



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

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 4 May, 1983.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Western Equine Encephalitis in Manitoba Report

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I'd like to table the report entitled Western Equine Encephalitis in Manitoba.

Unfortunately, I don't have copies for everyone, but have made arrangements to have a couple for each caucus room. There will be some in the Provincial Library also.

Form and Presentation of Manitoba Budget

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, I'd like to table the report by Professor Clarence Barber, on the Form and Presentation of the Government of Manitoba's Budget.

Mosquito Control Program

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: Yes, Mr. Speaker, I'd like to make a statement Mosquito Control Programs. I have copies.

MR. SPEAKER: The Honourable Minister.

HON. J. COWAN: Yes, Mr. Speaker. It is my pleasure today to announce that our government will be adopting the principal recommendations of the 1982 Clean Environment Commission Report on Mosquito Control Programs in Manitoba. As many members of this House will recall, I had set up a special interdepartmental committee to review the Clean Environment Commission Report and recommendations. This review also included a solicitation of comments on the report from all municipalities and other interested parties. Their comments and suggestions have been incorporated into this overall plan which we are proposing today. That work is now complete and is supportive of the principal recommendations of the Clean Environment Commission.

Therefore, Mr. Speaker, it is our intention as a government to implement a province-wide permit system for all municipal mosquito control programs in Manitoba. It is our objective to have this system in place and functioning by the spring of 1984, that is to be effective by the next mosquito control season. I have requested that a committee be set up immediately to design this new permit system. This committee will be composed of representatives from the Departments of Environment, Health and the Agricultural Department, as well as representatives from the Manitoba Association of Urban Municipalities and the Union of Manitoba Municipalities and the University of Manitoba through the Government University Liaison Committee.

Mr. Speaker, I would also like to indicate that it has been strongly recommended that larviciding be the preferred method of mosquito control in Manitoba. As a government, we wholeheartedly agree with this recommendation, and therefore I am writing to all municipalities in the province urging them to consider comprehensive larviciding programs as an integral and essential part of any control strategy for mosquito programs.

Mr. Speaker, I would also like to announce our government's strong support for the maintenance of a 100-meter sprayfree buffer zone around the property of individuals who do not want to be sprayed. In my correspondence with the municipalities, I am requesting them to utilize the 100-meter buffer zone as a guideline and thereby respect the rights of individuals to not be subjected to any spray if they indicate their objections in a prescribed and appropriate manner.

I would also like to announce, Mr. Speaker, that I am writing to the federal Ministers of Health, Agriculture and Environment calling upon them to improve the registration and data gathering process as it relates to mosquito control and pesticides. I have also requested that our government have full access to all their pertinent data as we begin the process of implementing our comprehensive permit system for Manitoba.

Our government is committed to establishing an effective municipal, provincial mosquito control strategy in this province. I feel confident, with the action we have already taken and will continue to pursue, that we are well on our way to accomplishing this priority task. We look forward to a continuation of the co-operative process that has led us to this stage in its development.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. I thank the Minister for the announcement that he has made today. I know that municipal authorities and jurisdictions throughout the province have been awaiting some response to the Clean Environment Commission's Report for almost a year now, and we are glad to have the Minister's position on record.

As well, I know that he wants to undertake a province-wide system of permit and I would hope that there will

be a very clear process in place so that there is no misunderstanding amongst the various municipal authorities as to what criteria they have to meet and what process they have to go through in order to obtain permits.

As well, I want to say to him that we agree with the conclusion that he has arrived at, that larviciding is the preferred method of mosquito control. It always has been to my knowledge in Manitoba, certainly, within the City of Winnipeg as well, the preferred method. Obviously, he is aware that there are some circumstances under which one must consider other alternatives when the mosquitoes have gone beyond the larva stage.

Under those circumstances, Mr. Speaker, we're pleased to have his position on record as to the 100-metre diameter for spraying, buffer zone around properties that object. I would hope that various authorities can abide by that and live with that. It is obviously something that the Minister and his department have done studies on and have concluded as something worthwhile.

I am also pleased to hear the Minister has called for more complete data and more complete information-gathering on the use of mosquito control and pesticides from the federal authorities who license the various different chemicals that are in use today because it seems to me, Mr. Speaker, that it is only by the comprehensive data-gathering and this establishment of a scientific base that we can avoid the kind of scares that were perpetrated in the past by some, including the Minister himself, based on incomplete data and the use of inconclusive information to try and make a case.

So, I hope that now that we have established that under certain circumstances we can use mosquito control through chemical processes; now that we have established that these chemical applications can be used under certain circumstances, that the Minister will be in a position to abide by the guidelines and the rules that he himself has set and go along with the decisions that are made by qualified and competent scientific experts in the field.

Thank you very much, Mr. Speaker.

Annual Report of the Office of the Ombudsman

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Thank you, Mr. Speaker. I beg leave to table on your behalf, Sir, the Annual Report of the Office of the Ombudsman for the year ending March 31st, 1982.

MR. SPEAKER: Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach oral questions, may I direct the attention of honourable members to the gallery, where we have 12 students of Grade 9 standing from the Murdoch MacKay Collegiate, under the

direction of Mrs. Fiorentino. The school is in the constituency of the Honourable Minister of Energy and Mines.

There are also 42 students of Grades 11 and 12 from the Pierre Radisson Collegiate under the direction of Mr. Senchuk. The school is located in the constituency of the Honourable Member for Radisson.

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

MATTER OF PRIVILEGE

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, before oral questions, I rise on a matter of House privilege. This privilege has to do with the possible intimidation of witnesses appearing before a Legislative Committee, and this being the earliest opportunity for me to bring this up, because it arises out of a review of the proceedings of the Standing Committee on Agriculture, of the meeting held April 21st in Brandon.

I intend to show, Sir, to present prima facie evidence that there's a prima facie case to establish a breach of privilege and the matter of privilege will be followed by a substantive motion.

Sir, this House passed a resolution directing the Standing Committee on Agriculture to hold meetings in various locations throughout the province to deal with the question of the Crow rate. The Committee proceeded to hold those meetings and one of those was held in Brandon on the afternoon of April 21st.

During the course of a presentation by Mr. Parker and others from the Manitoba Farm Bureau, signs were introduced into the Committee, signs which were offensive in nature. The presentation of the Manitoba Farm Bureau was allowed to proceed and to be completed, at which point the Committee Chairman, the Member for Springfield, said, "Before I call the next person wishing to present a brief, I'd like to point out to members of the audience that normally exhibits are not allowed in the Legislative Assembly or in a Standing Committee thereof. When we started our meeting, there were some signs at the back. I did not raise that point, however there are now two signs which have wandered to the front. I would like the owners to put them back where they were when we started the meeting, so that we don't have these kinds of disruptions here in the meeting."

That ruling by the Chairman was considered to be inadequate and I suggest properly so, Sir, by the Minister of Transportation, who then moved a motion that all offensive signs be removed from the hall. That motion was subsequently put to a vote and was defeated.

The point, Mr. Speaker, that I would like to make then is that witnesses appearing before a Legislative Committee have been intimidated by this type of activity on the part of other persons present at the hearings. I know that some of the signs in question were quite offensive, but I think, Sir, that any sign is also considered to be inappropriate in the committee. We would not allow that kind of display in the gallery of this House. We would not allow that kind of display in committee

rooms within this Chamber. It's my view, Sir, that a meeting room where a committee of the Legislature meets, wherever that may be, should be treated the same as the committee rooms in this House would be treated.

Therefore, Sir, I would like to move, seconded by the Member for Arthur, that the Standing Committee on Rules of the House be directed to review the proceedings of the April 21st meeting of the Standing Committee on Agriculture and, arising therefrom, to recommend rules governing public conduct at meetings of Legislative Committees.

MR. SPEAKER: The Honourable Government House Leader on a point of order.

HON. R. PENNER: May I speak to that?

MR. SPEAKER: On a point of order?

HON. R. PENNER: Well to speak to the motion.

MR. SPEAKER: It is not yet put before the House for debate.

Order please. The Honourable Member for Turtle Mountain has presented a Motion of Privilege to the House of which I have no personal knowledge and I have not read any Hansard concerning this. I think it would be better if I took the matter under advisement to review Hansard and to seek other information on the matter. I will take the matter under advisement.

ORAL QUESTIONS

Open-pit mining - Thompson

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is to the First Minister. Two days ago in this House, the Minister of Energy and Mines made an announcement concerning the resumption of the development of an open-pit mine at Thompson being undertaken by Inco, a project which had originally been announced in 1981 and had subsequently been shelved. We were very pleased to have that announcement; and during the course of the announcement, the Minister of Energy and Mines indicated that there had been ongoing discussions ranging over the past two weeks relative to this development and that the First Minister had been involved.

My question to the First Minister would be: Can he inform the House without breaching any confidences as to the nature of those discussions that took place over the two-week period prior to the announcement of Inco resuming their open-pit operation?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, the Minister is here pertaining to that particular item. I was pleased to have the opportunity to be present with the Inco representatives personally, to have spent some two hours in discussions with the Inco representatives prior

to the announcement in question; to have had an opportunity, Mr. Speaker, to discuss with the Inco representatives their long-term plans pertaining to nickel development in the Province of Manitoba, as well as the nature of the announcement that would be made. It was a very positive exchange, co-operative exchange, between the heads of Inco and the Minister of Mines and Resources and myself. In addition to that, of course, the Minister had other meetings involving the representatives of Inco.

MR. B. RANSOM: Mr. Speaker, a supplementary question to the First Minister. Were any decisions made at that time on the part of the government during that two-week period that would facilitate Inco making this decision to proceed with their open-pit mine?

