Riel was, but we stated publicly, and it was no secret that the Manitoba Energy Council had welcomed these export controls on gasoline and home heating oils. We thought this was the right move to be made by the Federal Government, and we weren't afraid to state what we thought of the matter, where we stood in the matter. And this was quoted in all the papers - I don't know where the honourable members were.

Going on, Item (c) of the resolution, to take or cause to be taken inventory of the total energy reserve in all forms, including means of development and in transportation from the source to all parts of the province, etc.etc. etc. Mr. Speaker, there is absolutely tons of information on energy reserves and on energy supply, and you could look at the volumes of reports prepared by Manitoba Hydro; you could look at statistics on petroleum; you could look at statistics on natural gas; in fact even the Tribune one of our favorite newspapers, the Winnipeg Tribune has had various articles on the matter of petroleum and gas supply in Manitoba, and indeed the Department of Mines and Resources.

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(MR. EVANS cont'd). . . publishes data. But having said that, Mr. Speaker, just to make sure that everyone in Manitoba, and particularly the members of this Legislature, are aware of the supply and demand of all forms of energy in the province, we will be issuing as soon as it's published, as soon as it's printed, a report outlining in detail the supply and demand of all energy forms and some comments on pricing, some comments on the transportation and distribution.

Mr. Speaker, there is other reference made to conservation; this too was stated - this too was stated in the position taken at the First Minister's conference on energy. We supported the Federal Government in its stand, and the Minister of Public Works has indeed set up a committee within the Federal Government with regard to conservation pertaining to public buildings.

There was a Section (d), to consider and hold public hearings - on the application for the export of Manitoba produced energy. Again, Mr. Speaker, I want to remind the honourable member that exports of oil, gas and all forms of energy must go through the National Energy Board and we have made many representations to the National Energy Board on many . . .

MR. SPEAKER: Order please. The hour of adjournment having arrived, and the Honourable Minister having exhausted his time, the House is now adjourned and stands adjourned until 2:30 Tuesday afternoon.