

THE LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 24, 1978

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): I should like to direct the attention of the honourable members to the gallery where we have 31 students of Grade 11 standing from the W. C. Miller Collegiate. These students are under the direction of Mr. Al Schmidt. This school is in the constituency of the Honourable Member for Rhineland.

At the same time, we have 60 students of Grade 11 standing from Churchill High. These students are under the direction of Mr. Alex Sapeski. This school is in the constituency of the Honourable Member for Osborne, the Honourable Attorney-General.

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

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, before the Orders of the Day, I would like to make a statement to the House on the Snow Lake Medical Nursing Unit and I have copies for necessary distribution.

Mr. Speaker, during the debate on the Throne Speech, I announced that the government had decided to continue its review of the health facility construction program prepared by the previous administration. I explained that this five-year development package had an estimated capital cost of \$130 million with a downstream operating cost impact of a half a billion dollars over the next 15 - 20 years. Because of our current financial situation, the government concluded that with the exception of a few key and urgent projects, it would have to defer immediate consideration of the many individual projects in this package.

One of the projects that had been frozen by this decision was a proposal to build a new medical nursing unit at Snow Lake which we saw as a high priority among others.

Our ongoing review of all projects included a reassessment, in recent weeks, of the situation at Snow Lake. This examination included an on-site inspection by me and the Honourable Ken MacMaster, Minister of Northern Affairs of the present facility at Snow Lake. We found a time-expired building in a state of extreme disrepair. We were dismayed by its condition which obviously had been allowed to deteriorate for the past several years.

Other factors of significance in our review included:

the construction of a multi-million dollar mill by the Hudson's Bay Mining and Smelting Company, creating new employment opportunities for the region.

The existence of young families in the town without available obstetrical services.

The necessity now for the 1800 residents to travel by air or rough roads to receive treatment for industrial accidents, obstetrical care and general care emergency services.

Circumstances at Snow Lake are urgent, severe, and unique. They involve critical medical concerns as well as the economic health and development of a large area of the North. The town of Snow Lake is working to secure medical services and the province is going to do its part. We have authorized the building of a new medical nursing unit with office space for doctors and a fully-equipped obstetrical unit. The capital costs of the project are estimated at \$750,000.00. When completed in 1979, the facility will require an additional \$100,000 annually in operating expenditures.

The decision to proceed with the Snow Lake facility should not be construed as a change of conviction on the government's part in respect to the overall health facility construction program. We continue to believe that we must defer that program temporarily while we take the steps necessary to reduce a substantial provincial deficit and ensure the renewed vigor of our economy. The approval of the Snow Lake project reflects a recognition of special circumstances.

MR. SPEAKER: The Honourable Member for St. Boniface.

HON. LAURENT L. DESJARDINS: Mr. Speaker, I'd like to thank the Minister for his statement. There is no doubt that we, on this side of the House, support this. As the Minister knows, this is something that we had announced a couple of years ago. But I regret, the last paragraph certainly will not convince any members of this House and the members outside of the House that this was done in a very bad way. It is certainly only political interference. You have a Manitoba Health Services Commission. That is there to make sure that they would have a program of construction and maintenance of the hospitals and personal care homes so that there would not be partisan politics or pressure on government. This Minister has stated not too long ago that they would resist pressure and now, because of the pressure, it is decided that Snow Lake will go ahead and get its hospital.

I think, Mr. Speaker, that any, or most, of those that are on the list, the five-year plan that I had

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announced two years ago, are probably in just as bad condition or needed improvement as much as this hospital. Another factor, Mr. Speaker, is the question of the medical director, the doctors. I think that before we build hospitals, especially this government who is now going on the assumption that we have too many hospitals and too many personal care beds, and that will be one of the last priorities after highways and after many other things. I think that we have to make sure that we know if we will be able to attract doctors in the remote areas and in the north of Manitoba.

As I say, we rejoice that at least the people of Snow Lake were wise enough to put enough pressure to get their hospital. This was something that had been promised and I do hope that the Minister and his friend from the north, the representative of the area, will not interfere, and that as long as you have the Manitoba Health Services Commission, that they will determine, they'll make the proper recommendation to the priorities on which hospitals should be built or remodelled. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, I would like to table the Annual Report of the Department of Continuing Education and Manpower for the fiscal year 1977-78.

MR. SPEAKER: Notices of Motion.

INTRODUCTION OF BILLS

MR. J. WALLY MCKENZIE (Roblin) introduced Bill No. 13, An Act to amend an Act to Incorporate Co-operative Credit Society of Manitoba Limited

MATTER OF URGENCY

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, at this time I'd like to move a motion. You were advised, and the Clerk was given sufficient copies for the members of the government.

In my motion, I move, seconded by the Honourable Member for St. Johns, that this House do now adjourn to consider a definite matter of urgent public importance, namely, that the government has misled this House and the people of Manitoba through failure to make budgetary provisions, as promised in the Throne Speech, to expand the Open Heart Surgery Unit at the St. Boniface General Hospital, and by making false statements in the House and outside regarding a so-called pilot project in the Brandon area, depriving senior citizens of cards entitling them to drugs, eye glasses, hearing aids, without charge.

MR. SPEAKER: The matter raised by the Honourable Member for St. Boniface, in my opinion, is anticipatory in nature, in that the Estimates for the Department of Health and Social Development have not as yet been examined in this Chamber, and the statement of the member in his motion may, in fact, be irregular.

There are numerous citations that I could have used in Beausheue, instead, I refer the honourable member to the rules of the Legislative Assembly of Manitoba, Rule 27.5(d) in which I quote: "The Motion shall not anticipate a matter that has previously been appointed for consideration by the House, or with reference to a Notice of Motion, has previously been given and not withdrawn."

At the same time, I refer the honourable member to page 3 of the Throne Speech, paragraph 8, which reads as follows: "As a further commitment to the maintenance of excellence in critical health fields, my Ministers inform me that they will be recommending budgetary initiatives through the Manitoba Health Services Commission, to expand the Open Heart Surgery Unit at the St. Boniface General Hospital." An opportunity for debate will be given to the honourable member when the Estimates of the Department of Health come before this Chamber for consideration. I therefore rule the motion out of order.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): . . . that under the standing orders and rules of procedure of this Chamber, that while the matter having been raised must be ruled upon by you, Sir, I believe that the rules also clearly provide for up to five minutes for purposes of argumentation by the sponsor of the proposed motion in order to indicate to the Chair the basis for alleging urgency and so, without any way reflecting on your proposed ruling, there is a five-minute procedural provision.

MR. CHAIRMAN: Very well, if that is the wish of the House, I'll let the honourable member explain.

MR. DESJARDINS: I find myself in a rather difficult situation when you have already announced your decision, Mr. Speaker Oh, I know you would like to dispense with it, but nevertheless, Mr. Speaker, I think this is quite urgent, because the privilege of this House is being abused for one thing.

If we're going to this kind of information, how will we be able to do our work.

You, yourself, Mr. Speaker, read the Throne Speech, where it says very clearly that budgetary initiatives will come through the Manitoba Health Services Commission, and the Minister has now stated that this is not the case. He's debating it, and in the meantime, people who have been expecting this help, cannot function. We've got one of the best heart teams in North America, or in the world. They are ready to do the work — they haven't got the finance, and the Minister who has stated that the Budget will be decided by the administration, that there would only be 2.9 percent, is now saying that this is not the case, that they will have to find the money. It is a new program, Sir.

And, in the meantime, if we're not allowed to discuss this and ask the government what they meant and why they mislead the people by saying in the Estimates that there will be money for this — it's a new program, an expanded program — and they are now saying, "No, you go and find the money." I think it is always urgent when there are misstatements made in this House, to try to imply that a former government was about ready to cancel these cards because they had a pilot project, and there was never such a thing as a pilot project in Brandon, Sir. There was never such a thing. Some of those cards were cancelled by staff, without permission, by accident — I don't know, I just found this out lately — and, Sir, as far as I'm concerned, this is not a correct statement and that is abusing the privilege of this House.

Now, if we are going to go ahead and represent the people, and be able to debate the Throne Speech and . . . We had the Throne Speech debate, and that was never brought up; I think that it is quite urgent that we should be able to discuss this at this time, Mr. Speaker.

HON. WARNER H. JORGENSEN, Minister without Portfolio (Morris): Mr. Speaker, on this occasion, the members are asked to address themselves to the matter of urgency of debate, and there is nothing that my honourable friend has stated would indicate to me that at the present time there is any urgency of debate, and that's the whole purpose of this particular rule . . . permit members to discuss something of an urgent nature,

A MEMBER: People might die.

MR. JORGENSEN: Well, people might die — people are dying every day in car accidents but I don't know whether that justifies the initiating of a debate in this House. Your decision, Sir, was certainly a correct one when you suggested that my honourable friend will have ample opportunity to discuss this matter when the Estimates of the Department of Health and Social Development are before the House, and that is the proper time to discuss it. I'm at a loss to understand, Sir, why honourable gentlemen opposite want to talk about these matters on every other item except where they're more properly discussed and that is on the Estimates. I can't understand why they're afraid of the Estimates. They use the question period — they use every other device except that which is available for them to use, and that is the consideration of Estimates. My honourable friend, if he wants to get to those Estimates I've already outlined the order in which they will appear. If he wants to expedite the Estimates that are going to be appearing before Health and Social Development they can do that and get at the department that they want to get at. The decision is entirely up to them, Sir. Whether they choose to use it or not is up to them.

MR. SPEAKER: I might state that the arguments I have heard from the Member for St. Boniface and also from the Government House Leader have failed to change my mind in any respect. If you would like I'll read the decision again.

MR. DESJARDINS: I regretfully challenge your ruling, Mr. Speaker.

MR. SPEAKER: Shall the ruling be sustained?

A VOICE VOTE was taken, and Mr. Speaker declared the ruling of the Chair sustained.

ORAL QUESTIONS

MR. SPEAKER: Under the Orders of the Day the next item is Oral Questions. The Honourable Leader of the Opposition.

MR. SCHREYER: Well, Mr. Speaker, my first question is to the First Minister, on Page 738 of Hansard I take note that I posed a question to the Minister of Finance but it is one which the First Minister subsequently replied to in part, for which I thank him. The follow-up question is as follows: Given the reply of the Minister of Finance that he would take as notice my question asking for an elaboration sheet as to the total amount of funds received from Ottawa — now we were supplied with an elaboration sheet by the First Minister but it elaborates only to the extent of some \$8 million. I would like to ask the First Minister if, pursuant to the reply on Page 738 of Hansard, that we could have an elaboration sheet or a print-out of the full information with respect to the composition in the order of \$40 million that is at issue with respect to the balancing of the books at the year's end.

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON, Premier (Charleswood): Mr. Speaker I'll be happy to take that as notice and check the reference in Hansard. If it's of any assistance to my honourable friend I think he will recall that in the course of my remarks in the Budget Debate I did give a breakdown of the 40 or \$50 million figure in addition to the elaboration sheet that he has in front of him.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, if the First Minister would please take note of Page 738, and what flows from the question answered there, I pose this question to him. Given that his remarks as recorded in Hansard do go beyond the reconciliation or elaboration sheet, but there is still an amount according to my reckoning, of between eight to twelve million that remains unreconciled. So if the First Minister has already undertaken it, he will pursue this. Thank you.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I would like to address some questions to the Minister of Health and Social Services. Going back to his statement in the House on Friday concerning the eligibility of cards to senior citizens for eye glasses and prescriptions, over the weekend he has reported to the press to have further stated that people in the programs are being subject to a reassessment and in his answer on Friday he indicated there was no particular change in the criteria. Could he now tell the House exactly what is the basis for the reassessment? Are we looking at income requirements, or are we simply using the word reassessment to mean termination?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: The basis for the reassessment, Mr. Speaker, is income requirements, need, equity and equitability as between the senior citizens who make up the total elderly community of our province.

MR. AXWORTHY: A supplementary, Mr. Speaker. I take the Minister's criteria as some description, but they are not particularly informative to those who are being reassessed. Does he mean in fact that those who have the same income requirements, who are still just receiving supplements, will no longer be in the program, and that there has to be special circumstances to justify their involvement or eligibility, or does he simply mean that the income requirements are based upon additional income over and above the existing old age pension and the supplements they receive?

MR. SHERMAN: No, Mr. Speaker, the situation is that there were several hundred senior citizens who held social allowances health services cards, as the member knows. Some of them simply held cards of that nature, some of them actually were on social allowances and received cash benefits, as well as holding those cards. The majority of senior citizens in our province, not all of them by any means' but certainly the majority, by the time they reach the age of 65 and qualify for the income support programs that are in place, such as Old Age Security Guaranteed Income Supplement and, in cases of need, the Manitoba Supplement for the Elderly, move into a category where they no longer necessarily qualify for social allowance assistance. Now there are certainly special cases and special circumstances where, because of income and living situations, individual people even in that category still deserve morally and ethically, special consideration, and they will be given special consideration. There will be no hardship permitted under this program. What we have simply done is advised those 2,700 senior citizens that their SAHS cards are not being automatically renewed; they have in fact not been reviewed for three years, the cards of those particular 2,700. They are not being automatically renewed, but their cases are all open to individual assessment, and there will be no hardship permitted for any of them.

MR. AXWORTHY: A supplementary, Mr. Speaker. If in the case of the reassessment, which I assume is being done by department officials, I would ask the Minister if there is any recourse to an appeal procedure on the judgment of a department official; can the senior citizen affected by this reassessment go to the Welfare Advisory Board or some other body to appeal the judgment that is being made by an official, so that there is that recourse of reconsideration and some degree of, and will it be done in some form of tribunal or open form?

MR. SHERMAN: Yes, Mr. Speaker. I will give my honourable friend that firm undertaking. And while I'm on my feet I will just answer his question perhaps a little more fully with respect to the point of equity and equitability which I may not have explained very well. But the point is, Sir, that there are approximately 100,000 senior citizens in this province, and there are approximately 2,700 who, some of them, qualify for special social allowance privileges and support because they hold cards that the other 97 and a half thousand, or 96 and a half thousand don't hold, and yet many, many of the senior citizens now are all in the same income category, because of the support programs they go on to at age 65. So there is an element of equity and equitability involved, and this is the implication of my

initial response to my honourable friend.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, to the Minister of Health, isn't it a fact, Sir, that there are also quite a few thousand of these same people that are in personal care homes. Now they are getting something that the - others aren't getting. Now — is my honourable friend suggesting that this would no longer be covered by the hospitalization plan? — it's the same situation. Is my honourable friend also suggesting that it's not the right thing to do to discourage people to go on welfare, just give them what they need. And finally, when these questions are answered, I would like to request the Minister of Health, who certainly has been given the wrong information, to withdraw the statement that he has made in this House, that there had been ordered by the former government a pilot project in Brandon, because I assure him that that is not the case.

MR. SHERMAN: Mr. Speaker, if I may take the question in reverse order and I hope my memory doesn't fail me along the path, but with respect to question number three, I will certainly check my statement. I don't think I said that the withdrawal or the pilot project was ordered by the former government — I said it occurred under the former government. It's my information that the Department of Health and Social Development in that region during the life of the past administration, did undertake a pilot project in the Brandon area, a test program which produced virtually no fallout. That's the information I've been given from my department officials.

Secondly, Sir, with respect to the situation in personal care homes, the resident of a personal care home receives certain services in this area free of charge anyway, as the honourable member well knows — for example, drug services in personal care homes. Certainly there is still the difficulty of meeting living needs and living costs for those of us who go beyond the age of 65 and are not in personal care homes. Those cases will be judged individually and I give my honourable friend the undertaking that no hardship will be permitted. But the program that is in place will be universal in its equity and proved to be satisfactory in the test project that was undertaken in Brandon.

MR. DESJARDINS: Mr. Speaker, my honourable friend certainly misunderstood the question. It's exactly the case. I think that he stated that everybody should be treated the same and he singled out 2,700 people that had something that others didn't get. Now, my question . . .

MR. SPEAKER: Order please. The Honourable Government House Leader.

MR. JORGENSEN: On a point of order. I wonder on what provisions of the rules that you're permitting this debate to carry on at this stage.

MR. SPEAKER: The Honourable Member for St. Boniface have a question?

MR. DESJARDINS: My question, Mr. Speaker, is this: Is it the intention of government then to withdraw from the insured program under hospitalization, not free but part of it is free, arrangements for senior citizens in personal care homes and also for those that are receiving home care because doesn't he think, Mr. Speaker, that all this is part of the same program. There's many programs to help different people with different needs, isn't that a fact?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Well, the answer to the first question is no, Mr. Speaker, and the answer to the second question is yes. This is part and parcel of that application of fairness and equitability across that whole spectrum of programs and services.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, my question to the Minister of Health is to ask whether the Minister can tell us when he will be in a position to provide or table the actual detailed criteria that will be used. The Minister has used terms very frequently today of equitability and moral and ethical, etc., all of which are obviously subjective terms. Can the Minister advise then when he will have the specific numerical and related criteria?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: I can't give the Leader of the Opposition a specific date on that other than to say that I will certainly deal with it in my Estimates, Mr. Speaker. I'll certainly make that available in my Estimates.

While I'm on my feet, I'd like to respond to a question that was asked to me by the Leader of the Opposition on April 20th, having to do with directors of patient services in a number of Winnipeg hospitals. The Leader of the Opposition asked me whether they had written to the district offices of

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my department indicating that the withdrawal of social worker service from the hospitals has resulted in a deterioration of patient care quality. The answer to the question, Mr. Speaker, is an emphatic no, there has been no such information written, indicated or conveyed. Furthermore, I am advised by my department that social work service is picked up by others in the field if in the event of attrition or transfer, there are changes in personnel that develop or take place. But the basic answer to the Leader of the Opposition's question is no, Sir.

MR. SCHREYER: When the Minister of Health says that the answer is emphatically no, may I ask the Minister does he mean that he is not aware that any such letter or letters have been written or that in fact he is aware that no such letter has been written by directors of patient care services of Winnipeg area hospitals to the directors of Community Services in the southwest and north the east region?

MR. SHERMAN: Well, Mr. Speaker, I remind the honourable gentleman that his question to me was whether I had received indication of such. The answer to that is an emphatic no. I would say further that my staff is a capable and competent one that keeps me well posted on developments, particularly at the present time in a period of restraint and budgetary responsibility, and I suggest that this question of the Honourable Leader of the Opposition falls into much the same category as many of his questions in this area since the opening of this session, Sir. They contain implication, suggestion, hint and innuendo and are based in no way on any substantive fact.

MR. SCHREYER: A supplementary, Mr. Speaker. I will refrain from commenting on the last few sentences of the Minister's answer. I am merely asking the Honourable Minister a question and that is, will the Minister undertake to find out from his district offices — because his answer rather implies that he may not have ascertained — will the Minister undertake to make specific and deliberate inquiry of the Winnipeg southwest and northeast district offices of Community Services Division of the Department of Health to ascertain whether either or both of those offices have received letters from the director of patient care services at such hospitals as Victoria, Concordia and Grace, any one of the three or all three, indicating in writing, that the quality of patient care services has deteriorated as a result of the withdrawal of certain support services to the hospital by the district office of Community Services? Will the Minister find out?

MR. SHERMAN: Mr. Speaker I have found out. This question was asked of me last Thursday. My staff investigated it for me on Thursday and Friday. I will continue to monitor the situation.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HOWARD PAWLEY: Mr. Speaker, my question is to the Minister of Health and Social Development. Would the Minister confirm that due to extreme budgetary cutbacks that it has become necessary for various hospitals throughout the province to discontinue service on Saturdays and Sundays pertaining to cafeteria service to their staff?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No, Mr. Speaker, I can't confirm that. I suppose it's in the same category as that two meals a day question for which the department and the government and the province have no responsibility.

MR. PAWLEY: Would the honourable member be prepared to receive this memorandum which has been distributed to staff at the Selkirk General Hospital which in fact, indicates that that very fact has occurred due to extreme budgetary cutbacks by the Provincial Government?

MR. LYON: Take it up with the Board.