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

HON. W. PARASIUK: Mr. Speaker, I'd be pleased to deal with that since the Member for Turtle Mountain seems so terribly interested in getting into this particular subject. We were informed by Inco that when they had made the announcement of the open-pit mine back in October of 1981, they had to do so in order to meet a tender deadline. They had thought that the Government of the Day had processed some leases which, by Order-in-Council, were to be renewed by the previous government. These leases expired in 1978; they expired in 1980; and they expired in 1979. There were three groupings of them, Mr. Speaker.

Those leases had not been dealt with by the previous administration. They were left outstanding, Mr. Speaker. They were affecting the 10-K documents that Inco had to put forward for the New York financiers, Mr. Speaker. We, in fact, were looking at that whole question, Mr. Speaker. Inco came to us and indicated that they were hoping to speed up the resumption of that development. They wanted to talk to us about speeding up that renewal process with respect to a number of the leases, not with respect to all of them. We met with them, trying to get an indication from them as to why the previous administration had been so negligent in performing its own administration duty, Mr. Speaker. We weren't able to get a good explanation.

We analysed the situation. We were satisfied that Inco was providing a long-term commitment to Manitoba over a 20-year period. Those leases accordingly are renewed subject to legal review over the course of the summer and adjustments with respect to rent, Mr. Speaker.

We have acted to facilitate that development, Mr. Speaker, to make up for the negligence of the previous government and, in fact, the member when he was Minister of Energy and Mines at the time.

MR. SPEAKER: Order please.
The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Can the Minister confirm that the decision to extend those leases was made during that two-week period, and that was what had resulted in the delay of the development of the open-pit operation of late October, from late 1981 through until this time?

HON. W. PARASIUK: Well, Mr. Speaker, what caused the delay was that Inco was finding that its cash-flow position was very tight, and because of the very deep economic recession, Mr. Speaker, they stopped that development. But then during the course of that analysis when they were dealing with their bankers, they found that this outstanding issue had not been dealt with by the previous administration, Mr. Speaker.

So, Mr. Speaker, we were dealing with that. We are dealing with a whole set of other issues, Mr. Speaker. I might say, Mr. Speaker, when we deal with business in this province we don't do it over a cup of coffee, we don't do it over a dinner. We do it in a businesslike manner, Mr. Speaker, to make sure that we get things done.

Potash mine - Virden

MR. SPEAKER: Order please, order please.
The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, since the involvement of the Minister of Energy and Mines and the First Minister over the past two weeks was able to get the \$90 million open-pit operation back on the rails, I would like to ask the First Minister then whether he would be prepared to get involved in the negotiations that were ongoing with International Minerals concerning the development of a potash mine in the Virden area of the province, which would have involved a \$600 million investment, and the creation of 850 jobs, Mr. Speaker.

Since the announcement by the Minister indicates now that an economic upturn is under way, will the First Minister give us his assurance that he will get involved in that project, and get it back to the point where it was in late 1981?

HON. H. PAWLEY: Mr. Speaker, I have every confidence in the ability of the Minister of Energy and Mines to carry on efficiently and competently as he has done indeed in the past and in view of the turnaround, to continue to undertake efforts to achieve results. Mr. Speaker, I think the Minister deserves some congratulations for the fact - and I know honourable members across the way have very, very thin skins when it comes to good news - the fact that on Friday there was an announcement made pertaining to a pipeline development and on Monday pertaining to open-pit development.

I would have thought that the members across the way would have joined with us in welcoming this news rather than what appears to be the case, Mr. Speaker, to be somewhat disgruntled about the announcements that have been made.

MR. B. RANSOM: Yes, Mr. Speaker, the members on this side welcomed the announcements the Minister made because they flowed from actions that members on this side of the House had taken while they were in government. Mr. Speaker, the Minister of Energy and Mines, who claims to operate in a very businesslike way, managed to fumble away the Power Grid, and the Alcan Development, as well as the International Mineral Potash Development, Mr. Speaker.

Alcan aluminum project

A question to the Minister of Energy and Mines would be, has he canceled the ban on Alcan advertising in Manitoba?

HON. W. PARASIUK: Mr. Speaker, not at all. In fact, I was just at a meeting with the Alcan public relations person. It was a very cordial meeting, Mr. Speaker. I wouldn't ban their general ads, Mr. Speaker.

I must point out that in relation to some of the so-called negotiations being conducted by the previous administration - it was a man called John McFarlane, who is the finance officer for the Conservative Party in the last election, who wrote the Government of the Day during the middle of the campaign, outlining a set of very serious concerns that he had with respect to the negotiations that were being taken between the government and IMC - doing that right in the middle of the campaign, Mr. Speaker, outlining these concerns, hoping that the government at that time wouldn't sign that agreement, Mr. Speaker.

Those were concerns that were being raised by Conservatives, Mr. Speaker. Did they make them public during the campaign? No, Mr. Speaker. They turned around afterwards and say that even though they weren't able to finalize any agreements, Mr. Speaker, that somehow those agreements were blown by me, Mr. Speaker. That is a complete and total fabrication, Mr. Speaker, by the opposition who still want to fight the election. Mr. Speaker, if they want to take that position into an election two-and-a-half years from now, I welcome their doing it. If they want to take their Leader of the Opposition into the next election fighting that campaign, I welcome it, Mr. Speaker.

Mr. Speaker, I'll look forward to see how many of the members of the party on that side want to support their present leader, want to support the Member for Turtle Mountain over the course of the next two years in trying to fight an election that was conducted one-and-a-half years ago, Mr. Speaker.

I believe the people of Manitoba want to talk about the future, Mr. Speaker, they don't want to dwell in the past with the regressive Conservatives.

Manitoba Hydro developments

MR. B. RANSOM: Mr. Speaker, I have a supplementary to the Minister of Energy and Mines. It deals with the future. When does the Minister of Energy and Mines intend to fulfill his promise for the immediate construction of Limestone?

HON. W. PARASIUK: Mr. Speaker, we are proceeding with the orderly development of it, given . . . well, Mr. Speaker, given the circumstances of the market.

Peter Lougheed in Alberta, Mr. Speaker, does not have the Alsands going, does not have a foothills pipeline going, does not have the heavy oil upgrader - there are no mega projects taking place in this country apart from one possibly called the North East Coal Project. Twenty of them aren't proceeding.

We are in a very difficult recession, Mr. Speaker. We are all trying to pull together in this province to turn that situation around. We're trying to work with people

in the communities; we're trying to work with other provinces; we're trying to work with the Federal Government, Mr. Speaker. We're trying to act co-operatively to deal with this very difficult world - North American, Canadian, Manitoban - situation. We need co-operative effort, Mr. Speaker. We don't need the false type of illusions, Mr. Speaker, trying to be spread right now by the members of the opposition who really have nothing to offer with respect to the future. They don't have a \$250,000 government fund at their disposal to do advertising to the general public, Mr. Speaker. They have to go out and fight the cases on their own merits. They can't do so, Mr. Speaker. They can't talk about the present; they can't talk about the future. They just want to dwell on the past, Mr. Speaker.

MR. B. RANSOM: A final supplementary to the Minister of Energy of Mines, Mr. Speaker. The Minister says that his government is proceeding with the orderly development of Limestone. Can the Minister confirm that the Hydro camp at Sundance has been mothballed?

HON. W. PARASIUK: Mr. Speaker, given the fact that the recession is very severe, the in-service date for Limestone would be 1992, which would entail a start-up in 1986, Mr. Speaker, with the major expenditures taking place in 1988. That relates to the world situation that we have right now, and the fact that the recession has caused the electrical load growth to be dampened in every province in Canada and in the United States. It is, in fact, part of the orderly development to take into account that reality, Mr. Speaker, that people didn't realize existed in the middle of 1981 - to recognize that - but furthermore, to actively pursue a number of other alternatives, which we are doing with respect to Wisconsin, Minnesota; which we are doing with respect to the western area power administration. We are pursuing all of those alternatives. We hope that we will be successful, Mr. Speaker.

I know full well that the members on the opposition don't hope that, Mr. Speaker. Every time we bring any positive announcement forward into this Legislature, Mr. Speaker, they try and condemn it. They try and ridicule it, because what they want to do is they want their pessimism realized. We believe the people of Manitoba want an optimistic approach, want a positive approach, Mr. Speaker. We will take that forward to the public now, next year, the year after, Mr. Speaker, and we're willing to debate with them anytime on these particular issues.

MACC - lease of farmlands

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker. Another NDP promise just bit the dust.

My question is to the Minister of Agriculture, Mr. Speaker. Can the Minister indicate what the tendering process is in terms of MACC advertising the farmlands for lease, what the standard process is in terms of tendering it?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, I'll take that question as notice and provide the honourable member with the information.

MR. A. DRIEDGER: Yes, well, that's fine. Then maybe the Minister can also take as notice the fact whether the advertising process that takes place in papers and in releases being hung up in various offices, etc., maybe if he can give me the information of exactly what process takes place and whether it is constant and the same at all times?

HON. B. URUSKI: Mr. Speaker, if the honourable member has some specifics that he is referring to, if he'd provide me with that information, I'd like to check it out. As I understand it, in terms of the leasing process, MACC advertises through the rural papers in the areas that land is available for lease. What process they use, as I've indicated, I'll take that as notice.

MR. A. DRIEDGER: Well, a follow-up then. Is it always advertised in the local papers when this leasing takes place, or when the advertising takes place?

HON. B. URUSKI: Mr. Speaker, there has been no change in policy since I've been Minister, but I want to find out from MACC as to what their policies and procedures are so I can advise the honourable member.

MACC - crop insurance office in Minnedosa

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Speaker. My question is also to the Minister of Agriculture. I wonder if the Minister could inform the House if a decision has been reached on the Crop Insurance Office in Minnedosa?

HON. B. URUSKI: Mr. Speaker, I have not been advised by the corporation whether they've made a decision following the meetings that were held with the people, and I will find out for the honourable member and advise him.

British Columbia elections

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

MR. W. MCKENZIE: Thank you, Mr. Speaker. Mr. Speaker, in light of the rumours that are floating around the halls and out in the streets of the city, I wonder if the First Minister can clear up a question for me and advise the House if Andy Anstett, the MLA for Springfield, could be classed as working outside the province for the NDP as a result of his alleged role in the provincial B.C. election campaign?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: On a point of order, that question is clearly out of order. To raise a question as to the

whereabouts of an absent member is not in order. The member knows it's not in order. It is pure political posturing.

MR. SPEAKER: Order please, order please. Perhaps the honourable member would wish to rephrase his question so as to deal with matters within the administrative competence of the government.

The Honourable Member for Roblin-Russell.

MR. W. MCKENZIE: Thank you, Mr. Speaker. Mr. Speaker, maybe I can paraphrase the question this way. In light of the blistering tongue-lashing levelled at rural MLAs on this side of the House recently by the Minister of Finance for collecting the \$40 per day living-away-from-home allowance, and I'll read some of the words that the Minister of Finance levelled us on Page 1277 of Hansard. He said, "For Good Friday, the members of the Conservative Party want \$40; for Saturday they want \$40; for Easter Sunday, they want \$40.00. While the civil servants are off, while everybody else is off, you are saying you want to be here on Easter Monday. Well, that's fine, we could have saved a bunch of money there."

Can I ask the First Minister of this province if, in fact, this allegation was made by his Minister of Finance, and during the longstanding tradition of this House where we always sat on Easter Monday, is Mr. Anstett - can he collect the \$40 per day living allowance while he's campaigning on behalf of the New Democratic Party in British Columbia?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, there are also rumours that I suppose we ought to be discussing in this Chamber as to where the Honourable Member for Fort Garry has been for the last number of days and whether he's been working outside this province.

A MEMBER: Where's the Leader of the Opposition?

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: I rise again, Sir, on a point of order, which I think is of fundamental importance. That has to do with the longstanding tradition of this House to which you have directed attention of the members during the First Session, that it is improper even to comment on the absence of a member from the House. To go as far as the member for Roblin-Russell is concerned is not only to violate that precedent, but indeed to compound it with the lowest kind of cheap political comment.

Motel business - Waskada

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Speaker. I have a question to the Minister of Economic Development. Several days ago, Mr. Speaker, I communicated to the Minister of Economic Development a concern of a

constituent of mine who is having an extremely difficult time in obtaining permission which, first of all, I don't think would have been necessary or shouldn't be necessary in a free society, in which to start a business or to move a motel into the Town of Waskada. In view of the fact that there is a boom with the oil industry in that particular community and an extremely acute shortage of transient housing and motel-type accommodation, Mr. Speaker, this particular individual who has requested some form of intervention by the government or support by the government in which to start this business, has been denied that by the bureaucracy and the hearing which could have taken place immediately.

I ask the Minister if she would now ask the bureaucrats and personally get involved to cut the red tape so that this individual who has bought a lot, prepared to go into business and who has to this point given up and said there is so much bureaucratic red tape that I am not going to start a business that is needed because of the red tape. Will the Minister of Economic Development get involved and cut that red tape and allow the person to get into business so that she can serve the community that is doing well in Manitoba?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, I can understand the confusion felt by the member opposite in this particular case. It's often true that when people are perhaps for the first time entering a transaction, they don't understand all the steps they must take. In this case, the person was purchasing a motel, wanting to move it to another community and locate it there and operate it, a laudable undertaking. Now there are certain legal steps that have to be taken, Mr. Speaker, to accomplish such a thing, registering the sale, passing the zoning by-law in the town to which the motel is to be moved, and securing a health examination prior to the official opening of the motel.

It was inadvertent, Mr. Speaker, that a member of my department ran into this situation and I think in attempting to tell the person what was required in a spirit of helping, the person took it as government putting up blocks. The department person, when they got back to the city, undertook to send this person the correct information and, in fact, went far beyond that, Mr. Speaker, went to look at the requirements for getting through the zoning question, the building inspection and the health inspection, and has been working very hard even though this is a case which normally would take two to three or four weeks to accomplish, to expedite the situation. I have been assured that every effort has been made, in fact, to expedite this case. If the member opposite has information that there is unreasonable blockage put in the way of her, I would be happy to hear it and see if there is anything further that we can do to assist her.

MR. J. DOWNEY: Mr. Speaker, in view of the fact that this whole process started on the 26th of March and, to this date, the individual still has not got permission which she really doesn't need first of all in my estimation,

the question to the Minister is, will she immediately get involved? Further to that, will she not confirm that the local municipality, the Town of Waskada, have in writing that the Mayor and the Council have suggested their full support for this particular facility, that the lot is in place and the water and sewer are all put in place, an expense to this individual and that it will take until the 24th of May to have a hearing by the licensing committee for a motel that isn't on location? The health inspection cannot be done, Mr. Speaker, until it is in place, it would be a useless inspection. In fact, the operation, the motel that is planned to be moved is too small to have an inspector of the government even have a look at it, this particular place, Mr. Speaker. Will she or the Minister of Labour have an inspector immediately deal with it and communicate with this person - she knows who it is - and get on with allowing a town to develop with the oil boom? Will she do that, Mr. Speaker?

HON. M. SMITH: Mr. Speaker, I know it must always seem to any of us who want to undertake a move of this sort that there is red tape to go through. In fact, there are procedures. There is the licensing authority under the Tourism and my staff have assured me that they are trying to move that as quickly as they can. Mr. Speaker, they can't hold extraordinary meetings for every case, but they have assured me that they are trying to move it along as rapidly as they can.

There are two other concerns. There is the health inspection and the building inspection. The zoning has been worked out with the community. The building inspection has produced one of those — (Interjection) — well now the members opposite have had their time when they've had to deal as well with bureaucrats and with the loopholes or inconsistencies. I think both sides of this House share responsibility for making procedures as clear and as manageable as they can be.

What we discovered in this case, was that there was no one authorized to inspect a building of this size, but the requirement was still there that it be done. Well it's laughable on one side, but I would rather spend my time on this side trying to work through the problem, rather than try to laugh at laws which we share responsibility for, Mr. Speaker. We have been intervening to expedite the process.

There are some time limits, Mr. Speaker, that are built into the legislation; people must submit an application and give some time before the actual approval can be given. However, I will give double assurance to the member opposite that we will do what we can at our end to move the process along, but we have already gone to considerable lengths to try and co-ordinate at this end and to work in co-operation with the particular individual.

MR. J. DOWNEY: Mr. Speaker, I may be helpful. Possibly if the Minister of Economic Development could have her staff move as rapidly as the Minister of Finance had his staff move to go out and give them applications to collect the payroll tax and the business tax, then that individual would be happy. She has already received all the applications for payroll tax. If she could move that quickly, Mr. Speaker, I'm sure that the individual would be happy.

Careerstart Program

Mr. Speaker, I have a question to the Minister of Labour who is in charge of the Careerstart Program. In view of the fact there are so many unemployed people, students particularly and high school students, going to be in the job market very shortly, would she reconsider the date or the application times and change it so that people could again apply for the application for the Careerstart Program so that a lot more people could be supported by the government program that's in place?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, I am pleased to hear the Member for Arthur supporting the program that much. It is obviously a success. We are continually looking at the programs we have in place. We obviously have to have starting dates and ending dates so that we can deal with the applications that do come in, in some kind of reasonable administrative manner, but we are always looking at them to pick out the best facets of each of them to devise new programs which will be coming onstream. Staff is involved in developing new programs to take up where these programs leave off right now. Those will be coming forward in due course.

MR. J. DOWNEY: Mr. Speaker, will those programs be available for the students who are so desperately in need of jobs in the next month?

HON. M. B. DOLIN: There are numerous programs available for students, Mr. Speaker, and until the member is aware of just how many students are not able to find jobs under the programs that are there, I would think it's a bit premature to determine that they will in fact not have jobs next month. We are continually monitoring the situation and will develop whatever programs we can, within our financial means, to provide for jobs for students.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: My question is to the same Minister, Mr. Speaker. Can the Minister tell me how quickly an application in the Careerstart Program should be processed and both employer and employee be notified?

HON. M. B. DOLIN: If the member has a specific employer or person wishing to employ students under Careerstart or a specific employee, potential employee, young person between the ages of 16 and 24, that he wishes information on, I would suggest that he contact the Employment and Youth Services Office because this information is computerized and the member could be given some information about that particular employer. I can't answer that question here in the House.

The Careerstart Program was given a definitive ending so that there would be a deadline for applications so that these could be dealt with. Otherwise, they are constantly ongoing and we could never give this sort of an answer.

Since all of the applications are in now, as of the April 22nd deadline, with the exception of those from the North, and I assume the member is not talking about an application from the North, those in the south should be processed within the next week to 10 days and the information go out to students. The student employment applications were beginning to be processed as of this week.

MR. A. BROWN: My question is to the same Minister. The previous government processed applications within seven days under a program very similar to this. Can the Minister explain why some applications are taking up to four weeks to process? These applications came in at the end of March as soon as the program came out.

HON. M. B. DOLIN: I don't know how it could take four weeks at this point for us to have processed them since the deadline was only April 22nd, unless the member is referring to something that I'm certainly not aware of. The student applications have been received and will be received continually now, but the student applications for employment under that program could not be processed until all of the applications from employers were in. That seems fairly obvious to me. So, that process is going on right now.

I'm sure the members opposite read in the paper, as we did, the information about the students lined up at the employment centres, the federal employment centres, and the information that students were being referred to jobs and, in fact, that the provincial program may indeed be the one that is the most successful in providing employment for students and young people.