The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, like everyone else, I would like to direct a question to the Minister of Health. I would like to ask the Minister of Health about his speech, I'd like to ask him a question about his speech on volunteerism. Is this an attempt to substitute volunteers for full-time staff and, secondly, is this also a recognition of the need for certain services and programs and their value to the people of this province?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Neither, Mr. Speaker. It's a program aimed at harvesting, recruiting and utilizing the talent and the spirit of giving that is possessed by so many Manitobans and that has been blunted, frustrated and stultified under eight years of big government.

MR. DOERN: Well, since I didn't get an answer, I'll try another question. Mr. Speaker, could the Minister indicate where he would draw the line in an attempt to replace full-time staff with volunteers? Where would he draw the line? For example, would he substitute a bucket-brigade for a

fire department or a posse for a police force?

MR. SHERMAN: Well, Mr. Speaker, I would be willing to entertain any colorful suggestions, any innovative suggestions that the Honourable Member for Elmwood wishes to direct to me. This is a policy approach that my department and I are working on in concert with my colleagues in government at the present time. It will be announced when it's fully formulated and finalized, and I would hope that would be well in advance of next year's Estimates review.

MR. DOERN: Mr. Speaker, a final question. I assume that one of the bases of this policy is the attempt to save money and cut costs. I would like to ask the Minister whether he or his government favours an expansion of private schools over the public school system, or an expansion of private hospitals or clinics over public hospitals and facilities.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, to the Minister of Health. Could the Minister indicate if he has in mind and will in fact be preparing to eventually table certain numerical data or quantification with respect to this program of volunteer effort? I ask the question in light of the fact that there has always been a significant amount of volunteer effort, here and everywhere else in Canada, in the Red Feather and related health and welfare services field, can the Minister indicate if he has in mind then to quantify and table the results of such quantification?

MR. SHERMAN: The Honourable Minister of Health.

MR. SHERMAN: Well, certainly, Mr. Speaker, I would expect that that would be possible, and I would be happy to do that when our program in that respect is fully defined and ready to go into place. I can only say to the Honourable Leader of the Opposition that wherever and whenever I've spoken of volunteerism, including the Red Cross annual meeting on Saturday morning, but also in many other places, my remarks have met with a very gratifying response and enthusiasm on the part of the public, which indicates to me that the volunteer and the spirit of the volunteer has not been used to the extent that he or she has desired in recent years.

MR. SCHREYER: Well, Mr. Speaker, that bespeaks another supplementary question. Is the Minister wishing to say that he is making his decisions and determination on the basis of the response that his speeches evoke? Because if that is the basis, then I can tell him that I have made speeches on the spirit of volunteerism as well, and they got very positive response. So what's my honourable friend suggesting?

MR. SHERMAN: No, Mr. Speaker, the response did not come first and the speech second; the speech came first and the response came after.

MR. SCHREYER: So what else is new? I presume that a speech has to be made before there can be a response.

Mr. Speaker, my question is, in the absence of the Minister of Northern Affairs, to the Acting Minister responsible for the fisheries resource in Manitoba. May I ask the Acting Minister, the Minister of Mines and Resources, to indicate, or to take as notice, whether there are any discussions or any substance relating to a news story of last week emanating from Ottawa to the effect that the Government of Canada was prepared to transfer or sell its interest in the Freshwater Fish Marketing Corporation to the three prairie provinces. Can the Minister indicate if there is any substance to that, or will he take it as notice?

MR. SPEAKER: The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): I'll take that question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for St. Johns.

MR. SAUL CHERNIACK: Thank you, Mr. Speaker. I'd like to direct a question to the Acting Minister of Finance, and direct him to page 738 of Hansard, wherein I asked for some information . . .

MR. SPEAKER: Order please. May I suggest to the honourable member that there have been questions asked about that already, I believe by . . .

MR. CHERNIACK: Mr. Speaker, if you would hear me out, you would find that there weren't any questions asked about that.

MR. SPEAKER: Very well. The honourable member proceed.

MR. CHERNIACK: I asked for certain information which I thought would be possible to obtain, and the Honourable the First Minister, on behalf of the Minister of Finance, took it as notice. Would the

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Honourable Acting Minister please look into that question so that when the Minister of Finance returns he may be able to supply the information?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. EDWARD MCGILL (Brandon West): Yes, Mr. Speaker, I'd be pleased to do that.

MR. SPEAKER: The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, on a question to the Honourable Minister of Health and Social Development. In the instructions which have been given to review all of these some 2,700 cards that we referred to earlier, there must have been guidelines, written instructions, as to how they are to be assessed in that subjective way, of moral, ethical, and equitable consideration. Would he favour us tomorrow with a copy of the instruction and guidelines which must have been distributed?

MR. SHERMAN: Well, Mr. Speaker, I can certainly favour the honourable member with the text of the letter that went out. That doesn't cover the entire subject by any means, but I can certainly do that. I give my honourable friend the undertaking that I gave him a few moments ago, that there will be no hardship permitted, and that I will hold myself personally responsible for ensuring that the program is administered equitably.

MR. CHERNIACK: Thank you, Mr. Speaker. Just as a supplementary, then. The Honourable Minister suggests that the letter which went out is not fully descriptive of the guidelines. That being the case, could he inform us how the inspectors or assessors of need, in this case, will be guided if they don't have a specific form of guideline to direct them?

MR. SHERMAN: Well, they'll be guided by me, Sir.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker. I'd like to address a question to the Minister of Industry and Commerce, and ask him a question relating to the recently signed Federal-Provincial Industrial Development Agreement which, I might add, Mr. Speaker, has a very familiar ring to it in terms of objectives and techniques. The \$3.5 million, that is, the approximate \$3.5 million Manitoba share per annum which is to be paid out in co-operation with the Federal Government over five years, is this amount of funding totally over and above the moneys which are included in the Estimates of the Department of Industry and Commerce for this year, or are some of those funds already included in the Estimates, for instance, such as the \$200,000 included under Technology, or the \$235,600 included under Small Enterprise Development?

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

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, the negotiations are going on right now with regard to what particular items will be covered by the new agreement. The half-a-million dollars for this first year is under negotiation, but I would say is more than likely going to be above the moneys that have been voted in the Estimates.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. Well, if these are new moneys, could the Honourable Minister indicate just where we will find these moneys, or sources for these moneys, in the Estimates? Or will there be supplementary Estimates introduced in the House?

MR. BANMAN: Yes, Mr. Speaker. Once we finalize a figure, it would have to be supplementary.

MR. EVANS: The last question, Mr. Speaker, then. Would the Honourable Minister favour the House with a copy of the agreement? Would the Honourable Minister table a copy of the agreement? —(Interjection)— Oh, he did. I'm sorry. Thanks.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Mr. Speaker, my question is to the Acting Minister of Resources, or to the Premier, whoever can answer the question I posed last week, which I believe was taken as notice regarding the Ferry Barge Service to the communities of Bloodvein and Princess Harbour. Can they answer whether or not this service will continue this year?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I regret, because of a death in the family, the Minister of Natural Resources is not able to be with us today. I remember the honourable member's question and I'll

endeavour to get an answer to him shortly.

MR. BOSTROM: Thank you, Mr. Speaker. I thank the First Minister for his reply to the question. My next question is to the Minister of Tourism. I would like to ask him if he will be tabling his report regarding the condominium issue in Whiteshell this week?

MR. BANMAN: Yes, Mr. Speaker. Very shortly.

MR. BOSTROM: Mr. Speaker, supplementary, do I take it that the Minister is making commitment to table it this week in the Legislature?

MR. BANMAN: Mr. Speaker, soon.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I have a question to the Minister of Tourism. It is indicated that there will be additional support for the Assiniboine Park Zoo to the extent of approximately \$300,000.00. Would the Honourable Minister advise whether that is in the Estimates, or whether it will be by way of supplementary supply?

MR. SPEAKER: The Honourable Attorney General.

HON. GERALD W.J. MERCIER (Osborne): Mr. Speaker, there is additional funding of approximately \$280,000 to \$285,000 over and above what was previously indicated to the City of Winnipeg; \$215,000 has been appropriated from the Urban Affairs Budget from last year, and approximately \$73,000 will have to be provided by way of supplementary estimates this year.

MR. GREEN: Mr. Speaker, I would just like the Honourable Minister to explain what item of the Estimates will be reduced in terms of Urban Affairs to make up for the balance of the \$200,000.00?

MR. MERCIER: Mr. Speaker, these were funds that were available in the Urban Affairs Budget last year for various studies, that were not spent, and we will be using the additional funds to the City of Winnipeg for the Assiniboine Park and Zoo, Sir. I would say that the review that was conducted by the officials in the Department of Tourism and Recreation with the City would indicate that with these additional funds, there will be year-around public access to the park and zoo.

MR. GREEN: Well, Mr. Speaker, given the fact that the money is not in the current Estimates of expenditures, I would like to ask the First Minister whether, in fact, within one week of the Budget being adopted we now know that current expenditures — in seven days — have increased by some \$4 million a year; \$3,800,000 under the Department of Industry and Commerce, and another \$270,000 under the Minister of Tourism, within one week — \$4 million a week. Is that correct?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I think there will be an appropriate time, as my honourable friend is well aware, when the Estimates are being discussed, where he can discuss the particular votes under the particular items that he is concerned about with respect to the Department of Urban Affairs, and/or the Department of Tourism. However, Mr. Speaker, coming from a government such as he did, I don't think anything should surprise him in terms of financial manipulation, because we were left with lots of it.

GOVERNMENT BILLS — SECOND READINGS

MR. SPEAKER: Orders of the Day. On the Adjourned Debates on Second Reading on the proposed motion of the Honourable Attorney General. The Honourable Government House Leader.

MR. JORGENSEN: Mr. Speaker, will you call Bill No. 4 and Bill No. 9?

BILL NO. 4 — AN ACT TO AMEND THE HIGHWAY TRAFFIC ACT

MR. SPEAKER: The Honourable Attorney General.

MR. MERCIER presented Bill No. 4, an Act to amend the Highway Traffic Act, for second reading
MOTION presented.

MR. SPEAKER: There has been a request for an explanation. The Honourable Attorney General.

MR. MERCIER: Mr. Speaker, at the 1977 Session of the Legislature, the previous government introduced legislation to provide for roadside suspensions. There are a number of new members who will not be familiar with that legislation, but that legislation was tied into the use of an alert machine, which I am advised is the only approved roadside screening device, and the breathalyzer machine, where a driver was to be stopped by the police at the roadside and submit a sample of his breath to the police, the alert machine registers either pass, warn or fail. Those who register fail are required to take a breathalyzer test, and their driving privileges will be suspended for 12 hours. Those who register warn will have their driver privileges suspended for 12 hours. Those who register pass will be allowed to proceed.

The legislation, Mr. Speaker, did not allow for any discretion to the Police Officer. Once he had made the determination to demand that the driver submit a sample of his breath for analysis and the roadside screening device, was that the results of the test that determine whether or not the license was to be suspended. The device was calibrated to register warn, where the proportion of alcohol in the driver's blood is at least 50 milligrams of alcohol in 100 millilitres of blood. The machine was calibrated to register fail when the proportion was 100 milligrams in 100 millilitres of blood. The 50 milligram level does constitute legal impairment in several other countries., Mr. Speaker.

Since then, however, legislation was passed but was never proclaimed. The City of Winnipeg police force and the RCMP expressed concern that the legislation, in its present form, requires the police to administer a test to a driver under suspension, at any time, upon request of the driver, and in effect this could mean that a driver under a roadside suspension, could indicate to a police officer more than two hours after the suspension that he wanted to submit to a breathalyzer test or another test to determine the proportion of alcohol in his blood. The police officer would be required to take such steps as are necessary to have the test carried out as soon as possible, but even if the analysis indicated that the suspended driver was impaired, no action could be taken against the driver because more than two hours had elapsed since he had been observed by the police. And the police concern is that they would be required to forego other duties and responsibilities while they attended to this demand.

The new Subsection 23818 provides that the driver may forthwith request and voluntarily submit to a test, and in effect the driver still has the right to demand a breathalyzer test, but the test would be administered at that time, and the driver would run the risk of being charged under the impaired driving provisions of the Criminal Code if he failed the breathalyzer test.

The new Subsection 23812 provides for suspension of drivers who fail the breathalyzer test or register over .05, indicating the driver may present a danger to other persons on the road. Previously, if a driver requested the breathalyzer test and was still shown to be somewhere between .05 and 1.00. The mere fact that he had taken the test would allow him to get his licence plate back right at that moment, which is contrary to those who voluntarily submit to turn in their driver's licence so that there was a discrepancy in the manner in which those people were treated.

There are some other minor amendments relating to subsection 9, relating to return of the licence. The driver may simply indicate an address other than the address shown on his licence for mailing purposes. Subsection 12 has been amended to permit the Registrar to consider a record of roadside suspensions but these records may not be used in any prosecution other than a prosecution for driving while the driver's licence is suspended.

Those, Mr. Speaker, are briefly the changes that have been made in the legislation that was passed at the last session but not proclaimed which have been reviewed with the enforcement officers and which we believe can make this particular law more workable and equitable law.

MR. SPEAKER: The Honourable Member for Selkirk.

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

MOTION presented and carried.

BILL NO. 9 — AN ACT TO AMEND THE MORTGAGE BROKERS AND MORTGAGE DEALERS ACT

MR. MCGILL presented Bill No. 9, An Act to Amend the Mortgage Brokers and Mortgage Dealers Act, for second reading.

MOTION presented. uMR. SPEAKER: The Honourable Minister.

MR. MCGILL: Mr. Speaker, prior to 1976, the Mortgage Brokers and Mortgage Dealers Act and also the Real Estate Brokers Act were administered by the Public Utilities Board and the Public Utilities Board Act therefore applied to any hearings or other proceedings before the board. Part of the last-named Act empowered the board to order any party to any proceedings to pay all or part of the costs thereof. This power could be used in two different ways. First, in proceedings in which two or more parties were involved, the Board could order an unsuccessful party to pay the costs of a successful party and, secondly, and more importantly, the board could order a party to pay the board's own costs. Thus, in hearings into the conduct of a registered broker or salesman, this power

could be used to order him to pay all or part of the board's costs at the hearing if the board considered that his conduct justified the imposition of this penalty. Not only is this a salutary penalty in some cases, but it also shifts the burden of the expense of the hearings from the taxpayers onto the person whose conduct has prompted the hearings.

When the administration of the Mortgage Brokers! and Mortgage Dealers Act and of the Real Estate Brokers! Act was transferred from the board to the Securities Commission in 1976, the Public Utilities Board Act, of course, ceased to be applicable and a number of changes had to be made in those two Acts and in the Security Act as a result. The power to order one party to pay the costs of another in any hearing before the Commission was preserved by an amendment made to one Section of the Securities Act, but the power to order payment of the Commission's own costs was accidentally lost, Mr. Speaker, in this change.

Although the Securities Act already contains such a power, it only applies to persons who are registered under that Act. The present situation, therefore, is that the Commission can order a person registered under the Securities Act to pay the costs caused by a complaint against him but lacks the power to make a similar order against a person registered under the Mortgage Brokers and Mortgage Dealers Act or the Real Estate Brokers Act.

The purpose of this amendment, Mr. Speaker, is to remedy this so far as the Mortgage Brokers and Mortgage Dealers! Act is concerned by adding to it a new Section which is similar in all respects to the Section referred to in the Securities Act. uMR. SPEAKER: The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, I wanted to ask a question of the Honourable Minister. Could the Honourable Minister indicate what appeal provision there is from a decision of the Commission under this Section to order payment of moneys?

MR. MCGILL: Mr. Speaker, I'll be pleased to advise that information for the member.

MR. SPEAKER: The Honourable Member for Kildonan.

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

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Mines and Natural Resources and the Honourable Member for Crescentwood in the Chair for the Department of Agriculture.

SUPPLY — AGRICULTURE

MR. CHAIRMAN, Mr. Warren Steen: Come to order. When we left off on Friday last, we were on Page 11 of the Estimates Book, Item 10. Manitoba Water Services Board. 10.(b) Other Expenditures, under the Water Services Board. For clarification, the Member for Ste. Rose.

MR. A.R. (Pete) ADAM: Yes. I was away Friday afternoon.

MR. CHAIRMAN: Yes. We are on 10.(b) under Manitoba Water Services Board.

MR. ADAM: Item (a)?

MR. CHAIRMAN: No, Item (b). We held (b) at the closing hour. Okay?

MR. ADAM: Yes.

MR. CHAIRMAN: Okay. The Member for Lac du Bonnet.

MR. SAMUEL USKIW: Well, Mr. Chairman, I would like the Minister to tell us just whether there's any change in the government's policy with respect to bonding, tendering, the whole process of letting contracts.

MR. CHAIRMAN: The Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Chairman, there is no change in that procedure.

MR. USKIW: Is it the intent to keep the same policy as it was, or . . . ?

MR. DOWNEY: Yes, Mr. Chairman. It has been left with the Board and there are no changes, just that they have decided to leave it as it was.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: Thank you, Mr. Chairman. I would like to know whether any change in policy in regard to setting up classification of communities which qualify for water services. . . I believe past practice has been to classify towns under classification as 1, 2, and 3, the result of which, by the time that you get to No. 1, and the second classification is processed, you'd never get down to No. 3. I would like to know if there's any change in that policy.

MR. DOWNEY: That is, in regard to the policy towards . . .

MR. ADAM: Classifying the different towns.

MR. DOWNEY: Mr. Chairman, I believe the member is referring to population numbers, which ones we propose to service . . .

MR. ADAM: Priorities.

MR. DOWNEY: Yes, priorities. We're attempting to service the medium and low priorities at some a year. We feel it's important that they too have the water services provided for them, but it will not change too much as it has been in the past. The Board will be concerned about the low population areas, but it is our intent to try and service as many of those lower priorities as possible, or lower populated towns.

MR. ADAM: Yes. I think that in the past the low priority, the No. 3 priority, have very seldom been able to avail themselves to any assistance from the province to get water, and I would like to suggest that we remove the third priority, the low priority, into a classification of its own, and reclassify that group into 1, 2, 3, the third priority, the low priority, and allocate so much funds for that classification.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Chairman, it is our intent and the board's intent to set the low priority, the low populated areas aside as a special group and try and deal with as many of them as we can, and not have them included as the total classification with the high and medium priority that we do in fact tend to treat them as special cases under priorities of their own.

MR. ADAM: Are you going to set the low priorities up, have their own priorities as well — the third category, we'll say. The first priority, the second priority, they will be on their own.

MR. DOWNEY: That's right. The lower populated ones will be in a separate category.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I tried to determine the other day the capital amount for Water Services Board and I am not sure that we got that answer.

MR. DOWNEY: Mr. Chairman, that comes under No. 11, Acquisition and Construction.

MR. USKIW: I appreciate that, but just to perhaps recap, I think it was discussed last week. The amount you have here, Sir, is only 375,000. That hardly represents a program.

MR. DOWNEY: Mr. Chairman, it's in budgeting procedure that the moneys will be placed into the budget year — the year that we are proposing to spend the money — that it will not be placed a year ahead and then spent in that manner.

MR. USKIW: Mr. Chairman, I am not sure that we are any more clear on it. What is the amount of capital that we intend to use in the program in this fiscal year, then?

MR. DOWNEY: Mr. Chairman, the amount estimated to be spent this year in capital grant, will be \$3.581 million.

MR. USKIW: Mr. Chairman, I presume that is the amount still unused of the allocations of the past. There are no new allocations other than what we see here. Am I correct?

MR. DOWNEY: Mr. Chairman, with the 40 some proposals, we have all that the department and all that can be handled this coming year when the moneys are in place for that . . .

MR. USKIW: Mr. Chairman, is the Minister telling us that with the moneys that are still unused, that they are sufficient to carry out a full year's program, that we don't have a capacity to handle more than that amount of volume of work, related to the amount of funds still in the allocation from last year?

MR. DOWNEY: Sir, that is the amount of work to be done will covered by the moneys that were allocated from last year's . . . Mr. Chairman, there is a carry-over to cover this year's 40 projects and the new projects will be applied for subject to approval.

MR. USKIW: I appreciate the difficulty the Minister is having; I'm not trying to make it rough for him. Perhaps he should caucus with his Deputy Minister.