MR. A. BROWN: My question is to the same Minister. The organization that I'm speaking of applied for two students for 16 weeks and one student for eight weeks at the end of March when the application forms were first available. Now, they received approval for two students for 12 weeks and one for seven weeks yesterday. Now, can the Minister say how many applications are being cut back from the original request?

SOME HONOURABLE MEMBERS: Oh, oh!

HON. M. B. DOLIN: Mr. Speaker, I'm not sure the members opposite want an answer. I can't be heard.

I believe that what the member is asking is what is the level of funding for the Careerstart Program and it's taken a long time to get to his actual question. However, I have answered that question in this House the last two days we have been here and within 24 hours the member will have that answer as there will be a press conference very shortly with . . .

MR. G. FILMON: Why don't you answer it in the House?

HON. M. B. DOLIN: I'm not announcing it in the House because it's not a policy decision and I think the members are quite aware of that. The information on any increased funding for that program, other programs that we might be prepared to bring forward, will be made very shortly and I've given that answer before

and that answer stands. The specific situation that the member is asking about, I would have to have details on before I could respond to him, and I would be happy to provide those details if he would give me, in writing, the information that he has so that I have the name of the employer and the actual request. That can easily be checked out with my very efficient staff.

MACC - crop insurance contracts

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Speaker. Several questions were posed to myself dealing with crop insurance by the Honourable Member for Pembina, one of which dealt with the matter of crop insurance requiring a corporate debt guarantee as being a new policy. Mr. Speaker, the honourable member should be aware that this policy has been in effect for at least four years and came into place in August of 1980.

Prior to using these forms, due to the problem of obtaining a personal guarantee for debts for limited companies, the corporation had the principals of the limited companies sign the application as individuals without the designation of the officer of the company or company name and had to also see that the principals signed the seeded acreage report. The corporation solicitor drew up the corporate guarantee form, as I have indicated, approximately four years ago. The corporation solicitor indicates that the reason that the corporation now requests the personal guarantee is that the corporation insures the individual producer rather than the corporation. Therefore, we want the individual producer's personal guarantee. The person giving the personal guarantee for corporate debt is in the insurance file and will never be used unless the corporation goes into receivership or is placed in receivership.

I'm advised that the corporation did have a few corporations go into receivership that did not have the corporate debt form prior to having a corporate debt form signed as an officer of the corporation, and therefore the corporation only received settlement in accordance with the funds available and as well, Mr. Speaker . . .

MR. D. ORCHARD: How can they receive crop insurance if they don't sign it? That's the important thing.

HON. L. DESJARDINS: It depends on what kind of signs they carry to the meeting.

HON. B. URUSKI: Mr. Speaker, if the corporation is to continue offering credit privileges, the corporations insuring with the Manitoba Crop Insurance Corporation then are required to complete and sign the corporate guarantee or pay the premium in advance. The latter procedure is very cumbersome and this procedure may be new to some farmers operating as limited companies that have been missed by the agents in obtaining personal guarantee or corporations that were insured with the Manitoba Crop Insurance prior to the requirement of the personal guarantee.

Mr. Speaker, the honourable member as well raised questions with regard to the number of contracts and the percentage of premiums paid. There was, in the 1981-82 crop year, \$12,035,890 collected in premiums on behalf of 14,230 contracts. Premiums collected prior to August 15th with the 6 percent discount was 4.4 million, approximately 36.6 percent; collected August 16th to December 31st at par, 3.1 million or 26.2 percent. The remaining percentages were collected with interest and a portion of that were collected through the indemnities through the year, which amounted to 37.2 percent.

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

MR. B. RANSOM: Mr. Speaker, we do appreciate getting the answers from the Minister of Agriculture, but it has always been the custom of the House that when there are lengthy answers given in response to questions taken as notice, that the answers would simply be tabled.

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

HON. B. URUSKI: Mr. Speaker, the honourable member should be aware that this question was raised several times by the Honourable Member for Pembina, and I have endeavoured to give him full information on it. I was virtually complete in my answer, indicating that while 36.6 percent of the premiums were paid at the 6 percent discount, the whole premium structure had to carry the 2.5 percent increase in order to finance this discount.

MR. SPEAKER: Order please, order please. Order please.

I appreciate that the questions were asked and the Minister is answering them, but it would be an abuse of the House's time, I believe, if the answers were to be too long and too detailed and could better be given by means of tabling a document. I hope that all members will bear that in mind for the future.

The Honourable Member for Virden.

Indictment of government employee

MR. H. GRAHAM: Thank you very much, Mr. Speaker. I would like to direct a question to the Honourable Attorney-General.

Over a year ago, "An employee of the Department of Government Services was questioned by the RCMP Commercial Crime Division in connection with a possible \$60,000 fraud," as quoted in the Free Press of April 23rd, 1983. On May 25th last year, the Minister of Government Services issued a press release indicating a Mr. V.S. Buckler had been reassigned to the Supply and Services Division pending results of charges being laid under the Criminal Code of Canada.

Since a year has elapsed, can the Minister indicate what actions have been taken by his department on this matter?

MR. SPEAKER: Order please. Before calling on the Attorney-General to answer the question, may I ask

both members to consider whether the matter is still before the courts, in which case a question should not be asked in the House.

The Honourable Attorney-General.

HON. R. PENNER: That's the point, Mr. Speaker. The matter is before the courts and no further answer can be given. It will be disposed of in the normal course by the courts.

MR. H. GRAHAM: A supplementary question to the Honourable Attorney-General. What is the normal time that it takes for a matter like this to get before the courts and be disposed of?

HON. R. PENNER: It depends on the complexity of the case, whether it's a summary conviction offence or an indictable offence; if it's an indictable offence, whether it's a hybrid offence or indictable only; if it's an indictable offence, what election the accused has made. If the accused has made an election, has the accused made an election before a court composed of a judge alone or a court composed of a judge and jury? If the latter two, has the accused elected for a preliminary or waived the preliminary? If the first case, he has waived the preliminary, does the accused have a lawyer? Does he not have a lawyer? Was the case ready for trial at the time it was called for a preliminary? Was the judge ill at the time that it was called for a preliminary?

You can't answer a question like that, other than to indicate that indeed - and I'm happy to say this - in terms of the functioning — (Interjection) — well, it's better to be a smart aleck than a dumb aleck and we know all about that. I am happy to be able to say, Mr. Speaker, that in recent years - and I don't take credit for this alone, it developed during the incumbency of the previous Attorney-General - the lead time in courts generally, in Provincial Judges' Courts has been cut down quite drastically. We do not have overly long delays, but when you do get a complex case of this kind, it really is far more in the hands of the defense than it is in the hands of the Crown in terms of when it will actually come on for trial.

MR. SPEAKER: Order please. Time for Oral Questions having expired, Orders of the Day.

Amendments to Bill No. 5

MR. H. GRAHAM: Mr. Speaker, on a point of order.

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

MR. H. GRAHAM: I would like to ask the Attorney-General a question. Some time ago . . .

MR. SPEAKER: Does the honourable member have a point of order? The question period has expired.

MR. H. GRAHAM: It's a point of order dealing with the business of the House. The Minister of Energy and Mines promised that we would get amendments, proposed amendments to the bill on Surface Rights

before the committee meeting next Tuesday. We have had no indication from the Minister what amendments he has, and I would ask the Government House Leader if he would enquire of the Minister of Energy and Mines if he has any amendments for Bill No. 5.

MR. SPEAKER: Order please. That was not a point of order. That was a question. If the Honourable Minister wishes to answer it, he may do so.

HON. R. PENNER: Yes.

Availability of response Order for Return No. 6

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Speaker, on another point of order, again to the Attorney-General in his capacity as House Leader. I have had, on the Orders for Return, an item requiring information on the employment of one particular individual by the government since prior to Christmas, in fact back to November. I am wondering whether or not we can get an answer on this in some due course. All the Attorney-General has to do is ask his colleagues. It doesn't seem to be that complex a matter. It is Item No. 6 in the Orders for Return. When can we expect a response on it?

MR. SPEAKER: Order please. I don't think the Honourable Member for Tuxedo had a point of order either.

HANSARD CLARIFICATION

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, prior to Orders of the Day, I think that this is the appropriate time for me to indicate that I would like to see a correction in certain spellings of the recording in Hansard of my remarks the other day, if you would like me to read them.

Mr. Speaker, on Page 2349, the last line in the left-hand column, the word, tolerate "dissent" is misspelled. On Page 2350, in the right-hand column, the third last paragraph, in the fourth line, "insensitive", the word "insensitive" is misspelled. Then in the sixth line again, the word "dissent" is misspelled. With those corrections, Mr. Speaker, I appreciate . . .

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

The Honourable Member for Riel.

COMMITTEE CHANGES

MRS. D. DODICK: Committee change, Mr. Speaker. For Public Utilities and Natural Resources, May 5th, the Minister of Consumer and Corporate Affairs will be substituting for the Minister of Energy and Mines.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the second readings as they appear on Pages 3 and 4 on the Order Paper in the following order please: No. 42; to be followed by 61; to be followed by 23 and 24; 34 and 26.

SECOND READING - PUBLIC BILLS BILL NO. 42 - THE JOBS FUND ACT

HON. H. PAWLEY presented Bill No. 42, The Jobs Fund Act; Loi sur le fonds de soutien ' l'emploi for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, on February 24th, my colleague, the Minister of Finance, stated that the Jobs Fund was the most important initiative in our government's Budget for 1983. Today it is my pleasure to introduce to this House the central piece of legislation for that initiative; namely, Bill 42, The Jobs Fund Act.

This bill establishes the objectives of the Jobs Fund, and from a reading of those objectives, it should be clear why this is our most important initiative. Bill 42 provides for the establishment of the Jobs Fund whose resources will support direct job creation, training and retraining, job preservation and other undertakings as may be appropriate to expand employment and to create valuable long-term assets for Manitobans. The Jobs Fund is being established by way of a bill so that legislative authority exists to permit grants and payments to be provided from the fund for the series of allocations which will be forthcoming.