MR. DOWNEY: Mr. Chairman, we have the moneys allocated from the carry-over from last year to complete this year's projects and we do have a carry-over from that to also enter into some of next year's projects.

MR. USKIW: What is the total amount of carry-over?

MR. DOWNEY: The total amount of carry-over for this year's projects were 3.58 million, and the carry-over from that will be 1.867.

MR. USKIW: You're talking about two carry-overs, Mr. Chairman? You're talking about two amounts as a carry-over. Oh, I'm sorry, is the Minister saying then that we will still have to carry part of that over into the next fiscal year? —(Interjection)— All right, Mr. Chairman, in that context then, it seems that there is money available. We were attempting to change policy last year with respect to a number of communities that were always prioritized at the bottom of the list and a thought was given to the idea of allocating specific amounts to different priority groups, so that they would have in fact a budget of their own, rather than dropping off to the bottom of the line each time because some higher priority community decided to launch into a second or a third project, while the bottom line community hadn't had its first one. So we were thinking in terms of setting up two or three components and allocating funds by component, so that these bottom line or low priority communities would not be left on the outside for an indefinite period of time.

MR. DOWNEY: Yes, Mr. Chairman, as I indicated to the Member for Ste. Rose, we do have a special category of low populated areas that did always fall into the bottom end and never did seem to surface. We have seven proposed projects for the coming year that fall into that category for the 1978. . . that we have in fact treated them as special priorities within themselves, that they do not continue to stay at the bottom of the list. We have in fact made an effort to and will be proceeding on that basis.

MR. USKIW: Mr. Chairman, in that case could the Minister leave with us a document showing the list of priority communities in their batting order, so to speak, for the current fiscal year and the following one?

MR. DOWNEY: Mr. Chairman, I could have the board provide that.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Thank you, Mr. Chairman. I believe I understood the Minister to be explaining the expenditure under the next resolution as being applied to the Water Services Board. Is that correct? He was talking about approximately about \$5 million worth of carry-over, and I assume that that is related to the next item, Acquisition, Construction and Physical Assets. Is that correct? So that the moneys under the next resolution, Resolution No. 18, will be expended under the direction of the Manitoba Water Services Board. Is that correct?

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: Mr. Chairman, no, it is not correct. That money will not be expended under the board.

MR. CHERNIACK: Well then, it is not part of that \$5 million that you were talking about earlier. You were talking about a different. . . —(Interjection)— I know, Mr. Chairman, I don't want to go into that unless that is part of the expenditures of the Water Services Board and since I now assume that it is. . .

MR. DOWNEY: Mr. Chairman, no, the 370 that is being questioned at this point is not part of the capital projects that are in place in carry-over moneys for this year's projects.

MR. CHERNIACK: Well then, Mr. Chairman, I would like to know specifically what carry forward moneys are available. Now that we are going into a combined capital and current, I want to know what capital moneys are available from previous authorities.

MR. DOWNEY: Mr. Chairman, the carry-over from the last projects come to 5.448 million dollars.

MR. CHERNIACK: I want to know where is the authority for that money.

MR. DOWNEY: That was carried forward from last year's budget, Mr. Chairman, and reconfirmed by management committee.

MR. CHERNIACK: Mr. Chairman, if you say carried forward from last year's budget, you can't mean current budget.

MR. DOWNEY: Mr. Chairman, it's Schedule A Capital.

MR. CHERNIACK: Schedule A. All right then, I come back and I ask, what items are they? Are they 1977, 1976, 1975? Which schedule are they from?

MR. DOWNEY: Mr. Chairman. It says the accumulated capital from the three years.

MR. CHERNIACK: Now that would be self-sustaining moneys, Schedule A is self-sustaining moneys. Mr. Chairman, I don't think we need it now, although if it's available now, fine, but could we get a summary now of the moneys expended in the last fiscal year under Schedule A, and the moneys available now under Schedule A, allocated to the years when they were authorized? If you don't have it now, as long as we'll get it.

MR. DOWNEY: Mr. Chairman, we do not have that information.

MR. CHERNIACK: All right, but we will get it. Well then, Mr. Chairman, I want to know then, is the total available funds out of Schedule A in the figure you gave, two figures, which total about just over \$5 million? Is that all there is?

MR. DOWNEY: Yes, that is correct, Mr. Chairman.

MR. CHERNIACK: Is it the intention of the Minister to ask for more Schedule A money, capital funds, in this year?

MR. DOWNEY: Mr. Chairman, not for this year. It will be requested in the construction year of the project.

MR. CHERNIACK: Well, does that mean that there will not be any construction year, this year, other than the amounts already accumulated in authority.

MR. DOWNEY: Mr. Chairman?

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: That is correct.

MR. CHERNIACK: And also, the authority that is available will not be fully spent in this year.

MR. DOWNEY: That is correct.

MR. CHERNIACK: Finally, could we know how much was spent out of that in this last fiscal year?

MR. DOWNEY: Mr. Chairman, the department does not have that figure here, but we can provide it.

MR. CHAIRMAN: The Member for St. George, did you . . . ?

MR. BILLIE URUSKI: Yes, Mr. Chairman, I do. I just wanted to make sure that I understood the Minister correctly when he spoke to the Member for St. Johns about the available capital. Is the capital that is being used by the Department for this year, that is all that is being requested, that is shown in the authority from last year? You are not anywhere else in your Departmental Estimates asking for further sums of capital expenditure?

MR. CHAIRMAN: Minister of Agriculture.

MR. URUSKI: No, no. I'm not saying for water services, I'm saying for the entire Department of

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Agriculture. Because I think that was the question that was being posed by the Member for St. Johns. I think he was relating to the entire department, and maybe that was taken wrong. The point that I am asking now is, yes, you have capital for water services, what other capital is the department employing for this year that may not be shown, and could we have that broken out?

MR. CHAIRMAN: To the Member for St. George, would that not be under 11, the Other Capital?

MR. URUSKI: That's my very point, Mr. Chairman. If I understood the Member for St. Johns' question, I don't think it was understood by the Minister in that same light. They were referring specifically to Water Services Board, and the question that I asked for, is there any other capital that is being requested by the Department of Agriculture for this year's spending, either from previous authorities, or asking for new authority this year, over and above what is being mentioned for the Water Services Board?

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: Mr. Chairman, it has been indicated to me that the next capital requirement is listed in this next item, and that is the capital for the whole department. **MR. URUSKI:** That's the full picture then, for the entire — the \$375,000 in Vote 18 plus the authority on the Water Services. Okay. Thank you.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: Mr. Chairman, on the projects for water services, I believe the Minister mentioned 40 projects. Was that the total? Does this 40 include the seven low priority, or are the seven low priorities in addition to the 40?

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: No, Mr. Chairman, they do not include the other items, the other ones that we were talking about in the low priority.

MR. ADAM: They're over and above? Now, there are no new additional funds, I understand, that this carry-over from last year's projects and the year before — there are no new additional funds?

MR. DOWNEY: Mr. Chairman, as I indicated, the only other additional funds are those in the next item, in item 18.

MR. ADAM: That is the only additional — this means, then, there's going to be a slowdown in the high and second priorities?

MR. DOWNEY: No, that is not correct, Mr. Chairman. There will not be a slowdown. The department will be taking requests, as it has done in the past, for the construction of water systems and sewage, as it has in the past. There has been no slowdown; they continue to expand. In fact, some of the lower priority areas that have been listed here — there's an indication from myself that we do plan to expand and we will be dealing with those requests in next year's Budget.

MR. ADAM: Mr. Chairman, in view of the fact that there is only \$375,000 that's coming up on the next item, as an increase, and since we are bringing in the low priorities which have never been able to get into any of the programs, and considering the fact that there are increased costs of probably 7 to 9 percent caused by inflationary processes, how then can the Minister say that we are going to continue with the same programs if we are taking on a third category, a low priority — we're bringing them in and we are not putting in any significant amounts of additional capital — how then can we say that we're going to continue on as in the past?

MR. DOWNEY: Mr. Chairman, as I have indicated, we do not plan to cut back, in fact, we would hope that we could carry on with the program as it has been and with an inclusion of more of the lower priorities, the new projects to be considered will come in on the budgeting of 1979 and 1980; that is the time that the budgeting for those will be discussed with members opposite.

MR. ADAM: When can we get the list of the proposals for this year, for 1978-79?

MR. DOWNEY: Mr. Chairman, the proper time would be when we're dealing with the government capital items. However, I've indicated that we can make the list available to the members in fairly short order.

MR. ADAM: Yes. I understood the Minister to give a commitment that he would provide the list, I am just wondering when we are going to get it, that's all.

MR. DOWNEY: As I indicated, Mr. Chairman, I hope to be able to provide it very soon. I will request

it from the Board and will provide it for the members opposite.

MR. CHAIRMAN: 10.(b)—pass. 10.—pass. Resolution 17—Resolved that there be granted to Her Majesty a sum not exceeding \$722,200, Manitoba Water Services Board—pass.
Item 11, Acquisition/Construction of Physical Assets.
The Member for St. Johns.

MR. CHERNIACK: Thank you, Mr. Chairman. I wonder if the Honourable Minister could give us a breakdown of this expenditure of some \$375,000, I believe it is.

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: Yes. I didn't quite hear the member — he wasn't speaking . . .

MR. CHERNIACK: Sorry. You're too far away, that's why.

A MEMBER: It's a popular committee. You've got to sit at the back of the class.

MR. DOWNEY: The Rural Water Services grants make up \$300,000 of that and the Community Well Project grants make up \$75,000 of that.

MR. CHERNIACK: Did I hear \$15,000 and \$75,000.00?

MR. DOWNEY: Mr. Chairman, the Rural Water Services grants make up \$300,000 and the Community Wells make up \$75,000.00.

MR. CHERNIACK: Could the Minister also give us a breakdown of last year's expenditures of some \$2 million-plus?

MR. DOWNEY: The grants for sewer last year which are now in place to be expended this year and any future expenditures in capital will be in next year's Estimates — were \$2 million last year. Rural Water Services grants were \$290,000 and community wells were \$75,000.00.

MR. CHERNIACK: Mr. Chairman, I'm sorry, but I'm confused about what the \$2 million makes up. I gather there is approximately the same amount spent last year as is planned to spend this current year, according to what the Minister said. What is the differential which is a very substantial amount?

MR. DOWNEY: Yes, Mr. Chairman, as I've indicated before, the moneys that are being requested here, the \$375,000, the expenditure there is for moneys to be expended this year. There is a carry-over from capital moneys from the past years which will pay for any projects, it will be the work done on the projects this year, future projects within this program will be debated for next year's capital expenditures in next year's Estimates. There is enough money in place this year to cover the proposed projects.

MR. CHERNIACK: Mr. Chairman, when we are dealing with the left-hand column, representing the last fiscal year, the implication is that \$2,300,000 plus was spent last year. Is that not correct?

MR. DOWNEY: Mr. Chairman, when you look at the left-hand column where it says the \$2,365,000, that money was allocated last year for the projects and it will be part of the expenditure to pay for the projects that are completed this year.

MR. CHERNIACK: Well then, Mr. Chairman, it would appear that the government, the department and this Minister, is showing an authority on the left-hand column which is not matched with a similar authority on the right-hand column and that therefore there is a distortion between what is reported for last year as capital moneys and the other. Now, as I understand it, that amount in excess of \$2 million is Schedule B money, is that correct?

MR. DOWNEY: Mr. Chairman, the \$2 million on the left-hand column, the \$2 million is grants to the municipalities which is no longer required. It will be expended because of the carry-over from past years Estimates and authority and \$290,000 of that is in Rural Water Services, RWS grants, and \$75,000 of that is in community wells services. As I've stated before, the reason for deleting the \$2 million this year is because of the moneys in place from last year's Estimates and any ongoing moneys will be requested in next year's budgets for next year's projects.

MR. CHERNIACK: Well, Mr. Chairman, then do I understand that there is \$2 million shown on the left-hand page that have not been expended yet?

MR. DOWNEY: Mr. Chairman, that money has been allocated to special projects this year that are in

progress now.

MR. CHERNIACK: I understood them to mean grants to municipalities. I think that's what the Minister said. Do we now have the name of the municipality and the amount that that municipality is getting to total up to \$2 million?

MR. DOWNEY: Mr. Chairman, it is not all committed. The information that I have is that it is pretty well all allocated on ongoing projects.

MR. CHERNIACK: So that it is known to the department how much is allocated to which project to total \$2 million and the Minister is showing that as if it were committed and expended last year whereas it has not yet been expended, is that correct?

MR. DOWNEY: That's correct. That's correct, Mr. Chairman.

MR. CHERNIACK: Mr. Chairman, I wonder why the Minister did not show the amount not yet expended on the right-hand column?

MR. DOWNEY: That's right, Mr. Chairman, the budgeting system for capital will be allocated the year that the money is going to be expended.

MR. CHERNIACK: But, Mr. Chairman, there is a carry-over of Schedule B money and the Minister of Highways is here and will be accounting to us for that fairly soon, but in the meantime, it would appear that the Minister has shown as expended in last year moneys that were not expended in last year but will be expended in this year. Is that correct?

MR. DOWNEY: Mr. Chairman, as I indicated, the moneys that are to be expended were committed to these projects in last year's estimates, the expenditure will take place this year, and any new projects will be in next year's estimates for next year's expenditures.

MR. CHERNIACK: Well, Mr. Chairman, then the Minister is not asking for any money this year for this kind of program, I believe that's correct from what he says, because he is this year spending money which is authorized in previous years. Is that correct?

MR. DOWNEY: That is correct, Mr. Chairman.

MR. CHERNIACK: And he has shown on his left hand column the expenditure allocated to last year, which therefore forms part of the deficit which the government is claiming is from last year. Is that correct?

MR. DOWNEY: Mr. Chairman, that was last year's in voted authority.

MR. CHERNIACK: So because it was voted last year and not spent but will be spent this year, your government, Mr. Minister, is still allocating that as a deficit for last year to make up that fabulous shrinking amount which now stands at something like \$80 million. Is that correct, Mr. Minister?

MR. DOWNEY: Mr. Chairman, I would say it is a very very small part of it.

MR. CHERNIACK: And so then, Mr. Chairman, the Minister admits that this is a very small part — very very small part, he says — of that deficit. But nevertheless, this item is showing as part of that deficit we have heard all that talk about and is money not yet expended. I just want to make sure that I'm right because I am going to be quoting the Minister.

MR. DOWNEY: Mr. Chairman, as I have stated, it is part of the voted authority for projects this year, part of it is to be expended and any ongoing programs will have to be voted in next year's estimates.

MR. CHERNIACK: So it is true then that the Minister would have had a choice since it is Schedule B money. He could have shown the moneys actually expended last year, whatever it was — let's say it was a million dollars — and he then could have shown in his right hand column as part of his deficit rather than last year's deficit, the money which was authorizebut not expended last year.

MR. DOWNEY: Mr. Chairman, as I have indicated, it is shown here as last year's voted authority, and we have requested no new capital for ongoing projects and as I have said many times, that that will be requested in next year's estimates for the new projects.

MR. CHERNIACK: But, Mr. Chairman, meanwhile, we learned in the resolution immediately preceding this, that there is some \$5 million in Schedule A money yet to be expended, and that will be sufficient for this coming year. That's not shown as an expenditure, but this money which was authorized as Schedule B money, is already being shown as an expenditure even though it is not spent, and is therefore part of the deficit. I am asking the Minister, am I correct in making that

statement?

MR. DOWNEY: Mr. Chairman, as I have indicated, it has not all been expended, it is voted authority from last year's to finish the projects this year because of the ongoing nature of the programs.

MR. CHERNIACK: Will the Minister certify that this is money authorized from last year or could it be moneys authorized from say, the year preceding last year?

MR. DOWNEY: Mr. Chairman, some of it could be.

MR. CHERNIACK: Yes, because, Mr. Chairman, it is Schedule B money, and Schedule B money is not allocated at the time of the vote, it's allocated at the time of the commitment. Is that not correct?

MR. DOWNEY: That is correct.

MR. CHERNIACK: Well then, I am just summarizing this, Mr. Chairman, to say that part of this deficit which has received so much publicity by the current government, is money which has not been expended yet and will be expended in the year of this government. That is the conclusion which I would like the Minister to confirm or correct if it's not correct.

MR. DOWNEY: Mr. Chairman, I am sure that the Minister of Finance could answer those kinds of questions for him when it comes to his estimates.

MR. CHERNIACK: Mr. Chairman, this becomes even more interesting. The Minister of Agriculture dealing with his estimates is now deferring to the Minister of Finance. Does the Minister of Agriculture therefore not know the answer to the question I have been posing?

MR. DOWNEY: Mr. Chairman, would he propose a question again, as he wants a new answer.

MR. CHERNIACK: Well, I am saying that this is the Minister of Agriculture's estimates. It shows a \$2 million expenditure, which I now understand is not entirely expended but rather committed. The Minister has confirmed that it forms part of the deficit that has received all this publicity, and if that is the case, that it is not yet expended, then I am saying to the Minister that his government and he himself within his department is showing a deficit which could well be shown as being part of this current year's operation since the expenditure is not being made until this current year.

MR. DOWNEY: Mr. Chairman, as I have indicated in the procedure that we have followed, that the \$2 million has been voted and we are showing the voted moneys from last year in the left hand estimates and the \$2 million has been voted to carry on with projects that are ongoing this coming year. The moneys that are in place on completion of projects will be expended out of that authority.

MR. CHERNIACK: And there will be no other commitment or expenditure in this current year.

MR. DOWNEY: That is right, Mr. Chairman.

MR. CHERNIACK: Is there money available for commitment for the expenditure in the following year?

MR. DOWNEY: Mr. Chairman, there is a portion of it, yes.

MR. CHERNIACK: Of this \$2 million?

MR. DOWNEY: Additional.

MR. CHERNIACK: Where is the additional coming from? —(Interjection)— No, I am sorry, Mr. Chairman, that's why I am trying to understand it, because we were talking about Schedule A money, which is allocated from the very beginning of the authority, and Schedule B is this \$2 million. Now is there more money in Schedule B?

MR. CHAIRMAN: Maybe while the Minister is getting his answer to the last question, I can ask the members at this Committee if there are any members present interested in participating in the public bills at 4:30 — Bill 5 and Bill 6. I am told that if there are people prepared to participate, then we will adjourn Committee at 4:30 and go back into the House, if not, we can carry right through till 5:30 on the Minister's estimates.

MR. CHERNIACK: Mr. Chairman, there are other items on Private Members . . . There are also some resolutions, aren't there?

MR. CHAIRMAN: To the Member for St. Johns, I'm told that there are no Resolutions and the ones that have been transferred for debate are not eligible until Wednesday so there are only the two items.

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They are Bill No. 5, the Act to Amend the Liquor Control Act and Bill No. 6, the Freedom of Information Act. What is the wish of the members present?

MR. USKIW: Mr. Chairman, I think it's obvious that some of us want to be in the House.

MR. CHAIRMAN: All right, then we will rise at 4:30. All right Warner?

MR. JORGENSEN: No, that's what I'm trying to find out. If anybody wanted or had planned to speak on any of those then we will adjourn the Committees and go into the House and discuss Private Members' Bills but if there's nobody going to be speaking to Private Members' Bills, there's hardly any point because then you'll just adjourn and come back again.

A MEMBER: Well check on those that adjourned debate. Are they going to be speaking?

MR. JORGENSEN: Yes, I have. They don't want to speak. They just asked me to find out if there's anybody else that wanted to.

A MEMBER: Okay. We'll stay in Committee then.

MR. CHAIRMAN: The Member for Lac du Bonnet. Wait a minute, Warner.

MR. USKIW: Mr. Chairman, the point that we were making is that if the debate was to be carried on on those two items, then some of us would want to be there to hear the debate but we are not intending to speak on it today.

MR. CHAIRMAN: Yes, sorry for not making myself clear on that. All right, we will carry on. Committee will continue until 5:30.

MR. ENNS: Mr. Chairman, I wonder if on a point of order, I can't. . . I recognize of course the point that the Honourable Member for St. Johns wishes to pursue. I think the advice given by the Minister is probably appropriate, and we recognize that there has been some difficulty in reconciling and perhaps some confusion in the changing of the Estimates to combine current and capital and that, in some instances, the advice from Finance people is probably appropriate in clarifying these matters. I point out to the Honourable Member for St. Johns that hopefully in a short while he'll have to reverse his arguments when he deals with Highways Estimates because, of course, in Highways he's worried about something that we're not showing and not listing as being moneys that in fact weren't spent but indeed were spent. So, as a courtesy to the Member for St. Johns, I just want to indicate to him that at this point he will have to reverse his argument that he's now pursuing with the Minister of Agriculture.

But, seriously, Mr. Chairman, the suggestion made by the Minister of Agriculture that somebody from the Department of Finance ought perhaps to be asked to be present to help clarify the method of showing the moneys and the allocation of dollars this year to last year and the combination of capital and current.

MR. CHAIRMAN: On the point of order?

MR. CHERNIACK: Well, have you ruled on his point of order? Do you understand his point of order? Because if you do. . .

MR. CHAIRMAN: Yes, I think I do.

MR. CHERNIACK: . . . well, you're ahead of me and the Minister of Agriculture agrees that you're ahead of me. I don't know where you stand in relation to him but. . .

MR. CHAIRMAN: We're both seated.

MR. CHERNIACK: Well, that's probably as high as you stand on this order.

MR. CHAIRMAN: But I think his point of order was more of a point of information.

MR. CHERNIACK: Yes, I don't think it was a point of order either, Mr. Chairman. The Minister of Highways suggests that I will have to reverse my questioning. That's not true. I'm getting at that because it would appear, Mr. Chairman, and I want clarification from the Minister of Agriculture, that in his case he is showing moneys which apparently were authorized but not spent whereas it appears from statements already made by the Minister of Highways and the First Minister, that they are talking about moneys that have not been spent and not been authorized and they're already taking it into their figures so that the reversal that's going to take place when we deal with Highways is an explanation of what appeared to me to be two contradictory methods of procedure, one by the Minister of Agriculture, one by the Minister of Highways. Now if the Minister of Highways is expert on this apportionment of capital moneys from Schedule B, that's fine. And if the Minister of Agriculture needs help from somebody in the Finance Department, the building is here and there are people here

from Management or from anywhere who would have been responsible for that \$2 million shown on the last year's account. It shouldn't be too difficult, surely, to find out what it is the Minister is showing us.

MR. DOWNEY: Mr. Chairman, the \$2 million in Schedule B that is carried over in grants to municipalities are in place, as I've stated before, they are in place to be expended on some of the projects that will be completed this year and there will also be a carry-over of part of that into next year's Estimates.

MR. CHERNIACK: Mr. Chairman, I'm back to my original problem. I understood the Minister to say that all of it has been allocated and there are specific municipalities and specific moneys that are known for this whole amount and that that's why they're shown for last year. Now the Minister says that not only is there money available for this year but also will be available for the following year. Does that mean that it is now known which municipalities will receive which moneys in the fiscal year ending 1980?

MR. DOWNEY: Mr. Chairman, the amount of money carried over from last year's Schedule B, as I've stated, was \$2 million voted which will be expended, the greater portion of it, I would assume, this year and the balance of it in the next year and some carried over from the previous year. We also have some moneys carried over to some other projects and there is also an additional 5.4 carried over . . .

MR. CHERNIACK: Yes, but for what?

MR. DOWNEY: . . . including the \$2 million.

MR. CHERNIACK: 5.4 what?

MR. DOWNEY: Million dollars carried over from the last two to three years in projects that weren't completed.

MR. CHERNIACK: Schedule B money?

MR. DOWNEY: Schedule B money, Mr. Chairman.

MR. CHERNIACK: Well does that then mean, Mr. Chairman, that all of it is committed, the 5.6 million is committed dollars?

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: The total carry forward of the accumulated moneys, including the \$2 million that's in the left-hand column, which makes up part of the acquisition and construction of physical assets of last year's, that \$2 million is included in and we have a 5.448 carry-over from the previous years that were not expended, that are voted to be expended in this year's projects and to carry-over to part of next year's projects. Additional projects to be capitalized will be voted in next year's Estimates for ongoing programs.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Is all of that Schedule B money?

MR. DOWNEY: Yes, Mr. Chairman, that is all Schedule B money.

MR. CHERNIACK: Mr. Chairman, did this current government allocate any money at all out of Schedule B, or is it all from the previous government's decisions?

MR. DOWNEY: Mr. Chairman, that is carry-over.

MR. CHERNIACK: That means this government has not committed any of that 5.4 or 6 million.

MR. DOWNEY: Mr. Chairman, we've committed it, but it hasn't been voted.

MR. CHERNIACK: This government, this current government, has done that?

MR. DOWNEY: Mr. Chairman, it has all been voted and the greater portion of it, quite a lot of it, has been committed on ongoing projects. It's an accumulation of projects that have been in process for the past two years.

MR. CHERNIACK: I wanted to know if this current government, the Conservative government, of

which this Minister is Minister of Agriculture, and has been for its length of time, did his department commit any of that money that he is speaking about as already committed?

MR. DOWNEY: Mr. Chairman, some of that money has been committed by our government.

MR. CHERNIACK: Now, when the Minister uses the term, "voted," he can't really mean that, because Schedule B money is not allocated money until it has been committed, and therefore I ask again, was \$2 million committed, or was it 5.6, including the 2 million, committed?

MR. DOWNEY: Of the 5.4, some of it was committed by this government and some of it was committed by the previous government.

MR. CHERNIACK: Now, Mr. Chairman, we have \$5.4 million of Schedule B money, of which all, I now understand, is authorized and committed, and yet only 2 million of the 5.6 million is being shown as expended in the last year. But the Minister has said that only part of that 2 million was expended in the last year.

MR. DOWNEY: Mr. Chairman, the 2 million is not shown as committed; it's shown as voted in last year's.

MR. CHERNIACK: Mr. Chairman, that's the very point I'm making. All of the general purpose money was voted; all capital moneys that are authorized are voted, but general purpose money is not allocated until it has been committed, and I guess through the Management Committee, so that all of this 5.6 million apparently is committed money. And if all of it is committed money, then I'm asking whether 2 million was committed in the last fiscal year and 3.6 million has already been committed by the present government for this fiscal year, which only started 20 days ago, Mr. Chairman. That's why I don't understand.

MR. USKIW: Mr. Chairman, I'm wondering whether it wouldn't be wise to adjourn the afternoon debate and come back at 8:00 o'clock when the Minister would be more prepared to answer the questions.

MR. DOWNEY: Mr. Chairman, the allocation of funds out of the moneys voted, the ones that were in-lace and had been approved were re-approved by the new administration through the process of review.

MR. CHERNIACK: Mr. Chairman, I have one more question. I think only one, and then I think maybe the Member for Lac du Bonnet's suggestion would be valid.

I hope that we are talking about two different 5-million-plus figures, because under the previous resolution we were talking about 5 million and some available under Schedule A of self-sustaining moneys, and now we're talking about a very similar figure which I understand to be Schedule B. If I'm correct and they are two separate 5-plus million dollar figures, at least I understand that much. Mr. Chairman, I don't want to press this issue. Obviously it's not clear yet just what is allocated, what is committed and what is expended as between the two fiscal years, and I do think it's important to know, because we have been hearing all sorts of accusations about deficits and I want to trace just where they are.

I want to know what is the program for this coming year, and it's not clear because capital was lumped in with current for last year, but apparently it's not lumped in with current in the present Estimates we're dealing with — I think that's clear. The Minister said there's some \$5 million that will be spent this year and next year and that it's not in the current Estimates.

It seems to me — let me just enlarge on that — it seems to me it would only be logical that if money is going to be spent out of capital authority that's accumulated from previous years, obviously, it should be shown as a footnote or something to show just where it's going to be spent in the current year on the right-hand column, because otherwise we're getting a terrible distortion. Here we are being shown capital moneys expended last year, and opposite it we're being shown only current moneys to be raised on the right-hand column. I think that since the Minister's already told us that there will be moneys spent in this fiscal year out of previously authorized capital moneys, that there is a great deal of confusion in the Estimates.

The Minister of Highways has already indicated that apparently in his department this capital authority from previous years is being treated differently than the capital authority that is being shown in the Department of Agriculture. Therefore, Mr. Chairman, I think it's unfair of me — maybe it has been for a few minutes already — to be pressing this Minister to explain the bookkeeping or money management program that may have been done overall by Management Committee, but I don't feel like letting go of this question just because this Minister has not been apprised of the information. I'm saying it out of sympathy because when he wanted to call on the Minister of Finance, I could well understand his problem of being unable to reconcile the two. So I am prepared to drop it on the understanding that we're going to get an answer somehow, and I hope soon enough so that we can intelligently deal with the Highways Department, which is next, and which has its own kind of bookkeeping, apparently, separate from that of the Department of Agriculture.

MR. CHAIRMAN: The Member for Seven Oaks. He's been waiting very patiently to . . .

MR. SAUL A. MILLER: Mr. Chairman, on the same topic. Did I understand the Minister correctly to say that there's \$5.4 million of unallocated but authorized, authorized but unallocated funds, either from 1977-78 or 1976-77, going back over a number of years. That it adds up to 5.4, but in fact hadn't been entirely allocated. Am I right in that? And now is partially allocated.

MR. DOWNEY: Mr. Chairman, the 5.4 which you are indicating has been in the process of being allocated and is now almost allocated.

MR. MILLER: So what I'm wondering is this: of the 5.4, the left-hand column, which is March 31, 1978, includes moneys which were voted in general purposes capital, whether last year or the year before, or whatever, to the extent of \$2 million? There is still 3.4 million which doesn't appear anywhere. All right, now, I'm asking this question. If it was authorized, and if you choose to show some of the authorization and tag it on to the year 1978, the left-hand column, then why don't you put the entire authorized capital in the left-hand column? In other words, you are just taking, Mr. Chairman, partial authorization and putting it in the left-hand column as a charge against 1978, but there's still \$3.4 million which you choose not to show anywhere, even though it was authorized in previous years.

MR. DOWNEY: Mr. Chairman, in the left-hand column we have shown only the \$2,365,000 that was voted in last year's.

MR. MILLER: Mr. Chairman, is the Minister now saying that what is shown in the left-hand column — the \$2,365,000 in the left-hand column — the \$2,365,000 in the left-hand column is supposed to compare with what line in the 1977-78 Estimates? On Page 7 of the Estimates it shows \$2,365,000 as Schedule B capital voted in the Loan Act of 1977. The entire amount.

Mr. Chairman, as I see it here, what is shown, as I say, on Page 7 of the Reconciliation Statement, is the amount of \$2,365,000, which, since it is shown here, I assume that is the amount that was allocated during the year 1977, that is the fiscal year 1977 ending March 31st, 1978. That is the amount allocated and that's why it is shown in the left hand column. Am I right?

MR. DOWNEY: Would you reindicate, you're on Page 7, the. . .

MR. MILLER: I'm saying that on Page 7, the Reconciliation Statement shows the same figure of \$2,365,000 as Schedule B Capital voted in The Loan Act 1977. In other words, this is the amount that was actually allocated out of general purposes capital for the year 1977-78. Is that right? Not just voted, just allocated, actually allocated.

MR. DOWNEY: Yes, it was allocated.

MR. MILLER: So that's why you show it in the left hand column.

MR. DOWNEY: That is right, Mr. Chairman.

MR. MILLER: And yet earlier on, you indicated that of the moneys of the 3.4 million that might still be remaining, you indicated that in fact almost all of it, or a great deal of it has in a sense been allocated, that is, earmarked, it may not be being spent but it's earmarked. If it is allocated and earmarked, then wouldn't it only be proper to indicate in the right hand column, the moneys which you will be drawing from Schedule B because these are for allocated projects. Instead of which, what you show here is a minimum figure of \$375,000 which of course is not the amount you are going to be spending at all. It's probably more like \$2,375,000 on the right hand column, that's for this coming fiscal year.

MR. DOWNEY: Mr. Chairman, that is moneys that have already been voted and it would mean revoting it for this coming year, and it's already been. . .

MR. MILLER: Everything has been voted, Mr. Chairman, including what shows on the left hand column, it's all been voted, and if you choose to show it in the left hand column even though it was voted in the previous year, then to be consistent you should carry the same format over into the right hand column. To simply say we voted it last year and therefore we are not going to show it again, then in that case it shouldn't appear on the left hand side either, because what you're doing here is you're mixing up two formats — cash flow and authorization. On the left hand side you have cash flow and on the right hand side you're not showing cash flow, except the minimal administrative amount.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: The problem is the Member for Seven Oaks is talking about cash flow for the \$2 million, but I think the Minister already told us that of the \$2 million it hasn't all been spent. It has been committed but not spent and it's going to be spent in this current year. So now we have some \$2

million which is shown as of last year committed but not all of it spent, some of it carrying forward into this year and apparently some carrying forward in the following year, then we're learning another \$5.4 million, I think. . .

A MEMBER: No, same money.

MR. CHERNIACK: All right. So out of \$5.4 million, \$2 million was committed last year but not all spent, some of it to be spent this year. There must be another \$3 million or \$3.4 million that is already committed, otherwise it wouldn't be taken out of General Purposes, and the Minister has indicated most of it is committed and if it was committed in this current year then it would appear as if it was committed within the last three weeks, which I find difficult to believe, and I suspect therefore that it was committed by the current government in the last fiscal year and not shown as such in the left hand column.

MR. DOWNEY: It was committed in the last year and reaffirmed in this year's. . .

MR. CHERNIACK: Mr. Chairman, I'm worried that the Honourable Minister doesn't quite understand. . .

MR. DOWNEY: . . .through management, it's been reaffirmed through management to proceed.

MR. CHERNIACK: Oh, so it means that management committee has authorized in the last three weeks.

MR. DOWNEY: I didn't say that.

MR. CHERNIACK: Well then I don't understand, Mr. Chairman, why it was not shown in the previous year's expenditures. If it were committed in the last fiscal year why isn't it shown as last fiscal year?

MR. DOWNEY: That's right, Mr. Chairman, the \$2 million shows the voted moneys and not the expenditures.

MR. CHERNIACK: Mr. Chairman, I really want to help the Minister, I really do, to tell him that the moneys he's talking about were voted last year or the previous year, or the previous year — all the money he is talking about was voted except for \$375,000, which is yet to be voted on — so that he must understand all Schedule A and Schedule B8 money of previous years has been voted. But General Purpose money is not allocated until the amount is committed. That's the point I am trying to make, so it's not voting that counts, it's the commitment that counts. If it's not committed, then it is still General Purposes, that it is not assigned to this department, and therefore the Minister of Highways with his leader, are able to take all that money or any amount they want to take in, into the Highways Department as being moneys. . . we don't know yet, he has yet to explain to us where he got some \$27 or \$29 million that appears nowhere except so far in his head. So I am trying to figure out just how it's going to be shown and I want to assure the Honourable Minister that all the money was voted, but the \$5.4 million, its distribution as between various years and the extent to which it is committed is still unclear.

MR. DOWNEY: Mr. Chairman, the \$2 million in B that we're talking about was committed for grants to municipalities. The \$3.5 was committed by the last administration and confirmed by this one and will be expended in this year's and next year's proposed expenditures.

MR. CHERNIACK: Well then, could the Minister please explain the difference between the \$2 million that was committed and shown from last year and the \$3 million which apparently was committed last year as well, neither of which are fully expended. That's my problem. He said the \$2 million was not fully expended, therefore it was not expended and committed. How does it differ from the \$3.4 million?

MR. DOWNEY: Mr. Chairman, as I have indicated, the \$2 million in grants in Schedule B8 has been carried forward and is committed on last year's and will be expended on this year's programs. The 3.5 is also committed and will be expended on the projects that are in place and that are ongoing, all dealing with Water Services.

MR. CHERNIACK: Now I've got two questions. One is, can the Minister explain the difference in the nature of the projects between the \$2 million for last year and the \$3.5 million that's left over? What is the difference? The Minister said in both cases they are committed and will be spent over the next year or two. How do they differ? I want the Minister to reflect on what he said, Mr. Chairman. He says there is no difference between the 2 and 3.5, so the question is why didn't they show five and a half million in the left hand column?

MR. DOWNEY: Mr. Chairman, the \$2 million was all that was voted last year, not the \$3.5 million.

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MR. CHERNIACK: Mr. Chairman, I have to assure the Minister that if that \$3.5 million is committed it had to have been voted at some time in the past, it had to have been voted. I don't think he can say it's not been voted yet, it had to have been voted.

MR. DOWNEY: That's right, Mr. Chairman, it was voted. . .

MR. MILLER: It had to be General Purposes capital originally.

MR. DOWNEY: That's right.

MR. CHERNIACK: Well now, are there distinctions being made between what was voted last year and what was voted in preceding years? And let me explain, Mr. Chairman, I'm coming to the conclusion that there was an arbitrary decision made to show \$2 million in this column.

MR. DOWNEY: Mr. Chairman, the decision was made to show what was voted.

MR. CHERNIACK: Mr. Chairman, I have to say that that 3.5 million described by the member has been voted. Is he saying it was not voted, and if not voted, then when will it be voted if he has already committed it. He can't have committed money that hasn't been voted, and I'd caution him to be careful about that word voted, because I don't believe that they committed money that was not voted and I don't want him to get lost in nomenclature.

And I have another question, Mr. Chairman. My other question is, I thought that there was about the similar amount of 5.5 million for Water Services in Schedule A money which was referred to under the previous resolution. Now I'm learning that this too is Water Services money, so is there \$11 million available for Water Services?

MR. BOYCE: I have a question, Mr. Chairman, whenever it comes in order.

MR. CHAIRMAN: All right, I shall write your name down. The Minister of Agriculture.

MR. DOWNEY: The \$3.4 million of the moneys in place to carry on with the projects, \$3.4 million was voted prior to the Loan Act of 1977 with the authority to be committed for projects; \$2 million that we were discussing was voted in Schedule B and was specially for grants for Municipal Sewer and Water.

MR. CHERNIACK: The 3.5 million voted prior to last year, was that Schedule A or B?

MR. DOWNEY: That is Schedule B, Mr. Chairman.

MR. CHERNIACK: And that's over and above the Schedule A money that was referred to as some \$5.5 million that was available for Water Services?

MR. DOWNEY: Yes, it is, Mr. Chairman, over and above . . .

MR. CHERNIACK: Well, Mr. Chairman, what I don't understand is how that \$3.5 million could have been voted under Schedule B unless it was allocated for Water Services because Schedule B money, as I understand it, and if I were only corrected I wouldn't be pressing this, but my impression is the Schedule B money is called "general purposes" and is not committed until it's allocated. I'm getting, somebody who knows is shaking his head at me and I think he — I would rely on his . . .

MR. CHAIRMAN: May I acknowledge the Member for Seven Oaks.

MR. MILLER: Mr. Chairman, to clarify it, there's some portion of Schedule B which was allocated. It was specifically voted for a particular project or projects or services even though it was under Schedule B. That is in addition to the general purposes which could be moved any which way depending on where it was required. So there is a part of Schedule B which is tied and could not be moved except by a vote of the Legislature.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Now, as I understand it, there was \$3.5 million carried forward for Water Services in Schedule B from previous to 1977, there's \$2 million voted Schedule B last year, making a total of \$5.5 million. I understand that all of that practically has been committed in the last year. Therefore I still don't understand why only \$2 million of the \$5.5 million was shown as being last year's money.

MR. CHAIRMAN: The Minister of Agriculture.

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MR. DOWNEY: Mr. Chairman, all the moneys that are shown here is the total and it's a budgeting procedure when we're changing to the budgeting for the year of the project and this is a changing of systems.

MR. CHERNIACK: Well then, I would like to ask the Minister — he may not have this answer, but I'd like to ask the Minister whether in calculating the deficit to which we've already referred, how much of that capital money, that \$5.5 million, is shown as being part of the deficit?

MR. DOWNEY: Mr. Chairman, that is calculated by the Department of Finance and will be handled by his department.