The bill will also establish a trust account for Jobs Fund support of the kind provided through the contribution by the Manitoba Government Employees Association. Because the Jobs Fund includes budgetary authority, both operating and capital, along with non-budgetary capital authority, its establishment actually requires a number of separate pieces of legislation, The Appropriation Act, the Interim Supply Bill and the Main Supply Bill to authorize the budgeting portions, and The Loan Act to authorize the non-budgetary capital portions, are also essential to its operations.

I'd like to just mention that insofar as The Jobs Fund Act and suggestions that have been made or questions that have been raised pertaining to whether The Jobs Fund Act provides a mechanism whereby non-budgetary capital can be transferred into the Jobs Fund and could be expended on budgetary items thereby diminishing the meaningfulness of the deficit figure for the Provincial Government, Mr. Speaker, I would like to indicate to honourable members that The Jobs Fund Act provides no such mechanism. Non-budgetary Jobs Fund capital is subject to the same provisions, same controls, same scrutiny, as any other non-budgetary funding.

Mr. Speaker, the Jobs Fund is built upon the basis of the successful activity by this government in 1982-1983 to save and to create jobs while maintaining the basis for a healthy economy in Manitoba. The overwhelming achievement of the Homes in Manitoba Program is strong evidence of the initial success which

gives me and gives my colleagues such confidence in the Jobs Fund. Many hundreds of Manitobans have had work; indeed many are working today, as I stand here, due to this program.

It has also provided hundreds of Manitobans with a new home that they may well not have been able to afford otherwise. Because the jobs were used in the most efficient way possible, the vast majority of new homeowners have received affordable mortgages without any subsidy at the expense of the taxpayers. Only those who needed income subsidies to be able to afford mortgages on a reasonably priced home have received a subsidy.

Mr. Speaker, I want to just add at this point that I believe it's been due to the co-operative approach, two programs at the federal level and the program that we initiated at the provincial level, the Homes in Manitoba Program that I've just outlined to honourable members, that has resulted in Manitoba leading the way, of all provinces in Canada, by way of new housing starts in the first three months of this year, 1983, compared to the first three months of 1982.

The Jobs Fund seeks to achieve the same goals: Jobs today, jobs tomorrow, and assets that will be of value for generations to come. The fund is already working to enable many more rural communities that would normally be the case to improve their local water and sewer lines. It allows us to extend affordable new homes to May 31st, whether or not the Federal Government cuts off its support to homeowners in respect to the payment of grants prematurely.

It has let us consider meeting the tremendous desire of Manitoba businesses and Manitoba farms to work with the province to provide meaningful jobs this summer for students and for unemployed young people. Indeed, I am told that about 3,000 businesses and farms have applied for the summer wage assistance that is being provided through the Jobs Fund, far exceeding the expectations and the experience of previous years. These applications represent jobs that are needed and work which can be done in businesses and in farms throughout Manitoba. The applications are being processed as quickly as is humanly possible.

The Jobs Fund is reviewing the money allocated initially for Careerstart jobs so that, as a Provincial Government, we can try to match the dedication to meaningful work that is so evident from the response of businesses and farms throughout the province, as well as from many non-profit organizations and from many municipalities. Many other proposals are being reviewed quickly so that work can begin at the earliest opportunity. My Cabinet colleagues and I have been and will be continuing to provide details as decisions are made and movements are made towards implementation.

Manitobans know that no one province alone can turn around the international recession, but they expect and they have received the greatest possible effort from their Provincial Government to provide jobs and to counter the effects of the recession. The evidence of the success of our approach is Manitoba's good performance at creating jobs, savings jobs and maintaining economic activity by way of comparison to the experience of almost every province in Canada. The people of Manitoba have shown very justifiable confidence in the future of their province by maintaining

a larger proportion of retail sales in 1982 than in any other province in Canada. That consumer confidence, that knowledge that Manitoba can be and is one of the best places to live and to work in Canada and in the world, has sustained us in continuing our all-out effort to maintain provincial services and to maintain jobs. I believe that the initiatives represented by the establishment of the Jobs Fund are worthy of the confidence which Manitobans have in themselves and have in their province.

Mr. Speaker, Bill 42, The Jobs Fund Act, is a piece of legislation that will enable this government to take important steps to create jobs, to create assets in Manitoba. It will bring immediate and long-term benefits to the people of the province and I commend it to this House.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Thank you, Mr. Speaker, we are pleased at long last to have this explanation from the First Minister concerning his Jobs Fund bill because it was on February 24th, that the Minister of Finance stood in this House, acknowledged that we were facing the worst economic crisis that the province had faced in 40 years, and the Jobs Fund was their response.

Here we are now on May 4th, and we now are getting the Jobs Fund bill introduced into the legislature for second reading, over two months later, Mr. Speaker, which of course has raised the question all along as to exactly why this bill was even needed, other than to give the government the appearance of some activity.

The First Minister has not cast very much light today on the real purpose of this bill. Why did we need it? Why could the Minister of Labour simply not have proceeded with her Careerstart Program as the Ministry of Labour has proceeded with the Private Sector Youth Employment Program, or with the program the Minister had last year, the name of which escapes me at the moment?

The Minister of Labour did not need a new Act in order to spend that money. The Minister of Highways didn't need a new Act in order to spend capital to create real assets in the province by way of transportation infrastructure. He didn't need a new Act in the Legislature to spend money to preserve the assets which the province already has. What does this bill really do? What does it do? What this bill does, Mr. Speaker, is give the government the appearance of activity. It is their response to the worst crisis in 40 years.

Well, let's go through again. The Minister of Economic Development says it's a lot of money. Of course it's a lot of money if the government was really devoting \$200 million to a new job initiative, to a new thrust by government. But let me go through the \$200 million that the government is allegedly coming up with to deal with this. First of all, of course, there's \$34 million of capital that was voted last year which was carry-over largely, I believe, from the housing program which the First Minister says was so successful. But if it was so successful, Mr. Speaker, how come we're carrying over \$34 million of the funding out of \$50 million of total funding? Evidently the government couldn't plan last

year, or they were trying to indicate more activity than they knew they were going to be able to generate. How many times did we hear about the \$50 million housing program the government had last year. Well they didn't spend it, Mr. Speaker. Now we're going to hear about \$34 million that's going into the Jobs Fund. And we're going to hear about it again, and again, and again.

On top of that, Mr. Speaker, the Minister of Finance is putting \$72 million of budgetary funding into this Jobs Fund, of which there is only \$18 million that represents new funding. The rest has been taken from spending that the government was doing before. They took roughly \$20 million from the Minister of Highways and they put it into the Jobs Fund. They took \$7 million or \$8 million from the Minister of Natural Resources and they put it into the Jobs Fund.

What do we see on the "wish list," Mr. Speaker? Well, we see things like water projects - Lake Dauphin, for example. That's the sort of project that the Minister of Natural Resources might have undertaken within his own department. The funds have simply been taken from his department, put into the Jobs Fund, and the same project is being put forward under the Jobs Fund. The twinning of Highway 75, Mr. Speaker, is something that the Minister of Highways could have proceeded with. He didn't need the Jobs Fund to proceed with that.

So what they've done - when one goes through and looks at the Estimates, Mr. Speaker, we find very clearly, very clearly that there is only \$18 million, between \$18 million and \$19 million of new budgetary funding going into the Jobs Fund.

So when the Minister of Finance is bringing in a \$579 million deficit projected this year, and he's telling the public at the same time that they have a \$200 million Jobs Fund, and that when he's raising taxes 106 million, plus another 40 million on the payroll tax, and telling the people he's doing this in order that they can create the Jobs Fund, it is false, Mr. Speaker. It is false. They don't have 200 million going into the Jobs Fund out of their big \$579 million deficit. There's only \$18 million of new money.

If it hadn't been for the big jobs thrust this year the Minister of Finance could have brought in a deficit that was only \$559 million. Then, Mr. Speaker, to follow his reasoning back, he wouldn't have needed to introduce those tax increases which were going to help create jobs. He could have foregone those tax increases and he could have lived with his \$559 million deficit. But instead he has chosen to tell the people that this is a major thrust and he needs new tax money in order to finance it. That simply is not true, Mr. Speaker.

The funding is coming, there is \$83 million of funding — (Interjection) — the Minister of Finance says I'm silly to say this, Mr. Speaker. I challenge the Minister of Finance to prove that this position is incorrect. There is over \$34 million of carry-over money into the Jobs Fund which was obtained through a Loan Act last year. That amount of money does not show on the deficit of the government. There is \$83 million this year that will be acquired by the way of The Loan Act and it does not show on the deficit of government.

There is \$72 million being contributed to the Jobs Fund from budgetary allocation within the government, and of that 72 million, Mr. Speaker, there is approximately \$54 million is simply money that was

there last year in capital, and it is being taken from several departments and put into the Jobs Fund. I challenge the Minister of Finance to prove that isn't so.

HON. H. PAWLEY: He already has proved it.

MR. B. RANSOM: He has not proved that is so. There is absolutely no doubt that there is only \$18 million of new money that goes into this so-called thrust by the part of the government to create jobs.

Mr. Speaker, what we are seeing from this government opposite is simply a PR job that's being done on the people to try and give the impression that they've got a major thrust.

Well, Mr. Speaker, it isn't going to work that way. It isn't going to work that way. What we're going to find is that the government is not going to create very many more jobs with the budgetary allocation that's going into the Jobs Fund, because they're taking it from the Minister of Highways and the Minister of Highways would have spent that money and he would have built highways and the contractors would have hired people; there would have been people employed building those roads. The Minister of Natural Resources would have undertaken water control projects; they would have hired people; there would have been people employed. That money has simply been taken away and it is now put into the Jobs Fund.

There was a mechanism in the Department of Highways; there was a mechanism in the Department of Natural Resources whereby that capital could have been flowing right away and there would have been jobs created. If there are not people unemployed today because the Minister of Highways has had his Budget cut back, there will be people unemployed because of that within the next very few weeks, because the money has been taken from his department and put into the Jobs Fund. Now, we will see whether the Jobs Fund is going to be able to administer those funds, which they have taken from the Minister of Highways and others, and create more jobs with them than otherwise would have been the case, or create more assets. I have yet to see something that can be run better by a committee, Mr. Speaker, than could be run by one single department that's used to delivering services.

So, when the First Minister says we are pessimistic about his Jobs Fund, I'm raising some of the real questions that the First Minister is going to have to deal with before his Jobs Fund is going to actually be translated into what counts to the people who are being asked to pay the bills and that is, what are they going to get by way of jobs and what sort of assets are really going to be created.

So far the government hasn't really given much indication that this major thrust is off the ground and moving. What we've seen primarily so far is efforts done by the Minister of Labour which are simply a modification of programs that have been ongoing with the Minister of Labour for years, and all the government needed to have done was to give the Minister of Labour a few more million, if they wanted, and tell her to expand your program; if it was such a good program last year, then expand it. But, no, no, they try and put it in the Jobs Fund and don't even want the Minister of Labour

to answer questions about the Jobs Fund. That's another reason why we're being pessimistic about how well this effort of the government and of the First Minister is going to work.

Mr. Speaker, the First Minister is fond of talking about the relative performance of Manitoba compared to the rest of Canada and indicates to us that we should be accepting that as indication of good government by the members opposite. Mr. Speaker, we are pleased that Manitoba is not suffering any worse than it is, but let's not forget that when this government took over there were approximately 28,000 unemployed people in this province and today there is something like 54,000 unemployed people in this province. They're not very happy just because someone else in Canada is worse off than they are. The reason Manitoba is no worse off than it is, is because of the nature of the economic structure of this province.

I don't say that the government hasn't done something to try and shield people from some of the worst effects of the economic crisis, they have tried to do some things. They've fallen far short of the promises they've made but they have tried to do some things. But, nevertheless, Mr. Speaker, this province is where it is, basically because of the economic structure of this province, because we've got a diversified economic base we don't suffer to the same extent that Saskatchewan and Alberta and B.C. do when the resource sector goes flat. So, we haven't gone down as much, but let's not forget either that we've gone from being a growth rate of something substantially over 3 percent in 1981 to a growth rate that's substantially below 3 percent in 1982, and even though it ranked second in Canada, the prediction unfortunately is that Manitoba is going to slip to the range of fifth place in '83, so the First Minister shouldn't really take much solace from those figures, Mr. Speaker.

What this province really needed was some real economic development, they needed some real economic development, the sort of development that was under way, that was being planned and negotiated in 1981, and fortunately, two days ago, one of those economic developments which was being planned in 1981 is back on the rails again. It's going to see some expenditure of dollars in this province, which are not going to come from the taxpayers' pocket and this government isn't going to have to go to the international market and borrow the money. That's going to result in some employment in this province and that's good.

The development that's going on in southwestern Manitoba is good because it came about without this government having to spend a nickel of the taxpayers' money and if there's going to be a pipeline now to take that oil from the Waskada area to Cromer, that's good, Mr. Speaker, because that's not going to be done at public expense.

But what we needed to have was conclusion of the Western Power Grid, which in late 1981, we were on the verge of reaching agreement with the other two provinces, and again, I say, don't take my word for it, take Allan Blakeney's word for it. He said in October of 1981 that an agreement on the Western Power Grid was only a few short weeks away. Mr. Speaker, that sort of development, which could have been, would have created the kind of economic base that would have generated jobs and would have generated a tax

base that this province desperately needs and this government desperately needs.

The Alcan development - well, it may have been suspended at this stage, Mr. Speaker, I'm not going to make the statement that there would have been a plant in place or construction would have been even ongoing at the moment, but at least need not have been cancelled in terms of Alcan giving up its site. What should have happened if this government had dropped their ideology and dropped their position which they took during the election that they would not allow Alcan to own a minority interest in a power station, those negotiations could have been, at worst, in a state of suspended animation at this time, Mr. Speaker. The development of IMC could have been further towards completion. Those are the kinds of developments that should have been taking place in this province, Mr. Speaker, but those members opposite didn't really want those developments.

I don't have the information in front of me, I don't have the propaganda that they put out during the election, but I can find it. I can find it where they said, we won't be dictated to in Manitoba by multinationals; we will not depend upon multinationals and big corporations and mega projects for the development of Manitoba. We will turn the economy around, they said, and with ManOil and the development of Limestone, we will be able to generate the sort of economic activity and pay for the services that people of Manitoba want. That's what they promised, Mr. Speaker, and we are not getting it.

Let me tell the First Minister that, even if he had \$200 million in his plan, if he had 200 million new dollars for job creation, that amount of money would fall far, far short of the kind of economic pump-priming that was undertaken in the last four years of the Schreyer Government through forced development of Manitoba Hydro.

In Hydro committee last year and again this year, the staff of Manitoba Hydro tabled a very, very significant page - one figure, Mr. Speaker, which tells more about the history of economic development of this province in the early 1970s and mid-70s, than anything else I have seen. That is, that in terms of 1982-83 dollars, Manitoba Hydro during the last four years of the Schreyer administration pumped \$600 million a year into Hydro development in Northern Manitoba, basically to develop out-of-step Hydro developments and spend money that, to a great extent, wasn't required - \$600 million a year was going into the economy.

During the four years of our administration, Mr. Speaker, that figure dropped to where there was something in the range of perhaps \$150 million a year going into Hydro development. So there is a case where there was \$450 million a year pulled out of the economic development of this province. If the members opposite needed a reason as to why Manitoba's capital investment and economic performance was lagging in those four years, it was because just to get back to ground zero, to the level point, Mr. Speaker, we had to make up \$450 million a year of capital investment that was pulled out of Hydro, and by the way, not because we stopped development of Manitoba Hydro as the members opposite said, but because at long last, the 11th hour, almost the 12th hour, in 1977, the

Schreyer Government finally saw what was happening and quietly pulled the pin on Limestone development. But because it suited the NDP at the time, they said that we stopped it and that they would get it going as soon as they were back in government. Well, it's not going. What we have instead is an alleged \$200 million Jobs Fund that falls far, far short of what their promise of Limestone even would have delivered, Mr. Speaker.

While we don't wish to stand in the way of efforts on the part of the government to shore up economic activity in the province, we'll issue a warning from a philosophical basis that you're not going to be able to salvage the economic welfare of this province through borrowing money abroad and spending it on make-work projects, or through borrowing money abroad and spending it on things like ManOil. That isn't what is going to do it. It is going to have to take some real economic development.

Secondly, from an administrative point of view, this seems to be an extremely clumsy and obtuse way of going about to deliver government's thrust. It certainly leaves the impression with me, Mr. Speaker, that this is more of a P.R. exercise from the way it's put together, than a real serious effort to create employment.

Mr. Speaker, I am pleased to hear the First Minister's assurance that any money which is acquired by way of The Loan Act will, in fact, be treated the same as any other money acquired by way of The Loan Act, which means that money must be used for self-sustaining purposes. That money must be expended in a way that will come back to the province. It cannot be used for a system of grants. It cannot be used for projects to cut grass. If that money is going to be acquired by way of a Loan Act, then it truly must be self-sustaining capital and I am pleased that we have that assurance from the First Minister. I tell him that we are going to be watching very carefully to see that, in fact, that is the case, and that we do not find that money is being acquired by way of Loan Act and then used for the same kinds of purposes that budgetary capital would be used for, Mr. Speaker.

Thank you.

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

MR. G. MERCIER: Thank you, Mr. Speaker. I want to speak briefly to this bill, Mr. Speaker. I wouldn't want to be accused of delaying in any way the job creation activity of the government, Mr. Speaker, and we know what that activity has been.

Mr. Speaker, this bill should be called The Jobs "fraud" Fund Act, because it is the biggest deception and fraud that this government has attempted to foist upon the people of Manitoba to date. The First Minister announced on February 24th that his government was engaging in a war on unemployment, Mr. Speaker. A couple of days ago, I asked him if the government had appointed the committee of employers and employees who were referred to in his statement who were going to advise the government on the usage of the monies under the Jobs Fund. He indicated that was in process, Mr. Speaker. We have heard no indication from him today that that committee has been appointed, so we see no action - well over two months, and a simple

matter of appointing a committee that he said he was going to appoint on February 24th has not yet been done.

Mr. Speaker, he couldn't answer and he has, in a statement, indicated that he is the Chairman of the Jobs Fund Committee of Cabinet. A few days ago he couldn't even answer in this Legislature as to the amount of monies that had been allocated to specific projects to date from the Jobs Fund. That's how serious the First Minister takes this particular function and responsibility as Chairman of the Jobs Fund Committee, Mr. Speaker. He said to us in the opposition, we're supposed to monitor his public statements, and he was just out in a town somewhere in Manitoba, made an announcement the previous night. Mr. Speaker, I think it is up to the First Minister, surely, to be able to tell us, in an approximate way, some two months after the Jobs Fund has been announced, that he is able to give us the amount of allocations from the Jobs Fund to date - and he couldn't do that.

Mr. Speaker, my colleague, the Member for Turtle Mountain, has made known his views as to the amount of new money that is actually available. Even the Budget, Mr. Speaker, of the government on February 24th indicated that well over half of the money in the Jobs Fund was taken from continuing programs. We have seen, Mr. Speaker, an announcement of the Careerstart Program - the government attempting to pass that program off as a new initiative, when it is clearly an ongoing employment program for young people. It was in 1982; it was in 1981 under our government, Mr. Speaker; and it still is.