MR. CHERNIACK: And the Department of Agriculture does not know the kinds of moneys that are being allocated to the Department of Agriculture as having been spent in the last year. That's the conclusion I come to.

MR. DOWNEY: Mr. Chairman, Finance have not given us that figure.

MR. CHERNIACK: So, Mr. Chairman, it means that when we hear about this great big ballooned but shrinking deficit that the individual departments — in this case Agriculture — is not aware of what portion of that deficit is shown as being forming part of that deficit. You know I'm just summarizing what I believe is the correct conclusion from what the Minister has said.

MR. DOWNEY: Mr. Chairman, we don't have that . . .

MR. CHERNIACK: Then I go further. There's some part of this money, be it \$2 million or \$5.5 million, that may be part of that deficit that we've heard so much about and, to the extent that there is that, I understand that most of that \$5.5 million has not been spent yet — committed but not spent. I think that part is clear, that most of the \$5.5 million in Schedule B allocated money has not been spent. Therefore, Mr. Chairman, I would ask . . .

MR. DOWNEY: It has been committed but not totally expended yet.

MR. CHERNIACK: Right. I would ask the Minister who has the authority to ascertain for us how much money from that \$5.5 million has been included in the deficit figure which, I think, is now up to \$181 million? And I know he hasn't got the answer, obviously, now, but I ask him if he will obtain that answer.

MR. DOWNEY: Mr. Chairman, the department will attempt to get that figure.

MR. CHERNIACK: Well, Mr. Chairman, I appreciate the Minister's efforts. I wish he would use his own name rather than the department and say that he would attempt to ascertain that because not only is he the Minister of this department, he's a member of Management Committee and therefore I would think that it is information that is either within his possession or which he's entitled to get. And I'm therefore asking him quite formally, "Will he give us an answer to that question? How much of the \$5.5 million of committed but unexpended money has been shown in the deficit figure that is being bandied about by various members of his government?"

MR. DOWNEY: Mr. Chairman, I can assure him that I will discuss it with the Minister of Finance and attempt to get the information.

MR. CHERNIACK: I think we'll let that go now. I hope it will come before his salary is being discussed.

MR. CHAIRMAN: The Member for Seven Oaks.

MR. MILLER: Mr. Chairman, I don't want to address myself to what has been said already but I am concerned about the format which has been presented to us and which, of course, has been presented to the public, because simply looking at the two columns one is led to believe that somehow there's been a substantial decrease in the size of the agricultural Budget and the spending that will occur this year, but, in fact, that isn't the case we now know — that the moneys have been voted in the past will be spent. They're not being cancelled out. They're not being reduced in any way. They will be spent. And so for this year and next year there will be the phenomena of apparent decrease in expenditures where, in fact, expenditures may be far greater. And so it seems to me that the format that's been presented to us here and perhaps throughout in other departments, although I suspect they may be somewhat different in other departments, is misleading, not only to members in the opposition but to the public generally, and certainly to the media who accept these figures as bona fide when they look at them. That they look on one side, and they look on the left-hand side and they look to the right-hand side and they say, "Well, there's been a cut," and nobody has corrected them. I think it's now fair to say that, in the light of what we've heard and even though the Minister may have further information which I hope he'll be able to get, what we've heard already indicates very

clearly that the figures on the left-hand side and the figures on the right-hand side are not to be used as a measurement of what the government is going to be doing this year in the way of expenditures, that, in fact, the expenditures that are going to take place don't relate at all to the right-hand column but, in fact, the present government is taking advantage of voting that took place in other years to make the right-hand column, that is, expenditures for this year, look remarkably low when, in fact, they're going to be considerably higher than what these Estimates indicate.

And so all I'm putting on the record, Mr. Speaker, is my regret that whoever did it chose to present a format without footnotes which appeared to show a substantial diminution in expenditures when, in fact, that diminution will not occur and they are simply taking advantage of authorities voted but not expended in previous years to blow up or to try to show the higher expenditure in the years that the NDP was in office.

MR. DOWNEY: Yes, the explanation that I would say in this regard is the changing of the budgeting system and, because of the progress of our government and next year it will be a that, as the money is required for next year's projects will certainly be included in capital expenditures. Mr. Chairman, as I said, the change in the budgeting procedure has created this difference here. These are our estimates for expenditures this year, which are shown in the right-hand column. The left-hand column is the money for last year.

MR. MILLER: Mr. Chairman, the Minister uses the word that in the right-hand column you'll see the expenditures for this year. That's not so. The right-hand column is a vote, but not the expenditures. The expenditures are going to be, perhaps, \$3 million higher or \$5 million higher if you can spend it that fast. You know, it depends how fast you spend it. But in fact the expenditures are at least \$3 million more. So that the figure of \$29.8 million should read more like \$32.8 or \$33 million if you are going to use the term "expenditures".

MR. DOWNEY: Mr. Chairman, yes, I will correct that. That is right; instead of saying "expenditures" I should have said the right-hand column is a voted amount for this year and the left-hand column was voted for last year.

MR. MILLER: And the reason you were able to show this low an amount is because the authority was voted in previous years. And so your vote this year shows low because of the authority voted in previous years. Is that right, Mr. Minister?

MR. DOWNEY: That is partially correct, Mr. Chairman.

MR. MILLER: What part is not correct?

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, but the record now shows that the Member for Seven Oaks made a statement and the Minister said that's partially correct but he has not responded to the extent to which it is not correct. So I wouldn't push that, because I have another question. Well, I have a suggestion to make to the Minister. Wouldn't he be much happier if he were allowed to go back and redo the right-hand column to show the anticipated expenditure is this current fiscal year to correctly show those moneys which will spent or committed this year, be it from previous capital authority or from the current vote that he is asking for. Wouldn't that be a much clearer picture for him to go back and redo that right-hand column to make it look more like the left-hand column? Would he like that opportunity?

MR. DOWNEY: Mr. Chairman, when I suggest that — in the partial part of it — we still have the \$375,000 in the right-hand column. . .

MR. CHERNIACK: All the more reason. Now I really think we are all smiling although we ought to be criticizing the Minister for bringing that in. The fact then is that the statement made by Mr. Miller is correct, that there is some other type of expenditure of \$300,000 plus some \$65,000 or \$75,000 that is a repeat from last year. But his statement is correct and I therefore want to invite the Minister again to rework that right-hand column to show the correct expenditure. Not for an authority; we don't want to vote it twice. I think really either the Minister and his government should have cancelled all previous authority unused and start from a clear zero budgeting thing, which they've talked about — zero based — and said we are going to spend for this coming year the following moneys. Either they should have done that or they should have footnoted all their Estimates down the line to add to it the amount of money already voted which they are going to use this year. Either of the two would have been a much more honest presentation. And therefore I am saying to the Minister — since I'm sure he doesn't have the authority to lapse all previous capital moneys which I think they should have done — to be honest, to present a new picture, zero-based budgeting and all of that, since he himself has no authority to do that, let him do what he does have the authority to do and bring to us a statement of recapitulation of the right-hand column with an honest presentation of the intentions of his department for expenditures we could then easily figure out how much of that is the use from previous unused capital authority, and what he is asking for currently. Then we could understand it,

and we would have saved about an hour's debate already this last hour, which would not have been necessary had we had a completely honest and full presentation. Does the Minister want to take advantage of that suggestion?

MR. CHAIRMAN: The Minister of Agriculture.

MR. DOWNEY: Mr. Chairman, we are here to discuss the amounts that are voted and the moneys that I've indicated earlier have been voted in previous years. We are here to vote the moneys for this year, not the expenditures, and that is the reason for the figures.

MR. CHERNIACK: The Minister is absolutely right. It is very clear that he is asking for an authority to spend that money on the right-hand column, but he has now informed us — I was going to say admitted, but let's say he has informed us — his intentions are to spend more money than the money he is indicating as money for which he wants authority. We know at least \$3.5 million more money will be spent, maybe \$5 million — we don't know — that his department has already planned to expend in this coming year.

So I'm saying to him, I understand, all he needs authority for is \$29,829,000.00. The fact is, that when in the left-hand column they show \$36,500,000, that that wasn't authority needed in current last year, it was authority that was received in capital and in current, so I am now using the word quite strictly in its correct sense. I would like an honest presentation of the commitments which this government wishes to make for expenditures in this year, and since we know that it includes unused capital authority, we are asking him to give us the full information so we know how he's going to do it.

Now, Mr. Chairman, one more point. He says that's all the authority he needs. The fact is, he needs authority for his salary, and that means there is authority needed for his salary plus everybody else's salary in his department, reduced as it may be, plus the money for program, plus the money for which there is also an authority. And if he did zero-based budgeting, then if he had honestly done zero-based budgeting, he would have started from zero, and the fact is we are learning he did not start from zero, he started with unused, authorized capital authority. And therefore, let him at least come to us — I'm trying to avoid pejorative words — come to us with a full picture rather than a partial one, and it should not be difficult unless they've confused the books so much that they can't get an easy way out of it. But I don't believe that, there is no question in my mind of the competence of the people that are still working for the government, and I believe that they will be able to calculate a full presentation on the assumption that the government did what it said it would do, and that is start with zero-based budgeting. And then we would know what the Department of Agriculture is planning to do with the money it has authority and wants authority to spend.

MR. CHAIRMAN: The Member for Winnipeg Centre has been patiently waiting for his turn.

MR. J.R. (Bud) BOYCE: Mr. Chairman, as the Minister says, they have changed their procedures, and I'm rather wondering just how exactly it will balance out in the final analysis. No doubt, some of these questions will have to wait until Public Accounts — a year from now — but nevertheless, when the Minister says that some of the money has been allocated this year and some of the money will be allocated next year, I really don't understand. The year-end closed as of the end of the month. I wonder if the Minister could advise us how much money he had to ask by way of special warrant, if any, at the end of the fiscal year?

MR. DOWNEY: Mr. Chairman, we didn't have any special warrant.

MR. BOYCE: So there was no special warrant. Can the Minister give us a breakdown of just how much of this \$2 million has been allocated, by project, for this year and for next year? I would refresh people's memories, Mr. Chairman, on one particular appropriation here a few year's ago, we got bogged down on \$17,500 for a printing press for Public Works until they brought in the specifications and everything else for us. You know, I have been following with great interest the questions of the Members for St. Johns and Seven Oaks. Just exactly how much of the general purpose existing authority has been allocated to last year?

So perhaps I could ask the Minister a specific question. How much existing authority did he have at the end of the last fiscal year, and how much of the general purposes existing authority was allocated to Agriculture?

MR. DOWNEY: Mr. Chairman, we could attempt to get that information for the member. I'd have to check with the department to get the answer to his question.

MR. BOYCE: Through you, Mr. Chairman, to the Minister, would this not apply to other items that we have already passed, that there may be some capital which is charged to either existing capital authority for a specific project, or general purposes which appears in the other items as if it had been expended last year, because in changing the format this year the figure on the left-hand side of the book always meant the moneys that were specifically spent for the fiscal year which just closed. And the difference between those, when we come to review these accounts in Public Accounts Committee, is that government is authorized to spend a specific amount, and while they have under the Executive Administration Act some leeway in transferring funds within sub-items, the only way

that they can exceed those expenditures is by special warrant at which time they have to explain to the Legislature just exactly what occurred, so that the accounting, you know, at some future point of time has to balance. I would appreciate it if the Minister could give us a breakdown of just exactly how much capital which has been existing for whatever purposes is included as if it had been expended during the fiscal year 1977-78.

MR. DOWNEY: Mr. Chairman, we can have the department get that information for him and are prepared to do so.

MR. CHAIRMAN: Item 11 — pass . . . Sam you still have got the Minister's salary if you want to open it up again.

MR. USKIW: Oh I see, and then we will get the information on the Minister's salary, is that it? Is that the intention?

MR. CHAIRMAN: You can ask any questions you want under that.

MR. USKIW: As long as we have the information.

MR. CHAIRMAN: Well some of the information, to the Member for Lac du Bonnet — questions that were asked by the Members for St. Johns and the Winnipeg Centre and so on, I am led to believe by the department people they can't have it for this evening. They had have undertaken to get it in written form and will supply it to those members as soon as they possibly can but it's a matter of a day or two or least.

MR. USKIW: Mr. Chairman, is there any point in meeting this evening at all if we can't have the information on which to sum up our debate.

MR. CHAIRMAN: I can cite examples where last year, in Public Works for example, we finished the department and then the Minister supplied technical information to Members of Committee and this was done in Civil Service Commission in the past. —(Interjection)— All right. The Minister has said to me that he can attempt to get the information for tomorrow afternoon sitting.

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

MR. CHAIRMAN: The Minister of Highways.

MR. ENNS: Mr. Chairman, I think it's clear the information that members of the opposition seek and they certainly are entitled to receiving a full clear answer to that — I think it serves no particular purpose whether they get it at this particular stage or, I might add, on my Estimates where substantially greater amounts of money are involved in the same dispute. I also recognize that the Department of Finance carries the major responsibility here in the apportionments and the allocations of these dollars which involve, you know, transfers from capital to current. There is no inclination on the part of the government to withhold this information or not to give the members of the committee the full and wide explanations of it. I believe that the individual departments will have to have the advice of Finance in dealing with these matters. But you know, I only raise the point insofar as that by putting over this point at this particular time doesn't preclude the members of the opposition from gaining the information they desire.

MR. USKIW: Two points I want to raise, one is that I have another question on the specific item and then I put the argument on the second point that we don't want to conclude debate on the Minister's salary without having had that information supplied to us. You know, it may make very interesting debate as far as I am aware and we should have the information before we conclude the department.

On the first point if I am allowed to proceed, I would like to know from the Minister whether there are any capital amounts that are shown as current amounts in the present Estimates, in the combined. That is moneys that were not used in previous years, is any of that. . . oh that's part of the information that we are going to get is it? Is it hidden anywhere else in the Estimates. — (Interjection)— Well, I am beginning to wonder. Mr. Chairman, not of the 1977 vote but of previous votes, is there any money in these Estimates or in these figures that come out of previous votes.

MR. CHAIRMAN: Sam, do you want to hold No. 11 as well as the Minister's salary.

As Chairman it's my suggestion that the Committee rise and not reconvene until tomorrow, giving the Minister an opportunity to get some of this technical data answered by staff people in the morning. All right? Committee will rise.

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MR. CHAIRMAN, Mr. Abe Kovnats: I would direct the honourable members to Page 57, Mines, Resources and Environmental Management. Resolution No. 82. Environmental Management, Clause 2.(c)(1) Salaries— pass; (c)(2)—pass—the Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I just want the Minister to remind me whether this is the item under which he said I should discuss the question of Roseau River and Garrison Diversion.

MR. SPEAKER: The Honourable Minister.

MR. RANSOM: Well, I previously had suggested, Mr. Chairman, that the next item, Program Development and Review, is probably the most appropriate.

MR. CHAIRMAN: (c)(2)—pass; (c)—pass; (d)(1)—pass—the Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, it's under this item that I wanted to try to get clarification of some of the remarks that were made on this matter when the Minister previously raised it in the House. I had indicated to the Minister that there were no changes, to my knowledge, in what our professional staff felt was the position vis-a-vis the Roseau River as included in the Study Board Report and I want to specify that, Mr. Chairman, because the Minister is either confusing or somehow linking our position with regard to works in the Roseau River with our professional advice to the International Joint Commission regarding the effects of the Roseau River and what expenditures would be necessary to ameliorate those effects. So that there is no misunderstanding let me outline the position as I understand it.

The Province of Manitoba at no time agreed to, or expressed any approval of, any works done in the United States for flood protection vis-a-vis the Roseau River. The position of the Province of Manitoba and of Canada at all times was that we believe that any program in the United States, if conducted, should provide for amelioration of all adverse effects in Canada. The International Joint Committee asked for a study board composed of engineers from both sides of the border to indicate what would happen if certain things were proceeded with and how the effects of those things being done could be ameliorated on the Canadian side of the border. The Study Board then said that if certain things are done these are the expected effects which we are able to deal with; these are the projects which would be needed to ameliorate those effects. We do not agree that things should be done, but we are saying that if approval is given these are the things that would have to be rectified.

Now I specify that, Mr. Chairman, because the Minister indicated that there had been a change in engineering advice, and he gave as indication of that change the statement made before the International Joint Commission when it held the hearing on the Study Board Report, and I'm very well acquainted with what occurred at that time. We put into our submission to the International Joint Commission a quite proper statement of Canadian position and Manitoba position that the project could violate the Boundary Waters Treaty and that we objected to any violation of the Boundary Waters Treaty. That wasn't any change in engineering advice. The engineering advice was always to the effect that we did not know all of the effects of the program and there were some environmental changes which would take place which we would object to.

When the International Joint Commission met, and I believe it was in southern Manitoba, we appeared before the Commission, indicated our position with regard to the Study Board Report, and indicated formal objection to any violation of the Boundary Waters Treaty. But Mr. Chairman, to my knowledge that did not change any of the engineering advice that was given on the Study Board as to how effects of this program would have to be ameliorated in Canada.

We also said to the International Joint Commission and to the Americans that we do not wish to be paid for in estimated dollars; we wish to be paid for in dollars that reflected the changes that would be necessary, and that we wanted a contingency for any unexpected effects which could not be anticipated by the report.

Now, Mr. Chairman, what changes which our engineers made to the International Joint Commission have been made? When the people from Dominion City, including the Roseau River Band, were in our office they predicted all kinds of problems, and in the presence of myself and the engineering staff they were told that the recommendations contained in the Study Board Report to the best of our knowledge and ability indicates the problems. To the extent that problems are unforeseeable we are going to indicate, as did the report indeed itself, that there had to be some contingency for dealing with such problems.

Now, does the Minister say that the engineers have now identified mistakes in the advice that they gave to the International Joint Commission because Mr. Mudry's statement that we object to any violation of the Boundary Waters Treaty was not an engineering position; that was the position of the Province of Manitoba as he was instructed to take before that board, because we wished to make formal objection and there was very good reason for it because we had a similar objection and we did not want to indicate that at any time that Manitoba can acquiesce in a deterioration of water quality. And since the report indicated that there could be some problems, we felt that in order to protect the integrity of our position in both places that formal objection should be made but that did not reflect, to my knowledge, a change in engineering opinion, that the opinion that was given by the engineers as to the possible effects of the Roseau River and the necessary ameliorating programs for those effects which we could understand, were properly outlined by the International Joint Commission.

And I would like the Minister to tell me where I am misunderstanding the question, if I am.

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: Mr. Chairman, I'm not certain whether there is a misunderstanding or not. There is no new engineering information available in Manitoba and I don't believe that I ever said there was new engineering information available in Manitoba. There were some modifications as we understood it to the engineering proposals in Minnesota which were different from those that the IJC was considering, perhaps minor but different from what the IJC was considering.

Now our concern with the Manitoba situation hinged primarily around the environmental concerns which were recognized in the department but which the engineering board tended to write off and saying, "We believe that the environmental effects will be more than offset by the social economic advantages of the project," which is a conclusion that I believe the honourable member will agree was not an engineering conclusion but was rather a subjective judgment made on behalf of that board. So our concern hinges to a great extent on the environmental concerns which the IJC recognized were apt to be substantial although those concerns had not been quantified and therefore in their recommendations they said, "make provision for these foreseen unmitigated damages and unforeseen damages." So that is one concern, Mr. Chairman, and that was one concern that was not being dealt with adequately.

Now secondly, from the engineering standpoint, it is my understanding, Mr. Chairman, that there were perhaps some shortcomings in the engineering recommendations and that it's my understanding that the effects of the mitigating works, the channelization and the diking in Manitoba, were themselves not mitigated, they were designed to mitigate the damages from the United States. The damages resulting from those measures were themselves not mitigated, and the difficulty that we faced at the time was that we were being asked to approve, to proceed with negotiations which did not adequately protect the interest of Manitoba at a time when the project had indeed not been approved in Minnesota, and the final engineering proposals from Minnesota are, in fact, not available.

I believe the honourable member mentioned one thing initially about the position taken by the previous government, or not taken by the previous government, and it is my understanding that the previous government had not agreed to anything, any specific activities going ahead. I don't believe I ever attempted to leave that impression, Mr. Chairman.

MR. GREEN: Mr. Chairman, it's rather unfortunate the way this comes up because the Minister has done himself a disservice and he has done the Province of Manitoba a disservice. The Minister sent a letter to Ottawa, with a copy to the press, stating that the Manitoba position was undergoing a change, that we are no longer willing to discuss this program after the International Joint Commission had made a report and made recommendations on the program, and he did so in such a way as to indicate whereas the other government was prepared to discuss it, we are not. And if the honourable minister disagrees with that I wish he would look at what Information Services said, and I wish he would look at what the newspapers said, and he will surely get the impression that, where the previous government was ready to discuss this program, the new government has come in and said, "We will not discuss it." And the Honourable Minister said that after the International Joint Commission had reported, and reported in a way very favourable to Canada.

Now, you can't always get 100 percent of what you want, but the big defect in what the Minister has done is he has indicated to people in the States that when they don't like what the International Joint Commission says they should just ignore it. If the Minister had gone to Ottawa without tipping off, by means of posturing, that he was taking a stronger position, then he could have gone to Ottawa on the very same basis as this government went to Ottawa.

Yes, the International Joint Committee properly sets out what could happen if they do this and what problems will result in Canada and how those problems could be corrected, but there are unforeseen problems which the International Joint Commission doesn't discuss which we want to make provision for, and which is right in the International Joint Commission report. But that didn't satisfy the Minister, and that was exactly the position that was being taken, and when you talk about the adverse effects of the mitigating effects, is it not true, Mr. Chairman, that the people that were complaining about this and threatened to get an injunction about it were talking about new bridges and flooding of the Red River. I'm now going to quote as near as I can remember the engineering advice that I received, and they're here to correct me if I'm wrong, that the change in water levels on the Red River would be unmeasurable — unmeasurable, meaning not so high but that they are so small as cannot be measured — that they would be imperceptible.

And I suggest to the Minister that we cannot jeopardize the position of Manitoba before the International Joint Commission in the hope of pacifying some people who don't want ameliorating effects in southern Manitoba but want to use what they think is a veto power to try to get certain things done in the Province of Manitoba which the United States will not be responsible for at all. And that's not my position; that's the position of our engineers. And I tell the honourable member, why would I say otherwise? Why would I be willing to say that there are problems in the province which my engineers have advised me of but I'm going to ignore because the United States wants to do it.

I have been assured, Mr. Chairman, that we have not approved the program, that, better than that we have formally objected to the program, that the International Joint Commission has made a report, that the Province of Manitoba is protected by that report and that the Province of Manitoba has its least protection if there's no IJC report. Can the Minister tell me how he is going to protect the

Province of Manitoba if the United States ignores and we ignore the IJC? What if both sides say, "We don't care about the IJC"? What are the Minister's remedies if the United States proceeds with the Roseau River improvements that they want without reference to the IJC and water comes into Canada? Without the protection of the IJC how will he protect Dominion City?

MR. RANSOM: Well, Mr. Chairman, the issue as I see it is not one of whether we have chosen to reject the recommendations of the IJC, and therefore must have some other means of protecting the interest of Manitobans, that the fact of the matter is that by the agreements that were put forth for discussion, the United States was in fact not adhering to the principles of the IJC and under the circumstances, it was our decision that it was improper to proceed with those negotiations at that time, at the time that the State of Minnesota, for instance, had not approved the project within the very State where it is to be built, and that under those circumstances, and under the circumstances of the agreements that were put forward for discussion which did not meet the recommendations of the IJC, then we said we were not prepared to discuss it under those circumstances, having said that after consultation with External Affairs people in Ottawa.

MR. GREEN: Mr. Chairman, again, I mean, I fully agree that all of the discussions should be encompassed by the IJC Report. Would not Canada have been in a much better position if they had said, "Yes, we are prepared to enter into discussions on the basis of the IJC Report," because whether the Minister will now agree or not, I will bring him the headlines of his announcement. The headlines were: that we are not accepting the IJC — and I'm going to tell him so that he will remember and he'll not try to climb away what he said when it was related to the Garrison and it's quoted in the newspapers. People said to him, "If we're not accepting what the IJC says on Roseau, how can we expect the States to accept what they say on Garrison?" His answer was — and he can correct the press if I am wrong — "Well, that's okay. In the Garrison there are people in the States who don't want it anyway and they won't proceed with it."

Well, Mr. Chairman, I am going to tell the Minister that that's the way he was quoted and everything was entirely consistent with him saying that he had changed over positions. If that's the case, if that's the case, if what he now tells us is the case, and I'm very pleased to hear it, in what way was it a change from what we had been doing previously? Because everything that you now say, we were doing previously but he announced it as a change, issued it to Information Services as a change and claimed that he was taking a tougher position on the Roseau. It's this, Mr. Chairman, the Minister's attempt to appear tougher than the previous administration which has, in fact, made us infinitely weaker in our position before the International Joint Commission because I assure the Minister, the I assure the Minister, that the people in the United States would be just as happy if we both ignored the International Joint Commission. The water is flowing from south to north and I really regret that those short-sighted people in the southern part of Manitoba for which we have been given not only works which we would not otherwise be entitled to, which we couldn't claim under any law, but also some understanding that unforeseen things will be looked after as well, are not seizing on that principle and saying to the United States, "Yes, we will discuss this; we will discuss what the IJC has said. We don't want any departure from it." That's not what the people were looking for; that's not what Mr. Kyle was looking for. That's not what you discussed with him. You discussed bridges, new bridges, over municipal works. You mentioned it when you were on your feet and, Mr. Chairman, unless my engineers were lying to me — and I don't believe that they were — there were no bridges other than to deal with the new water conditions, other than those mentioned in the IJC Report. So I think, Mr. Chairman, that the Minister's defence of this position, that Ness Mudry changed his view or changed the engineering advice that the Province of Manitoba received is just not correct. I do not believe that Mr. Mudry would say that. Mr. Mudry went to the IJC, instructed that we are to add a formal objection which was never raised before and, as a matter of fact, that's why the IJC was asked a question. The IJC was quite annoyed that this was being raised. They said, "Why are you dealing with the Boundary Waters Treaty? It was never dealt with before." And we said, "Because the report indicates environmental problems and we must make formal objection." As a matter of fact, that position was discussed very carefully because it related to what was happening on the Garrison but did not represent a difference in engineering advice.

Now, if the program that the United States wishes to proceed with is somewhat different then, of course, the engineering advice will change to modify what the existing program is. But, in principle, Mr. Chairman, the Minister will have to clear himself up because when he was asked in the House, before this question was dealt with, "Are we prepared to deal with the recommendations of the IJC?" his answer was, "When they are favourable to us." Well, that's all well and good. It sounds like we have the best of both worlds. What it will mean in the ultimate, because of the position of Manitoba and the waters flowing from south to north, is that if it were carried to its logical conclusion, then we would have the worst of all worlds, not both worlds, the worst of all worlds. The worst of all worlds would be no international understanding over waters, the Roseau River will proceed, the United States will not be prevented from doing it, there will be no payment to Canada to compensate for adverse conditions. I tell the Honourable Minister that I could not stand in his seat, nor did I for eight years, and say that we are going to prevent these people from doing what they did and the IJC be damned. The Minister believes he has a secret which I didn't possess and I repeat to him, what is that secret? What is that secret weapon that the Minister is able to use if the United States wishes to proceed with a project; we don't like it and there is no International Joint Commission and they are determined to go ahead? What is the secret weapon which he is going to use?

MR. RANSOM: Well, the honourable member says that there was in fact no change in our position as compared to the position that the previous government was taking. I don't think that's true, Mr. Chairman, in that the negotiations were proceeding and we changed it to the extent that we put an end to those negotiations at that time to a great extent because environmental concerns, while they had been pointed to by the previous administration, had not been adequately dealt with and were not being adequately dealt with. They certainly had not been dealt with by way of studies to the extent that the environmental effects of the Garrison were dealt with. The review that took place had nothing to do with representations from people that live in the area. The honourable member continues to refer to some sort of political payoffs that were allegedly made with respect to one Mr. Kyle in the area. I categorically reject that, Mr. Chairman, in that the assessment that was made was done on the basis of attempting to protect the interests of the people of the Roseau basin. If negotiations were proceeding which did not adequately protect the people of the Roseau basin, then I suggest that it was necessary to take some action to try and get that protection. If the member chooses to say that that sort of action will lead to a rejection of the IJC recommendations on behalf of the United States, then that's his interpretation of it. I'm convinced that our responsibility is to attempt to protect the interests of the people of Roseau as we will attempt to protect the interests of the people that might be affected by Garrison.

MR. GREEN: Then, Mr. Chairman, let us have no misunderstanding about it. The previous administration was protecting the people of Roseau. The previous administration had submitted this matter to the International Joint Commission, a study board had indicated the problems, there were unforeseen environmental effects which we were indicating we were not going to forget, that we were going to deal with, but that we were prepared to deal with the IJC Report because the matter had been submitted to the IJC. The honourable member says that he cut off negotiations on the basis that we have not protected them, that the IJC did not properly protect them, that the recommendations of the IJC report did not leave for Manitoba the possibility of dealing with those environmental problems. I reject that, Mr. Speaker, and I say to the honourable member that what he did was done, not on the basis of any change in engineering advice, not on the basis of any changed position of Manitoba with respect to the IJC protecting us, because that is the protection that we will get, but on the basis that he wished to demonstrate that he wasn't going to listen to the IJC, that that position will come home to haunt him, that if it will not haunt us on this program, it will haunt us on a future program but that ultimately the Minister is disintegrating the very shield which protects this country. I say that, Mr. Chairman, without any hesitation whatsoever in listening to the Honourable Minister because our representatives on the IJC board, on the study board, made their presentation to him and I can tell him that when he got up in the House and spoke of bridges and other water protection programs which are needed, that there isn't one word of engineering advice to substantiate that opinion, not one word, unless the engineers were talking falsely to me and I don't believe that they were, that that position is merely a position of trying to hold at ransom the United States authorities in Minnesota. I'm not talking about changes in the program, they could have the program, we could argue if they were going to change the program, we could argue as to what these changes would do but as to suggestion that we are no longer going to discuss this because we feel that the position that has been taken doesn't adequately protect the Province of Manitoba, Mr. Chairman, that position will ultimately weaken this province.

MR. RANSOM: The honourable member seems to feel that engineering considerations are the only considerations that bear on the issue and I suggest that there are a great many other concerns that are not engineering concerns and were not dealt with in the engineering report. They are environmental concerns that were alluded to as being important, certainly, but they were not, in my opinion they were not adequately dealt with. To that extent, there is a change. I'm not saying that perhaps given the same circumstances, if the honourable member had continued in power that given some different circumstances later, he might have also have changed his direction. I don't know. But to the extent that we were faced with those particular circumstances and are concerned to protect the environmental interests which were not dealt with by the engineering board, then there were changes made to the degree that I have mentioned.

MR. GREEN: Mr. Chairman, let me just say to the Minister that you cannot behave that way before any tribunal, any tribunal, international or otherwise. You cannot agree on the terms of reference, you cannot agree on the study board, you cannot agree on the report of the study board, you cannot then make your submission to the Board and get the recommendation of the International Joint Commission and then say, "Although that was done by the Government of Manitoba, the government, because we put our entire machine into that, because the government has changed, we no longer accept it." And that's essentially what the member is saying and I tell him, Mr. Chairman, whether he knows it or not, and he should know better, that that kind of position before any tribunal or any court will destroy the protection that we get from the International Joint Commission.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I apologize to the Minister if some of the questions I raise to him have already been dealt with. I had to be out of the House for the first part of his consideration but I,

too, wanted to raise some questions concerning the Garrison project. I guess the first one is, just simply by way of information, that when the House first opened, I think within about a week or ten days, we had occasion to have a short, snappy debate here about the direction of the government, and the Member for Inkster took one posture in this thing — I had another one — and it was basically to suggest that the circumstances in which we found ourselves now was one where we were being very subject to the peculiar vagaries of American politics, and that while the Government of Canada and the Government of Manitoba had sent a diplomatic note via the formal channels that the necessity to initiate perhaps some further discussions and negotiations on a political level or through other means were required. And if the Minister recalls, at that time I asked specifically if there was any intention on the part of himself or the Federal Minister to take a new reference to the International Joint Commission based upon the revised statement from the Department of Interior, which in effect was coming forward with what you could almost call a brand new or certainly substantially altered garrison proposal.

The new proposal is one, as I understand it, where the impact is no longer as substantial in the Souris River Basin, but much more substantial now in the Red River, Lake Winnipeg Waterways, and that the altered revision that the Department of Interior has now submitted to the American Congress for examination, because it is quite different, means that it no longer comes under the purview of the original recommendations of the International Joint Commission. It would seem to me that that particular piece of, I guess what you would call — political foggery, was being looked upon with some degree of joy by the proponents of the garrison proposal, because they felt they were able at one and the same time to adhere to the recommendations of the International Joint Commission, and at the same time to get substantially the same kind of diversion project in place. It appeared to me that we couldn't rely upon that original proposal of the International Joint Commission because it was being honoured. What was not being honoured was the fact that there was almost a brand new proposal in place that was now being examined.

So at this point I would really like to ask the Minister, first, if there has been any further discussion with Federal officials about taking a new reference to the International Joint Commission based upon that revised proposal.

And secondly, whether there have been any reactions, at this stage, to the diplomatic note that was sent, I believe, on April 4th, or somewhere around that date? Has there been any official reaction from the American Government to that note?

And thirdly, has any effort been made to determine whether there should be further consultations or negotiations with American politicians or counterparts in that system, particularly in the Congressional level, so that they are fully apprised of the fact that this new, revised version does not fit or is not fully in accord with the concerns of the Government of Manitoba and the Government of Canada? Depending on what the Minister says we may have some further comment.

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: First of all, Mr. Chairman, the new proposals, I think what are commonly referred to as the Andras Proposals in the United States, were not prepared in response to the IJC recommendations. The United States has not responded to the IJC report with respect to the Garrison so far as I am aware. These Andras proposals were in response to action by the Audubon Society.

Our people have reviewed them, I believe as I pointed out in question period that we put together a technical committee consisting of some of the same people who had done the original Garrison studies on our side, they reviewed them and found that they did not meet with the objections of the IJC, in any case, and that response had been communicated to the United States, and to my knowledge there has been no response to that at this stage. I don't think that it's appropriate to consider a new reference to the IJC in the light of the fact that the United States has not responded to the first set of recommendations to the IJC.

I think the third area that the honourable member dealt with was had we had any consultation about taking any other action to apprise the U.S. people of our position? ne of my adviser O people will be in Ottawa this week having discussions with the Federal people to see what additional action might be appropriate at this time.

MR. AXWORTHY: Mr. Chairman, I thank the Minister for that explanation. I think it does clarify some of the points. If I may be permitted I would like to even add some further information to that which may be a little anti-dating his most recent statements, but may be of some relevance.

On the Andras Proposals, it was my understanding when I was in Washington about two months ago meeting with officials from the Council on Environmental Quality and the Congressional Staff Committees, both in the House of Representatives and the Senate who deal with this matter, that they were concerned because the draft statement that came from the Department of Interior in response to the Court case — the Audubon Court case — had all of a sudden, in a fairly mysterious way, produced sort of an impact statement No. 6, and this was being carried or proposed by the advocates of Garrison as saying that it was the ideal solution because it did match the recommendations of the IJC concerning the impacts upon the Souris River Basin. And it was being argued that if they were to carry forward on this Andras Proposal that they could both satisfy the IJC under its present terms and at the same time go ahead with the project. And that was certainly the kind of message that was being carried forward by Department of Interior Officials and the Secretary of the Interior, and it was

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certainly being argued by the political people in Washington — the Chairman of the committee who is Senator Burdick from North Dakota, and others. And so what it really meant is that there was a fairly skillful piece of manoeuvring on the part of the advocates of the Garrison in the Washington system, and because of the splits between the Executive and Legislative Branches it was having its impact.

If there was any advice that was related to me by those who were concerned about the Garrison was that you had better be pretty careful because you are going to end up with the Americans coming back saying: (a) we agree with the IJC recommendations, and we honour them, and we satisfy them, and (b) we are going to go ahead with the project. In other words, get the best of both possible worlds, and that would seem to me one of the dangers that we are in a position of meeting, and I can only say that the kind of communication that perhaps may be necessary it still may not be sufficient just to rely upon the diplomatic channels, going through the Secretary of State and then through the External Affairs Department. It may take somewhat more direct action in that regard.

I would further suggest, Mr. Chairman, if I could, that one of the ways perhaps of meeting the problem even further is that because of the great sensitivity in the American system towards the whole question of sharing of water resources, both with our own boundaries and others, that there should probably be some discussion initiated on our part about re-examining to some extent the role played by the IJC. That the Member for Inkster has been fairly chastising of the Minister concerning the fact that the IJC is our best and solid line defence in this area. I think in part he's right, the IJC is an important element of defence, but I think its inadequacies are being shown up, that the IJC — working as a tribunal — obviously has some very severe limitations, and one of the most severe is that it has no ability to do any kind of planning about future uses and future concerns. It is simply a reactive device that really only comes into play once you have got a problem in hand and then it has to adjudicate. It may be that we should, as a demonstration of our good will or of our interest in the matter, seek to initiate discussions with the American Government, or ask the Canadian Government to initiate them, about either strengthening the IJC to enable it to have a more comprehensive role in the allocation of water resources that are shared by our two countries, and to perhaps look at the procedures that are followed in terms of the way in which adjudication is carried out. It may be that there could be alternative ways so that it doesn't act quite so much in a kind of semi-judicial way but one that deals more in negotiation, and I am a little more concerned about the simple fact that there is an enormous time lag between the initiation of an action with the IJC, its holdings of Hearings, its findings and then its recommendations to the respective governments and their response to it.

I think, if I'm not mistaken and this is the original reference when, about three years ago I guess, it must be close to three years, from the original reference to the IJC, and in the meantime conditions change, and as we know the world of politics changes pretty radically in between it. And while I don't have any specific reference I did attend some meetings about a year ago that the IJC held concerning ways in which its own machinery and its own jurisdiction might be improved or upgraded, and I would think it might be a fairly healthy response on our part if, in company with the continued expression of concern in these areas, that we would also suggest that maybe the machinery itself might be overhauled and updated or strengthened so that the proper concerns of both sides of the boarder that we deal with water resources and allocate them in a fair way can be done in a anticipatory way not just simply in a reactive way. I would suggest to the Minister that maybe he take that under advisement.

I also think, Mr. Chairman, that from our own purposes, I still come back to the fact I think one of the major deficiencies that have been apparent in the way in which we have handled the case, the Garrison diversion, is the inadequacy of some of our own machinery. There are two particular items that give me concern: one is the inadequacy of the environmental impact statement process that we carry out in the province. Frankly, Mr. Chairman, I think it's a very weak and ineffectual process, and has proven to be so over the past couple of years. Now, I don't want to sound like I'm sort of throwing the baby out with the bath water because the fact that we at least have a process is some improvement over when we didn't have one, but the fact that it relies solely upon initiation from individual departments to make references to the environmental impact statement review office, means, as it was shown last year and I'm going to ask the Minister some questions about what's happening this year but certainly last year, that many departments — certainly Tourism and Recreations is an obvious one, and the department of Renewable Resources is another — which flaunted the Environmental Impact Statement and Review process. They simply did not submit many of the projects that they were undertaking. The Department of Highways is another offender in this area.

Many of the departments in the government simply treat the Environmental Impact Statement procedure really as a nuisance perhaps when they treat it at all, and many of them simply virtually ignore the procedure altogether.

The second weakness of the process is its obvious lack of any public component to it, other than if the Minister so decides, and the fact that any impact statement, once the department decides to refer, is one that is dealt with totally in internal ways with very little opportunity, or in many cases no opportunity, for outside organizations or the communities affected to respond, again creates a little bit of a closed shop atmosphere and may mean that the kind of pressures that should be brought to bear upon these projects are not being brought to bear, other than if the Minister through his discretion decides that they should. But I certainly have always had a great respect for a Minister's discretion, but I know that it is oftentimes used not to open a process but to close a process.