Mr. Speaker, we have a Minister of Labour who also serves on that Jobs Fund Committee, who could give us no answers with respect to the \$6 million project at Red River Community College, which would easily have been an ongoing capital project in the Department of Education. She had no idea as to the number of jobs it would be creating - no idea.

The Minister of Labour, in her Estimates, refused to answer questions about the Jobs Fund and referred us to the Jobs Fund Estimates in the House. The First Minister, when I asked him in the House whether he would instruct his Minister of Labour to ask questions about the Jobs Fund, said, well, we're soon going to have an opportunity to talk about it and a debate on The Jobs Fund Act and there'll be information forthcoming. Mr. Speaker, you know what we heard from the First Minister today - very little, if any, new information. The First Minister refused to accept our position, that if indeed unemployment is the major problem in our society - and I believe it is, Mr. Speaker - I submitted to him that he move up the Jobs Fund Estimates consideration in the House from last where the government put it, to following the Health Estimates and we could have been into a discussion and debate on the Jobs Fund and the detailed programs last week. But the government refused to do that, Mr. Speaker. They put it at the end, Mr. Speaker, probably knowing, as Mr. Martin of the Manitoba Federation of Labour said to the government in his letter of last February, that there is no short-term or there is no long-term planning of any kind going on in this government. That's probably why it's at the end of the Estimates. The government hopes that by then they will be able to have put some concrete plan together to deal with that, Mr. Speaker.

So, Mr. Speaker, they have refused, despite the statements of the First Minister that the opposition doesn't want to talk about employment and unemployment problems, they have put the Jobs Fund Estimates discussion and debate to the end of the estimates debates, because they don't want to talk about it, because they know what a mess they're making of this particular problem.

Mr. Speaker, we have seen virtually nothing, no activity, with respect to the Jobs Fund, other than a few announcements which really all have been ongoing programs of the government. The government has taken them out of the departmental estimates, put them in the Jobs Fund, and are describing them as new initiatives, Mr. Speaker. It is a charade, it is a fraud, and it's despicable that the government would attempt to foist this kind of information on over 54,000 unemployed people in Manitoba to attempt to give them hope that they are doing something special for them, when really they are doing nothing for them. In fact, they are doing the very opposite, Mr. Speaker. They are creating much of the problem that exists in Manitoba.

Is the payroll tax helping the unemployed, Mr. Speaker? A tax on unemployment that this government brought in. No, Mr. Speaker, that is hurting employment in Manitoba and it is hurting the rate of remuneration of people in Manitoba. Is the sales tax helping employment in Manitoba - a sales tax imposed on more than 54,000 unemployed persons and their families, a sales tax that has got to hurt economic activity in Manitoba, Mr. Speaker?

Mr. Speaker, the consumer price index which was the lowest in Canada, in Winnipeg, in 1981, continued to be the lowest in 1982, as the Budget indicated, but during last month has jumped the highest, is now well above the national average in the City of Winnipeg. Mr. Speaker, that is a bad sign for our economy; it is not a good sign for the unemployed; it is not a good sign for the residents of this province.

Mr. Speaker, is ManOil helping the unemployed in Manitoba, when we established a successful industry in southwestern Manitoba by the tax changes that we imposed? Why isn't the government, if they are so concerned about unemployment, taking that \$20 million, Mr. Speaker, and developing an employment program for the unemployed in Manitoba? That \$20 million is not going to help the unemployed in Manitoba.

Mr. Speaker, the increase in the Manitoba Hydro rate - is that going to help the unemployed? Is that going to help businesses survive in Manitoba, a 9.5 increase, when they've been fortunate enough, Mr. Speaker, to have a Hydro rate freeze for the last four years under our government during the first year of this government?

Mr. Speaker, is the study into the life insurance industry and into the government going into the life insurance industry going to help investment, going to help economic development, going to help the unemployed workers in Manitoba? No, Mr. Speaker, it's not going to.

HON. R. PENNER: At least two.

MR. G. MERCIER: The Attorney-General says at least two - yes, Mr. Speaker, it'll be the people that are hired

to do the study, certainly they will help and those are the only kind of people that this government is helping - the political appointments that they have made. Those are the only kind of people that are getting jobs in Manitoba, Mr. Speaker.

Mr. Speaker, is the payroll tax helping the unemployed in Manitoba? We've seen all of these areas of activity brought in and introduced by this government that are contrary to their stated objective of encouraging and assisting with the unemployed in Manitoba. All of these things that I've referred to are hurting the unemployment situation in Manitoba.

Mr. Speaker, this government is pretending, by bringing forward an Act into this Legislature, that it is helping the unemployed. It is a sham, it is a fraud, it is deception of the grossest kind, for this government to be attempting to do this to the unemployed in Manitoba, Mr. Speaker. They have taken no concrete action in over two months since they've announced the Jobs Fund.

Mr. Speaker, one can only suspect that the letter which the Member for Sturgeon Creek referred to, a copy of the letter from the Manitoba Federation of Labour to the Minister of Economic Development, and the Minister of Labour, Mr. Speaker, really speaks the truth. There is no planning of any kind going on in this government, Mr. Speaker, and the unemployed have little hope, Mr. Speaker, under this government for much of an improvement in this situation.

What I wonder, Mr. Speaker, and I have to make this comment, is why doesn't the organized labour leadership come out publicly? Mr. Speaker, I noted that Mr. Martin, in speaking to a group, who wish to form a union for the unemployed, said it's dangerous for any organized group like this to become too close to any political party. I hope, Mr. Speaker, that he has now seen the error of his ways by becoming so closely connected with the New Democratic Party in the election of 1981, Mr. Speaker. He has done harm and damage to the cause of the unemployed people in Manitoba, Mr. Speaker, because now obviously he's afraid to comment publicly to criticize the government, because he was so closely connected with them in the election, Mr. Speaker.

I hope that Mr. Martin, and I hope that other leaders of organized labour have learned their lesson, Mr. Speaker, that if they truly want to protect the interest of the workers in Manitoba they should, at the very least, attempt to be as neutral as possible in future elections, because they're now in the position where they don't publicly criticize the NDP for the rates of unemployment in Manitoba, and it's the workers of Manitoba who are being harmed by that, because if Mr. Martin and other leaders of organized labour were honest they would come forward and criticize the activities of this government publicly, Mr. Speaker. That's what they should be doing, and hopefully they have learned their lesson, and that recent comment made my Mr. Martin is an indication that he has learned the errors of his ways.

Mr. Speaker, we again would ask this government, particularly as I did yesterday, to consider the plight of unemployed young people in Manitoba, Mr. Speaker. You know, we had to, I think, offer some constructive criticism to the Minister of Labour on his Youth Employment Program last year, and he accepted part

of that advice, and made some changes in the Youth Employment Program that he had last year, and I think as a result of those changes more young people were able to take advantage of that program.

Mr. Speaker, we warned the Minister of Labour over a month ago that there was going to be a severe crisis among young people who wouldn't be able to find jobs this summer. We told her at the time about the Estimates of one out of four young people not being able to find jobs. We told her then to make plans to expand her Careerstart Program, which is simply a new name for an ongoing program, because it was only designed to accommodate the same number of young people that were accommodated last year, and since last year there has been a dramatic increase in the number of unemployed young people, so that the program had to be expanded in an attempt to accommodate these increasing numbers.

We're now into the first week in May, Mr. Speaker. We see on Monday, and Tuesday of this week the lineups of young people at the employment centres in the City of Winnipeg, and hopefully she has indicated, some consideration is being given to an expansion, but we warned her a month ago, Mr. Speaker, those new plans should be in operation now. It's now when the young people need those jobs. If the planning had taken place over a month ago, as we had suggested, those expanded programs could have been announced by now and efforts made to overcome this very severe unemployment problem with young people, Mr. Speaker. So hopefully she will be acting now, but we do point out to her that if she would have acted when we asked her to the problem would not be as bad as it is now.

Mr. Speaker, we on this side, I'm sure, although the bill would appear to be retroactive until April 1st even when it is passed, so I don't believe the government can in any way suggest that any delay in passing the bill will delay any of the programs, Mr. Speaker.

We look forward, Mr. Speaker, to discussing the Jobs Fund Program in the Estimates of the department, it appears that is going to be the only time, and hopefully we will get some information at that time, but it appears to be the only time when we will get any information. We wished that we could have discussed it before now, Mr. Speaker, so that we could have made some constructive suggestions to the government to help improve the programs that they embark upon, but they have chosen and it's their wish to discuss it last and when that will be, I don't know, the way the Estimates are going, Mr. Speaker. They're going to have to take full responsibility for the projects that they approve under that program, Mr. Speaker. We wanted to discuss it before now and they have refused, Mr. Speaker. Perhaps they have good reason to, because of the lack of planning that has no doubt gone on to date, Mr. Speaker.

Mr. Speaker, we look forward to the discussion and the debate at that time. I don't believe, with respect to this bill, that it's going to mean much of anything, Mr. Speaker, to the unemployed, it's a piece of paper. Programs - if the government wanted to introduce them - could have gone on well before now, could have been introduced and developed.

This bill is of very little value to the unemployed. Why it's really needed is something that we have yet to see from the government. Perhaps that will be explained

in committee, Mr. Speaker. What it is no doubt needed for, Mr. Speaker, is the public relations image and the public relations workers in the government, which is one area where they have expanded the number of jobs, Mr. Speaker. Those are the only people, I think, who need this bill, Mr. Speaker, but it's not going to work for them.

MR. DEPUTY SPEAKER: The Honourable Minister of the Environment.