So I think that when you have a weakness in our own Environmental Impact Statement procedures it puts us at a disadvantage when we have to deal on an International level, because our Environmental Impact procedure by comparison with the Americans is really pretty paltry. It doesn't have nearly the kind of competence or strength that the American statement has, so we are forced into a position where we are oftentimes relying upon American initiatives taken by the Audobon Society or other groups to protect our interests in effect. They are using their own substantial environmental impact review procedure which is a public one, which is a required one, one that can be challenged in terms of its competency in the Courts, as a way of defending our interest which is really the way that the whole Garrison business, in large part, has been defended. It would seem to me, that, I guess using the argument that our Minister of Health used in question period, we are kind of on morally and ethically weak grounds if we are providing lesser protection for ourselves than the Americans are providing for us with their review procedures. I would suggest that in order to again anticipate and deal with many of these issues that we should be in an area where we are strengthening our own procedures.

In company with that I would also think that the fact that both the Canadian Government and the Manitoba Government have seen fit to initiate and then disband the Technical Committee studying the Garrison proposal, so that it's been kind of an on and off procedure, has not enabled or allowed us to maintain the kind of continuity of research and investigation that should be necessary, and should have really been in place throughout, to ensure that we were apprised of the proper information and were developing an inventory of research and data that could be used to contend with and represent itself. So the fact that we have been really working on an ad hoc basis as opposed to setting up more permanent machinery, at least as long as the Garrison is around — and it's been around ever since I've been in this Legislature — that's going on five years now — that it would seem to me that we should have really been allocating more resources to the study of that particular issue, so that we would have that kind of body of material in place to cope with it. So, in terms of the Garrison itself, and there are some further questions about the impact statement I'd like to come to in a minute — but in terms of the Garrison itself, I would suggest our own position in preparing and defending our interests could be greatly strengthened by the kinds of measures I've recommended.

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: Just briefly, Mr. Chairman. With respect to the Andras proposals, and specifically, Proposal 6, I thank the honourable member for his comments and advice in this area. I realize that the whole issue of Garrison and Roseau and trans-boundary pollution problems are extremely important, not only to Manitoba, but the rest of Canada as well, and these are areas that we no doubt are going to have to develop greater capability to deal with as time goes on. But specifically to that one, it strikes me as unusual that anyone could somehow feel that Proposal 6 would meet the requirements of the IJC. They either are attempting to be very crafty by taking that position, or else they are ignorant of the pattern of flow of water — which seems incredible that that would be the case — because Proposal 6 does not eliminate the transfer of Missouri water into the Hudson Bay drainage, so even though the area is reduced. Nevertheless I respect the comments of the honourable member by way of warning in that regard.

As far as the role of the IJC, low that some of the members themselves, I think, have similar feelings to what the honourable member has expressed, that perhaps they need some expansion of their role, but I am not in a position really to comment on that in any detail at this time. I do think that the Stockholm Conference, for instance, Principle 21 of the Stockholm Conference adds considerable weight, or reinforces the Boundary Waters Treaty, in that Principle 21 in effect says that a nation has the right to develop its resources, but not to the detriment of another country, say downstream, in the example of water.

The Environmental Assessment and Review Program, we are basically continuing at the moment, in a fashion similar to which it was established, but the adequacy of the process is going to be under rather close scrutiny over the next few months.

As far as the Technical Committee goes, to keep in place continually, I'm not sure that I can agree there. When there is a need for a technical assessment, all we can do, as I see it, is put together the best technical competence that we have available at the time, and make the appraisal. We can't, obviously, keep the same people on staff just because of the type of turnovers that take place. But at the moment we consider that our technical assessment of the proposals have been adequate, and we have indicated that they do not meet the recommendations set down by the IJC. If we were having some difficulty assessing those proposals and determining whether or not they met the recommendations, then I could see a difficulty, but we're not faced with that difficulty at this stage.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, the Minister's comments will probably suffice for the moment on the Garrison, other than to say I think it would be useful to members of the House if he would undertake to make some periodic reports to us concerning any developments or decisions. I think it is sometimes a little unfortunate that we learn more through reading the American press or reports than we do through our own government about things that are taking place on Garrison. I think, because it is, as he properly mentioned, a matter of major concern, something that we should be keeping a major watching brief on, and I am pleased to hear that officials will be attending in Ottawa

this week.

In respect to his last comment, I am not questioning the competence of the technical studies themselves. I just think that more could be done, and I think that one of the sad things that took place in this province over the last four or five years was the disbanding of two or three organizations outside of government which had special concerns in water resources. I'm thinking of things like the Aggasiz Water Centre at the University of Manitoba and the special programs undertaken by people like Bob Newberry and Al Lansdowne and so on, who, for reasons not dealing with this diversion but with another diversion, found themselves basically out of the action — that we have lost, I think, a capacity to deal in a much broader and a much more intensive, extensive way with the whole question of water resources and how they can be used. And it may be that the Minister may reflect, once his government is off its restraint kick . . .

MR. CHAIRMAN: Order please. In accordance with Rule 19, Section 2, I am interrupting the proceedings for Private Members' Hour.

The Honourable Government House Leader.

MR. JORGENSON: There are but two measures that are up for debate today, Bill No. 5 and Bill No. 6. The Member for St. James has agreed to postpone the introduction of Bill No. 10. In checking with the members of the other committee, no one there is interested in proceeding with that debate today, and I am just wondering if anybody here wanted to speak on either of those two bills today. If not, then we'll just continue as we are, without proceeding into Private Members' Hour.

If there is no one, well, then, may I suggest, Mr. Chairman, that we just continue.

MR. CHAIRMAN: Okay. We will continue. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Chairman. In terms of the Environmental Impact Statement, I wonder if the Minister would have the information right now, or would be prepared to get the kind of information as to the references that have been made thus far — let's say through 1977-78 to the Environmental Impact Review Agency. I'm thinking in particular, Mr. Chairman, of something that has broiled over in this House with some degree of fire and turbulence, and that is the proposal for the condominiums in the Whiteshell. It would seem to me if there was ever any project initiated by this government that needed to have an Environmental Impact Statement undertaken, it was that one. And it may be just the tip of the iceberg, the one that pops up as showing, that here is a major initiative by the Provincial Government in an area of great sensitivity, in terms of its environmental fabric, and from what I could determine in all the debates and the statements / made by the Minister of Tourism and Recreation, at no time was there ever any submission of an Impact Statement or a request for an Impact Statement to the Agency. And if that very obvious and flagrant one is available, I am wondering if the Minister can indicate, either by numbers or by kind, what kind of references the different departments have made, let's say the Department of Highways, the Department of Tourism and Recreation, the Department of Northern Affairs and Renewable Resources — those departments which have undertaken significant projects that have environmental impact. I wonder if he has any information that he can supply to us at this time so we can determine just how well or how effective the process is working. In particular, I wonder if he could provide us with some explanation as to whether there was any request by him or his officials to the Department of Tourism and Recreation concerning the Whiteshell condominium proposal, and whether he intends to have that proposal submit an Environmental Impact Statement for review?

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: That particular one, Mr. Chairman, I will have to inquire into, to get details on that. It may be because of the private nature of the thing, that it doesn't fall under the assessment. But I will inquire into that and report back. Otherwise, since taking over the government in October, it would appear that there have been two projects submitted to the process, both from Highways Department. In addition, of course, I believe the honourable member is aware that there are some projects that are handled through the Inter-Departmental Planning Board, rather than by the Environmental Assessment and Review process, because there does . . . I may have that with me, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Perhaps the Member for Fort Rouge wanted to carry on.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Yes. Mr. Chairman, I didn't want to interrupt the Member for Brandon East, but if we could just continue on this particular line, because I think that it would be useful for us to know the specifics of the projects that have been referred to, and perhaps an update as to those that were previously referred. I'm thinking particularly of the Transmission Line Proposal that Manitoba Hydro had submitted. There was a fair degree of controversy last year as to exactly what was going to happen to that Transmission Line submission, and we challenged Manitoba Hydro about its admissibility before the Energy Board hearings, I guess last year. There was also, if I recall, the

Environmental Impact Statement was doing some work on some park developments as well, and there was some question of what was going to happen with the Gull Harbour-Gull Lake complex, the roadways that were being built across the marshes connecting the islands, and similar kinds of projects. So I wonder if he could update for us the projects that were announced last year, when, I think, the former Minister of Mines and Resources did submit a list of projects, whether in fact they have now been completed, and what has been the actual outcome of those different Environmental Impact Statements. In what way did they influence the outcome of those projects?

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: Well, I can give you a review, Mr. Chairman, of the status of a number of the projects that have been submitted. The Manitoba Hydro 500 kV transmission line through Sprague, the last action on this one was March 2, 1977, the stage of the process was "The Minister gives notice of receipt of assessment in preparation of review." Nothing further on that one.

Then the Manitoba Hydro Nuclear Power, October 12, 1976, "Minister requires assessment." Then there are a series of projects here where at the second stage, it was decided that no further assessment was required. Manitoba Hydro-Churchill Water Supply, Water Supply, Water Resources; the Dog Lake outlet channel, Black Lake campground by Tourism, Recreation and Cultural Affairs; Hecla Island Highway, Renewable Resources and Transportation Services; Vermilion Dam, by Water Resources; Provincial Trunk Highway No. 10, by Highways; Setting Lake Development by Tourism, Recreation and Cultural Affairs; Troy Lake Development, Tourism, Recreation and Cultural Affairs; Grandview Dam and Reservoir Water resources; an access road to Moose Lake by Highways. Also, one of the more recent submissions by Highways, a bridge also falls into that category. In addition, there's the Manitoba Hydro Brandon-Winnipeg 500 kV line. The agency recommends assessment to Minister so the assessment is completed on the Manitoba Hydro Brandon-Winnipeg 500 kV line. That leaves one submission from Highways for a bridge which is just in the initial stage, the project description submitted.

MR. AXWORTHY: Mr. Chairman, I think the Minister's response began to establish some light on where these things are going. What I'm not sure about and maybe I can use, by way of example, he says that the 500 kV transmission line submission by Hydro came in March 2, 1977. Well, it's now a year later and what I'm intrigued by is what's happened in that year and particularly intrigued by trying to determine whether this environmental impact statement process has any use to it in terms of the outcome of the specific projects in mind. Now, has it taken the Hydro a whole year to prepare an impact statement on this particular transmission line and if so, what kind of monitoring does the environmental review agency do in terms of seeing whether that particular development is not going ahead because it is my understanding that the transmission line has already been decided upon. Now, if the transmission line has been decided upon, why are we bothering with an environmental impact statement? In other words, it was presumed that the environmental impact statements only make some sense if after you've done the impact and it's been recorded and you've got your results, you look at the consequences and say, "Yes, it's going to hurt something here or change something there," and therefore you either alter the project or you stop the project or you go ahead with the project and absorb the environmental loss. It would seem to me kind of not making much sense if you make a decision to go ahead with the transmission line while you're still waiting the outcome of the environmental impact statement. There's an old cliché, something about closing a barn door after the horses have left — something similar like that. It would seem to me that's what we're engaged in so that are we simply using the environmental impact statement as a little bit of a camouflage or is it really going to become a serious part of the planning and decision making taking environment into serious account?

MR. RANSOM: I believe the honourable member was asking specific questions for the steps that were followed through with regard to the assessment on the Hydro line and I would have to inquire into that and report back.

MR. AXWORTHY: Yes, Mr. Chairman, I wonder if it would be possible to get some of the information on these different projects for this evening so before we leave this particular area, we might be able to come back to it because it would be nice to discuss it under this item. . . . If not, I'll let the Member for Brandon East continue.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Chairman. I'd like to switch the subject matter for a moment. As I understand it, we're under (d) Resolution 82 which is 2. (d) Program Development and Review so this, I believe, Mr. Chairman, is an appropriate area to talk about new program thrusts. I'd like to be corrected if I'm wrong but to me that topic, Program Development and Review, would indicate an area for consideration by the House for new thrusts by the department in the matter of environmental control.

I want to speak for a few minutes and ask some questions of the Minister with regard to a location of a hog ranch in western Manitoba and I believe the Minister may be personally familiar with this, I'm not sure though, the Vercaigne Industries Limited hog operation which is just outside of the

community of Shilo, Canadian Forces Base Shilo. —(Interjection)— Indeed it is, it is a fine operation. But the problem, Mr. Chairman, is that it is creating a considerable nuisance for a community which reaches a population of about 4,000 people. In the summertime, as you may know, it's a major operation for the training under NATO. There's is a large training program that takes place and, of course, there are people located on the base, Canadian forces located on the base, all year round. This is a matter that's been under review for some time and it's a matter of exasperation. It's a matter that has some fair history to it.

I start off by recognizing, from all the evidence we have, there is no health problem posed by the location of the hog ranch, I understand that. I understand, although there were some concerns about flies coming from that part of the territory, it just so happens, I'm told by the good people at Shilo, that when you have a fine summer day and everyone is out barbecuing that's the time that the smell seems to be the worst and then hoards of flies come along and set upon the various hamburgers and hotdogs or whatever, or the steaks or whatever is being cooked. And there was some concern by the medical officer at Shilo about the transmittal of disease by flies but I don't think that's conclusive. The fact is, though, that there is a very great nuisance being caused by the operation of this particular hog ranch. I understand that the owner, Mr. Vercaigne, is quite prepared to relocate. As a matter of fact, he has another facet of his operation some miles away, south of this particular location and I think he's willing and ready to relocate but that involves a cost.

As the Minister may or may not know' the previous Minister of Mines, Resources and Environmental Management, in October 1973, issued a statement indicating a new government policy in this matter whereby the province would pay up to 50 percent of the cost of the relocation of feedlots or such operations as this hog ranch. The condition, of course, was that the municipality would co-operate and possibly pay the balance so that there wouldn't necessarily be any cost to the owner of the operation.

I'd like to give the members some background by reading an article that appeared in the Shilo Stag of February 9, 1978, which attempts to put the matter into perspective as the people at CFB Shilo see it. So if I may, Mr. Chairman, I would read this short article for the benefit of the Minister and his staff and it, I might add, is in essence the brief that was submitted to the municipal council of Cornwallis outlining the situation. This was mailed on January 23rd of this year. I might say, subsequent to that, there was a meeting held with the Cornwallis municipality on Wednesday, February 15th at which time a delegation appeared before the council to urge the council to take action in the matter. Thus far, as I understand it, there hasn't been much of a positive response forthcoming from the rural municipality but let me proceed by reading this brief for the benefit of the Minister and his staff.

"After many years of inability to take effective action concerning the unreasonably incompatible use of land resulting from the Vercaigne Industries Limited hog operation located immediately northwest of the residential area of Canadian Forces Base, Shilo, the Base took action to have hearings held by the Province of Manitoba Clean Environment Commission. The hearing was conducted on April 30, 1973 in the Council Chambers of the Brandon Civic Administration Building, 9th Street and Louise Avenue. Subsequent to the hearings, order number 319, dated October 22, 1973, was issued by the Clean Environment Commission to Vercaigne Enterprises Limited detailing the conditions of the operation of the hog ranch. To the best of our knowledge and belief, Vercaigne Enterprises Limited are operating within the terms and conditions of this order and Manitoba regulation 34/73 being a regulation under the Clean Environment Act respecting livestock production operations.

"CFB, Shilo, is a residential community for over 600 families and more than 300 unmarried service personnel. A further 300 service men and civilians from the surround district work on the base. Additionally from May to October annually we have training at CFB Shilo at any one time approximately 1,000 troops of the Federal Republic of Germany. Despite all the best efforts of Vercaigne Enterprises Limited in complying with current regulation, the situation with respect to noxious odors spreading from the hog ranch throughout our community is serious and unpleasant. The very nature of the operation is incompatible with a large residential population such as ours.

"In a press release" — and this is something that I referred to earlier, the same being issued by the previous Minister, the Member for Inkster, reference is made in this statement here and I am continuing on — "In a press release dated October 26, 1973, then Mines, Resources and Environmental Minister Sid Green issued a policy intention statement respecting provincial assistance to municipalities in relocating enterprises which, while legally operating, create a nuisance and are incompatible with surrounding land use patterns. Sections 15.1 and 19.1 of the Manitoba Clean Environment Act provide for an abatement project to provide financial assistance to municipally initiated requests to resolve situations such as that concerning CFB Shilo. It is understood that up to 50 percent of such project costs would be borne by the province. Mr. Len Evans, then a Minister of the Provincial Government made such a commitment to Mr. Martin, the former reeve of Cornwallis."

As a matter of clarification, what I indicated to the reeve was simply the policy statement. I explained the policy intent and the policy statement that was then made was made previously by the then Minister of Mines, Resources and Environmental Management.

Now, before I proceed' I can understand the thoughts going through the Minister's mind at this time, that okay, we have a program, the Base has gone to the council because the council under the program is supposed to take the initiative, but the council isn't prepared to take the initiative although 50 percent of the entire municipal population lives in Shilo. Fifty percent of the R.M. of Cornwallis lives in the Shilo Base and besides that, a considerable amount of taxes are paid, grants in lieu of

taxes, are paid by the Federal Government to the R.M. of Cornwallis. But for one reason or other, Cornwallis is not prepared it seems to take action or to initiate action unless the Minister can advise me in a minute or two when he gets up to speak that they have approached him and he is prepared to move. —(Interjection)— It goes through the Clean Environment Commission, well perhaps he has knowledge that the Clean Environment Commission has been approached by the municipality.

I'm talking about this under new program thrust because it was an issue in the election, the last provincial election, where the Conservative candidate in Brandon East indicated that upon the election of the Conservative government, the matter would be speedily resolved. I will quote here — and this is the understanding of the people at Shilo — because I'm reading again from the article and this is in the Shilo Stag of February 9th.

"The Conservative candidate for Brandon East in the recent provincial election in his campaign took particular note of our situation and stated that a Conservative government would act speedily to resolve the matter." That is a very definite impression left with the people there. It was left in campaign literature, in statements in the Brandon Sun. —(Interjection)— He lost the election, yes, but I assumed that he was speaking . . . Well, he lost but the Conservative government is in place here, so . . . I gather that that particular candidate is held in high esteem by this government because I think he's a member of the Manitoba Public Utilities Commission, I believe, he's been appointed to the Manitoba Public Utilities Board so he's a well known personage within the Conservative Party and obviously is thought to have some ability otherwise I'm sure he wouldn't be appointed. But he stated and the people in Shilo clearly understand that a Conservative government, not the Conservative candidate for Brandon East being elected, but a Conservative government being elected, would act speedily to resolve this matter. So this is what I'm asking: What have you done or what are you prepared to do?

I'll just carry on here with the balance of the article. "It is understood that Vercaigne Enterprises Limited are willing and interested at this time to negotiate with the municipal and/or the provincial authorities with a view to the operation being sold, closed out or relocated." It says "and relocated". Well, I guess those are three options.

"CFB Shilo is not aware of what the costs would be incurred by the municipality and the province in effecting our proposal. The Department of National Defense remits annually to the Municipality of Cornwallis a grant in lieu of taxes. In 1977 this grant was \$50,702.00. CFB Shilo has in the past made few, if any, demands on the municipal corporation for the application of these our tax dollars for our direct benefit. It is considered that you, our reeve and councillors" — this is a brief to the municipality —our reeve and councillors would be providing an invaluable service to your constituents by applying this grant in lieu of taxes towards defraying the cost of our proposal. We, the citizens of CFB Shilo, in the rural Municipality of Cornwallis, recommend that the council take immediate action to effect the relocation of Vercaigne Enterprises Ltd. from its present site adjacent to CFB Shilo." That's the end of the article.

Since that time I've had correspondence from the commanding officer, Col C. R. Simmons, in which he states that the council has not reacted positively to the matter, and it seems as though they're still in a wait and see position. —(Interjection)— Yes, well I thought, in fact, we, the N8DP Government, the previous Minister, we did chart new ground, we brought in a new program to help with this particular problem of whether it be a health hazard or whether it be simply a very big nuisance problem where there's a large number of people being affected by a particular operation such as this and we offered to pay up to 50 percent of the relocation costs. That was a new program, it was a break through, and we felt that it would and could resolve most problems. For one reason or other the municipality is very reluctant to act but I suspect Cornwallis would like to have a greater share of pay.

So I'm not sure of what was in the mind of the Conservative candidate in Brandon East constituency in the last election, but it's very clear, —(Interjection)— Well, if he knew what was on his mind in that respect then he should have known what was on his mind in this respect, in respect of the Vercaigne hog ranch.

I'm quoting now from the Brandon Sun of Monday, October 3rd, during the election campaign. I'll just read, just make reference to one or two sentences. Thornborough, Mr. the Conservative candidate says, I'm quoting from the article: "One promise he says he can keep is a relocation of the hog barn at Shilo. 'I've spoken to the owner and I'm satisfied it can be moved within 12 months of our being elected without resorting to expropriation'." At any rate Mr. Thornborough has very clearly stated that a Conservative Government would act speedily and presumably decisively. So as I said, Mr. Chairman, we're under the section, new Program Development and Review, and I'd like the Honourable Minister to advise whether he has taken this matter under consideration and whether he's prepared now to announce that they're going to take action to see that this hog ranch is moved.

MR. RANSOM: Well' Mr. Chairman, compared to the record of performance of the previous administration with respect to dealing with that problem, then I fully expect that it will be speedily resolved. This is probably an appropriate time to announce a new initiative that we have taken, that in recognition of the serious problems that are associated with the development of intensive livestock operations I have instructed my staff to begin a series of actions that will include reviewing all existing legislation in other jurisdictions. It will include consultation with producer organizations and it will include the publication of some kind of background material for the public to react to. We will then have hearings of the Clean Environment Commission to discuss the general nature of the

problem related to intensive livestock operations and out of that we will hope to develop workable regulations, guidelines or regulations. The Honourable Member for Inkster says we did that seven years ago but one could not judge that by looking at the regulations that are in place today with respect to the development or the regulation of intensive livestock operations and the problem to which the Honourable Member for Brandon East refers to is an example of that.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, one of the terrible weaknesses of being in opposition the first year is that you tend to think about everything that happened under your administration and every statement brings forth a reaction about what you did. The fact is, Mr. Chairman, that the honourable member is suggesting that nothing happened, and that the previous administration did nothing.

There were numerous hearings with regard to hog ranches, numerous hearings as to what has to be done with hog ranches by the Clean Environment Commission with respect to specific ranches. The Member for Rock Lake was complaining that we were sending the Clean Environment Commission to his hog ranchers and telling them what they have to do. And he said, and I'm going to quote his question, "Why are you sending your Clean Environment Commission to tell hog ranchers what to do? They know better, and you're trying to interfere with the hog ranchers in the Province of Manitoba." And there were numerous hearings of what the Clean Environment Commission was doing — was making orders with respect to each ranch, and that's how the problem of the Member for Brandon East arose. They were trying to deal with each ranch on a vicinity basis and proximity basis to other people, and finally a regulation was developed. Now, it's not the best regulation in the world, but there was a regulation developed with regard to hog ranching, and that regulation has specifications as to how they would be carried out. That's not the problem that's raised by the Member for Brandon East.

The problem that's raised by the Member for Brandon East is one of incompatible legal uses because, Mr. Chairman, I think that I'm going to make a courageous, or a foolhardy prediction. No matter how you operate a hog ranch you won't want it next door to where you live. Under the best of environmental circumstances a hog ranch is a problem for anybody who doesn't operate a hog ranch and lives in its vicinity, and I do not believe that in the foreseeable future we are going to be able to have odor-free hog ranches.

The problem that the Member for Brandon East raises which we did do something about, and I'm really quite chagrined that on every suggestion we go back to "nothing was done". We developed the only policy in Canada on this question and we're the first to develop it. What we said, Mr. Chairman, is that hog ranching that's conducted in agricultural areas will be conducted in accordance with what we know, on a year to year constant review basis, is the best method environmentally of conducting hog ranching. He had regulations and if the Honourable Minister sees a benefit in changing them and making them better, or dealing with new developments, there's no problem. It's all there for you to do. All you have to do is bring an O.C. to Cabinet and have it passed. The Member for Rock Lake might complain, but there's no problem in improving that regulation.

What do you do when a municipality zones land for a hog ranch, and wants the hog ranch and wants the revenue from that ranch? The people in the area don't want the ranch. The man who is running the hog ranch is running a ranch in a legal way on an area that is zoned for it, on land that he purchased which was available for running a hog ranch, which he has a right to do. Or are we going to say in Manitoba there will be no hog ranches? We would not say it. Our government would not say it. Perhaps a government that is less oriented to rural thinking would say it — the Conservative Government — but we did not say it nor would we say it.

We thought what we would do is get the best regulations available and we had Clean Environment Commission hearings, and that was one of the problems, Mr. Chairman, and the Member for Morris brought it up. Now how do you like that? There was a hog ranch in Springfield which was running environmentally sound, and it was shown to me that they were operating under the best environmental standards and they were on property zoned for a hog ranch. The neighbors got together and there was considerable urban development in that area, and said we can't stand the hog ranch. The Clean Environment Commission said that they're to stop. We said it's not justice that a man who buys property which is zoned for a particular use, and is doing it under the best environmental practices available, should be told he's to stop. And we permitted an appeal from the Clean Environment Commission order and we decided that provided he obeyed environmental standards he could stay there.

But then we brought in the new policy. We said to those people who were complaining, "No matter how well the hog ranch is conducted in a residential area it's going to be a problem. We will permit you, your municipality, and you are the affected people, to go to the Clean Environment Commission and get an order, have the Commission make a finding that there is an incompatible environmental use, not an illegal use, incompatible." And there are several of them in Winnipeg, several of them — Prairie Foundry was located in a residential area. We said, "If the Clean Environment Commission makes a finding that there is an incompatible use the municipality can apply to the province and we will pay 50 percent of the cost of taking that hog ranch and putting it in an area which is all agricultural and the net cost of doing it — if there is one because sometimes there is not, sometimes you get more for the land than it costs you to relocate, in which case there is no cost — that the net cost will be divided 50-50 between the province and the municipality."

Now, Mr. Chairman, that happened over a period of several years with the assistance of members of this House, and for the Minister to get up and say, "Judged by the previous standards we are going to act immediately" is being very facetious about a problem that we happened to deal with in a way that is probably unequalled in Canada. There is nobody that has demonstrated — and we have been to all of the meetings and discussed this — a sounder policy. But we have a politician in Brandon who wants to get elected and it just goes to show you that sometimes this kind of irrationality and irresponsibility doesn't help, and he says that he's going to fix up that problem within 12 months. You have a hog ranch — (Interjection) — Yes, they turned him down and rightfully so and the Minister should take note of that, should take note of that.

The ranch there is a legal hog ranch. The people who are complaining are part of the municipality. They have to exercise their pressure on the municipal government to say that we want this place moved. Now perhaps the Minister can think of a better policy, but to get up and say that he has a new initiative, that he's going to ask for hearings and inputs, I tell the honourable member we had the inputs, we had the hearings, and we have a policy, and the policy makes some sense. And to get up and say that we did nothing and that they have exercised initiative is to show supreme ignorance or supreme arrogance, or both, because there is a policy. It is a policy that permits the people in Cornwallis to have that hog ranch moved and to get 50 percent of the cost of it. But it also permits, and if you have an argument there, argue not only with me, because I believe in it and I'm not going to rely on the Member for Morris as having instituted the kind of direction that we went. But you can argue with him too because he agrees with it. I want to tell the honourable member that after we did this that same Springfield Hog Ranch was sued in court and ordered to pay \$10,000 which I thought was astonishing — a man, who on his property, zoned for the purpose, was acting with the best known environmental standards. So we passed another law. I brought into this House another piece of legislation saying that if a man is disobeying no laws, is complying with the environmental standards that have been set down by the department and is on land zoned for the purpose, he shall not be subject to damages from his neighbours.

Now those are initiatives, and if the honourable member has any new ones other than saying that he is going to hold hearings or that he is going to consult, all of which were done and will be re-done, then let him do it, but don't say that it is judged by the actions that were taken by the previous government. The actions taken by the previous government in a short period of years dealt with all those problems, and dealt with that one, other than, and I will concede this, that it was said by the department that we don't know everything about hog ranches, we don't know everything about how much you have to spread and how many hogs can be on a particular acreage, but as we get more knowledge we will develop the regulations. Well, sure, that will happen with every regulation, and the platform from which to move is there, and the Minister should not try to protect himself from the irrational electioneering of a Conservative member — there are other that do it and they come from all parties — by saying that compared with what the previous government did, we are going to act. Because that guy said, "In twelve months the Conservative Government will have this problem solved."

Well, Mr. Chairman, it is not that easy, and I would sympathize with the Minister if he would so indicate, rather than saying, "Well, compared with what was done previously, we are going to solve it."

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: Well, I think it is quite obvious, Mr. Chairman, that the initiatives taken by the previous administration did not resolve the problem or the Member from Brandon East would not be standing here this afternoon asking us what action that we planned to take. The sort of hearings that were held previously were held with regard to specific operations, the kind of hearings that I am referring to are those that will deal with the overall problem, whether it is a problem of land use zoning or whether it is a problem of regulation. We happen to believe that it is essential to consult with the producers, the people that are involved in this sort of situation. — (Interjection) — Well, that comes as a bit of a surprise to me, Mr. Chairman, because I certainly don't get that indication from talking with producers, that they were consulted on the type of regulations that were developed.

The type of regulations that were developed, for instance, did not deal with the problem of odor, which with regard to a hog operation is obviously one of the most serious ones. I am simply saying, Mr. Chairman, that we plan to attempt to work through a logical sequence of events to try and deal with a problem that still exists, irrespective of any action or initiative that the previous administration took.

MR. GREEN: Mr. Chairman, the Honourable Minister says that the previous administration obviously didn't take the kind of initiatives that were necessary because the problem is not resolved. That implies, Mr. Chairman, that every problem can be resolved. That is probably the most naive and presumptuous statement that could be made by any Minister.

I assure the Minister that I will not find fault with him if there are unresolved problems. — (Interjection) — Well, Mr. Chairman, I am going to tell the Member for St. Matthews that somebody cares. And I know that he doesn't care what is said by members of the Opposition but I assured him that somebody cares. If he is not interested in what I am saying he can get up and leave the House. But I will tell you another thing the Member for St. Matthews, I care, and it is important to me that I care, it is important to my constituents that I care, and if the Member doesn't care he can just walk out

and not care, because we will be able to deal with that situation. I will hear more and more of who cares. I am going to tell the Member that the people of the Province of Manitoba care. . They care whether there is somebody who thinks that he will resolve all problems because religious or not those who are religious know that that is impossible, because there is no religion on earth which says that man is capable of getting rid of all his problems. And those who are not religious, but who are rational, say the same thing. So if the honourable member doesn't care let him hold his peace — I care, my constituents care, the people of the Province of Manitoba care. You know, what the Honourable Member for St. Matthews cares about is that sanitary napkins are a weird thing. That is the extent of his care.

I am talking to the Minister and I am suggesting to the Minister that it is not going to be possible to resolve every problem that relates to hog ranching. I say to the Minister that he is wrong when he says that there was no consultation with producers. Will your staff tell you that there was no consultation with producers? Because that is wrong. There was consultation with producers. We removed the producers from the ad hoc decisions of the Clean Environment Commission because it was not fair to the producers and we went to the producers and we tried to work out regulations, and you say that the regulations did not deal with odor. Mr. Chairman, the reasons that the regulations do not specify odor is that the departmental officials were unable at that time, and to my knowledge are still unable, to definitively deal with odor from hog ranching. I predict to the Honourable Minister whether the Member for St. Matthews cares or not, that within our lifetimes it will be both impossible to deal with the problem of odor from hogs just as it will be impossible to deal with the odor from human excrement, which the Member for St. Matthews knows something about. That there is odor, that there is odor, and I reject entirely the notion that producers did not have this problem discussed with them, because they did.

Mr. Chairman, they had it discussed with them and there is nothing to prevent the Minister from discussing it with them at this time. The question is: Is this a new initiative? And I have indicated to him that with respect to the particular problem complained of there is an initiative, there was an availability, initiative, Mr. Chairman, which I say is the first in this country. To my knowledge it was the first, perhaps it wasn't. But we did go to other places. We did try to find out from other jurisdictions how they have been able to deal with it, and we said that it would be a continuing thing, because the regulation as it now is is not the last in regulations. It should surely be looked at and improved upon as it can be improved upon. But it certainly is not a new initiative.

Mr. Chairman, my recollection is, and in this the Minister can check me if I am wrong, that the Clean Environment Commission conducted several hearings and if I am not mistaken, and on this I am not going to trust my memory, it had hearings with respect to the problem generally, and that this was a problem and that taking it out of the Clean Environment Commission enabled us to deal with it on a departmental basis, and that the regulations were formulated after consultation with the producers and that this problem is not a problem of regulations. The honourable member calls this a problem of regulations — I tell him it is not a problem of regulations. It is a problem of incompatible uses as between the legitimate operation' according to best environmental standards, of a hog ranch, and residential locations within the city. It is the same problem that my honourable friend the Honourable Minister cannot answer, of the problem that arises from having a place which is attended by large numbers of people in a residential district, there is traffic but both are behaving legally and lawfully. We permitted a way out of that and we gave a practical answer to this man who says that there would be an answer from the Conservative Government in twelve months.

MR. LEND DOMINO (St. Matthews): It seems to be the opinion of the Member from Inkster that I don't care about environmental problems or pollution problems. I want to put it on the record that I do care. I don't plan to take twenty minutes of the House's time like the former Premier did a couple of night ago, rambling on and on about the Grade 11 geography lesson, but I do care and I care very much.

My comments were of a different nature. I was concerned and I didn't care about what the Member for Inkster was saying in these terms, and we have heard a lot during these Estimate debates, and it seems to be one long tirade after another, which attempts to justify the former government's positions. Now I am a new member to this House but as I understand parliamentary tradition, as I understand the role of Estimates, it seems to me that in Estimates the Opposition has the function of defending the taxpayers of this Province of looking for waste, of looking for mis' management, of looking for money that wasn't spend effectively. We are not receiving that — we get one former Minister after the other getting up and saying, "How wonderful I was." That is not the job. We are not re-fighting the election. If we want to go on for four years fighting the 1977 election, if we want to keep doing that, fighting the last election, great. But I don't think that is the process of Estimates, and I don't care about what the former Cabinet Minister did, and I suggest the people of Manitoba are not concerned. They are concerned now about what we are going to do about the problems, this present government. They are not worried about last year anymore. They want to know how we are going to solve the problems. Let's talk about that.

I was also glad to see and to hear him recognize for once — it's the first time I've heard it from the Opposition benches — that the government can't solve every problem, because that indeed is a fact of life. They acted for eight years as if the only solution to every problem was more government regulation and more government. That is not what the people want because they instinctly realize it is not good for them. It is not good for their economy, it is not good for their lifestyle, and it is not good for their political freedoms.

Now there is a place I have said this — I don't want to be misinterpreted again by the Member for

Inkster who walked out as soon as I began to speak; I don't want to be misinterpreted now, I do not believe that there is no role for government, no, I believe there is a role for government but it is not an exclusive role, it is not the only role that government can take.

That is simply all I wanted to say. I think that the former member's comments in regard to myself were inaccurate.

MR. GREEN: Mr. Chairman, let the record show that I am in the House. I stepped out for a moment because I was called on the telephone. But when the honourable member talks about harangues from this side of the House justifying the previous position that is not how it started. Maybe the honourable member was not here when it did start. It started on the basis of the Minister saying that based on the previous administration's inaction we are going to take initiatives. I was not going to get involved in this, but I tell you, Mr. Chairman, it is going to take some time, it is going to take some time, Mr. Chairman, and probably it will only be one year of sessions that we have this kind of discussion, but every time there is a remark like that from that side of the House they will get it back in spades, but it is not this side who started it. It is your own Minister.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Well, Mr. Chairman, if the Honourable Minister doesn't realize the nature of my request, and of the request of the residents of Shilo, they realize it, they understand that it is a land-use problem. It is indicated in their brief. They understand that it is a matter of incompatible use of land. They understand that, and they understand also that the routine operation is within the regulations laid down by the Clean Environment Commission. They understand that, so it is not a matter of doing additional research, additional consulting. At least in this particular matter as the previous Minister stated we have had lots of consultation over the years, we have had lots of research and we did take new initiatives. In fact, this new initiative, I believe, was accepted by the people of Shilo and still is accepted as being reasonable.

But that is not my point — the reasonableness or the unreasonableness of the present regulations and the present policy position, or the program that was enunciated by the NDP government a couple of years ago by the former Minister — that is not my question. My question to the Minister is, was the Conservative candidate speaking officially in a responsible matter, on behalf of the Conservative party of Manitoba, when he indicated quite clearly to those people that a Conservative government would act very speedily in this matter, and I quote — this is their brief, not my brief — this is their statement, this is prepared by the commander, Colonel Simmons, this is his statement. He says, "The Conservative candidate for Brandon East in the recent provincial election, in his campaign, took particular note of our situation and stated that a Conservative government would act speedily to resolve the matter." And, Mr. Chairman, this is the point at issue. I want to know whether the Minister can advise the House that this was a responsible statement, the people — there are, as I said, nearly 4,000 people, it varies during the year, the population varies from season to season and so on, people come and go, but at times there are nearly 4,000 people that are being adversely affected by this particular operation.

And incidentally, let it be noted that this operation has been here since about 1945, 1946 — the nature of the problem may have changed over the years but there has been a nuisance for many years. In the years of Duff Roblin there was a nuisance here, but there were no initiatives that we took a couple of years ago to deal with this matter when Duff Roblin and Walter Weir were premiers of this province. But we did take initiative in 1973, we offered to pay up to half of the net cost involved to relocating the operation providing the municipality would co-operate as we have indicated. And as the previous Ministers also indicated, the Member for Inkster has also indicated, in some cases the net cost may be very little or may be zero. In fact, maybe there's money to be made in the case of land that may have appreciated in value over the years. In fact, this land has appreciated in value — you probably can't see the picture from across the way there, but as this picture will show, and if any of you have been at Shilo you'll see this hog ranch is immediately outside of the gates and there is a lot of commercial development taking place — (Interjection) — The Shilo stand. The Minister of Industry and Commerce recently came into the House, he's not familiar with what we're talking about. I'm reading from the Canadian Forces Base, Shilo, weekly paper.

And there is a lot of additional residential development occurring outside of the gate, and generally speaking the value of land has appreciated and is continuing to appreciate. So, it's quite possible that the costs may not be that great.

But my point is that the residents and the commanding officer and the residents of Shilo understand that this is an incompatible use of land problem. They understand Mr. Vercaigne's problem and it's not a matter of being unreasonable about it, but they are unable to get co-operation from Cornwallis. But they are also taking note, they have also taken note of a very positive and forthright statement, and so I want to ask the Minister now, is it not true — I'd like to know, and I know the people of Shilo would like to know, whether or not this government, the new Conservative government, is prepared to take new initiatives in this matter, because the people of Shilo have been led to believe that a new government, a new Conservative government, would take initiatives. So I want to know whether or not this is to be, or whether the statement by the Conservative candidate was completely irrational or completely irresponsible — maybe that was the word — was it completely irresponsible, should we not in the future campaigns — I guess many residents, many voters, will not take statements by Conservative candidates that seriously, perhaps. But I know the

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people in Shilo took him very seriously and I am prepared to take him very seriously, and I would like to know whether this government, whether the Minister can advise us, if they are going to bring in new initiatives to resolve this kind of problem. There are other situations in Manitoba, I know. This is in my constituency; it's a case in point, but there is the generality of it. There is the general principle involved and I think we did take the right kind of initiatives a couple of years back when the Member for Inkster announced the new policy thrust and I think it was a rational approach to the problem. Unfortunately, for one reason or another, the people in Shilo are still plagued with the nuisance, the smells that emanate from this.

MR. CHAIRMAN: Order please. The hour being 5:30, I am now leaving the Chair to return at 8:00 p.m.