HON. J. COWAN: Mr. Speaker, it's often that a member of this House introduces their remarks by saying I had not really anticipated nor intended to speak to this particular bill at this time. In most instances, that is indeed the case and I am going to be a little different in opening my remarks today. I had not anticipated nor intended to speak to this bill at this time. However, the remarks by the two previous speakers have encouraged me to rise to my feet to, in very brief form, put to the record some of my comments and some of my thoughts. I do that because this is an important piece of legislation and there should be no doubt in anyone's mind, especially those who have just listened to the comments of the members opposite for the last number of minutes, that it is not an important piece of legislation and that it is not an integral part of this government's strategy to encourage the development of this province not only through projects, whether they be mega or otherwise, but through the development of our human resources.

This Jobs Fund Bill provides for that process in a very public and a very open way. Now when we talk about being public in our process, we are talking about consulting; we are talking about sharing of knowledge; we are talking about sharing of information and a sharing of the development of this province. The members opposite confuse that with public relations and perhaps that is because of an inadequacy in their own philosophy; perhaps they don't understand what that public process is. But I can assure you, Mr. Speaker, and through you those who are listening, that this is no public relations exercise; that this is not, in the words of the members opposite, something which should be derided or a sham or a fraud as they call it, but that this is an honest effort by a government to provide jobs in difficult economic times.

Let there be no doubt about it. The times are difficult. The times are difficult for the people of this province. The times are difficult for the people of this country. In fact, Sir, you know as well as others that throughout the industrial world, times are difficult. So we are little different in respect to the environment in which we have to operate and work as a government.

However, there is a difference in the approach of governments to those difficult economic times. Some throw up their hands and say, there is little we can do about it, alas, the times are difficult, they're hard; we are sorry for what is happening to you, to the unemployed, to those who can't get work, to those who want work and won't find it. That is an approach of some governments and we are all aware of those governments.

Other governments say that if they provide money to the private sector, it will trickle down and that that money sometime along the way will reach those who

need it the most, the unemployed, the working poor. It will reach those who need it most, the welfare recipients who need not and want not to be welfare recipients, but because of the difficult circumstances they face are forced into that sort of existence. There are governments that do that and we are all aware of governments that work on that premise.

We suggest, and we do so in all sincerity and honesty, that they don't work; that those processes, those procedures, those ways by which governments have chosen for long periods of time to deal with difficult economic times do not work. When they do not work, the people do not work. I think that is the most important thing that must be said. It's unfortunate that the procedures don't work, that the theories don't work, but it is tragic that the people don't work as a result of the implementation and the steadfast honouring of those long, historical approaches to unemployment.

We're a different sort of government. We have a different sort of approach. We believe that our responsibility as a government is to interface with the economy, is to interface with society in general, and is to interface with those individuals that are going to be most affected by our policies, our programs.

This is part of that interface, and I do think the members opposite could have used their opportunity to be a part of that process more productively, but that's for them to choose and I would not want to be overly critical of the way in which they carried on the debate here. But there will be those that do interface in a productive way. There will be those that know the value and the benefit of the Jobs Fund and the Jobs Fund legislation which you have before you at this time. The benefit, Sir, is quite simple and quite explicit - nothing magical about it, no mystery about it. It's a provision of an opportunity for those who want to work to be able to work and that is important to all of us.

The objectives of the Jobs Fund as presented by the Premier just a little while ago were fourfold; one, direct job creation. We have talked about some of the ways by which direct job creation has been undertaken and will be undertaken by this government.

Another objective of the fund is training and retraining, because we know we are in a sort of tumultuous period of history when we're on the verge of what some economists are calling the third wave - after the industrial revolution, the technological revolution. We know that if individuals are going to be able to participate fully and be able to ride the crest of that wave rather than be mowed over it, that they must be able to develop new skills, new abilities, new expertise and new talents. So, as part of our overall strategy, we have incorporated a very large component, a very significant component in regard to training and retraining.

We also know that while jobs need to be created and while individuals need to be able to develop their talents and their skills, that there are jobs out there that must be preserved, and there are industries out there and individuals out there that need our assistance in that regard.

We're not bound by ideological blinkers when we approach problems of this magnitude. We are not bound and blinded by the ideological concepts which are important, but must be put into practical constraints and into practical ways. We say that if we can help,

and we can do so in a way that does not conflict with the general principles by which we approach governing, then in fact we will help. We're not afraid to assist where that assistance is warranted, where that assistance is requested and where that assistance is necessary. So job preservation has to be an important part of our strategy.

Finally, the Jobs Fund and the process of implementing the Jobs Fund will include measures to expand employment and, by doing so, to create valuable long-term assets for this province.

So what do we have in that package, Sir? We have an answer, not "the" answer, but an answer, an answer which we feel is necessary at this time. We boil it down to its essence. Its essence, Sir, is jobs today and jobs tomorrow. The whole package has been put together with that in mind. How do we deal with the direct economic difficulties that we face today - jobs today? In doing that, how do we develop infrastructure, talents, skills, resources, both human and otherwise, so that we can make certain that there are jobs tomorrow; so that we are able to capture the upswing in this province when the turnaround comes throughout the industrial world; so that we are able to be one of the first Provincial Governments and, by that, the people of this province are able to be among the first to be able to capture that economic turnaround and use it to benefit not only themselves but to benefit the province as a whole.

My leader spoke to several programs which have already been discussed in the context of the Jobs Fund and he's talked about the successes that we've had and we've had successes. By the way, Mr. Speaker, there is no doubt that there will be failures as well, that not everything that we want to do will happen and not every project that we undertake will be an unqualified success. But what we hope is that the successes will by far and large outnumber those that are not successes and that through the failures we can learn better how to implement programs of this sort so that all will benefit.

So, my leader spoke to some of those programs and I don't want to speak to the specific programs today. I have in the Budget Speech addressed many of the things that we've done in Northern Manitoba. I know that under the Jobs Fund we will be doing many other things in Northern Manitoba in the upcoming year. We will be undertaking projects that will provide for that direct job creation, that will provide for that training and retraining. We will be undertaking projects that will ensure that jobs are preserved where they can be preserved and I think the example of this government in its response to the cutbacks by the mining companies in Lynn Lake, Leaf Rapids and Thompson are indicative of the type of approach that we're prepared to take, to work with others to ensure that individuals are spared the worst suffering of economic circumstances beyond their control and we will undertake projects through this, I'm certain that will provide long-term, valuable infrastructure assets for northern communities.

So, we're going to do all that, but why? Why, Mr. Speaker, are we going to such effort, are we going to such pains, are we so carefully developing that sort of a strategy? Not for ourselves, Mr. Speaker, and those who think otherwise are wrong and let the record be clear that they're wrong. We're doing it because we know the value of work to the individual and we know

what happens in a society when an individual who wishes to work cannot work. We know the tragedies that are experienced on a personal basis and we have compassion for that reason, but beyond that we know the impact that sort of overall syndrome has on the society as a whole and we know that it can tear and rip the very fabric of a society. That makes our job harder. That makes our task more difficult. That means that we have to spend more money in trying to repair that rip in the fabric of society.

Instead, would it not be far better to try to get ahead of the difficulties? To try to meet them head-on before they have that sort of impact on society. That is what we are trying to do with this Jobs Fund. That is what we will do with this Jobs Fund, notwithstanding the criticism of the members opposite, notwithstanding their perceptions of what we're attempting to do. We will, by way of this fund, enable individuals in this province to fulfil their responsibilities and their right to a job and at the same time hopefully prevent society from suffering unduly so, the ravages of high unemployment and difficult economic times. We're not alone in our analysis of the problem; nor, Mr. Speaker, are we alone in our analysis of what the solution might be.

During my Budget speech, my opportunity to talk to that important document, which was brought to this House by the Minister of Finance a number of months ago, I talked about what the Council of Bishops had said in their paper entitled "Ethical Reflections on the Economic Crisis," and that was from the Episcopal Commission for Social Affairs, the Canadian Conference of Catholic Bishops.

So, I can't say that I agree with everything they say at all times. However, in this paper, I think they have concisely and accurately laid out what the problems are and also addressed what some of the solutions should be.

So, I think it bears repeating and I'd like to read from that document, I'm quoting the Catholic Bishops at this point, "Indeed we recognize that serious economic challenges lie ahead for this country. If our society is going to face up to those challenges, people must meet and work together as a true community with vision and courage. In developing strategies for economic recovery, we" and that is the Catholic Bishops, "firmly believe that first priority must be given to the real victims of the current recession, namely, the unemployed, the welfare poor, the working poor, pensioners, Native peoples, women, young people, small farmers, fishermen, some factory workers and some small businessmen and women. This option calls for economic policies which realize that the needs of the poor have priority over the wants of the rich." Reflect upon that for a moment, Sir, the needs of the poor must have priority over the wants of the rich during these difficult economic times. In fact, at all times, until there be no more poor.

I continue with the words of the Bishops, that "the rights of workers are more important than the maximization of profits." I would like to hear what the members opposite have to say to that statement? That the rights of workers are more important than the maximization of profits. Perhaps they'll take the opportunity to address that comment by the Catholic Bishops during their speeches on this subject.

And they continue, that "the participation of marginal groups has precedence over the preservation of a

system which excludes them." True as well. Who would argue? Not I. Perhaps others, but certainly not I. And the Bishops, having made that statement go on to outline a six point plan of action by which they would seek to confront the difficult economic circumstances which face all of us. What is that plan of action?

Again, I'll quote from their document, "Ethical Reflections on the Economic Crisis." They say, "First, unemployment rather than inflation should be recognized as the No. 1 problem to be tackled in overcoming the present crisis." Well, we're not bringing forward an inflation bill, we're bringing forward a Jobs Fund bill because, we, too, believe that unemployment must take priority over inflation. It must take priority over every other situation that confronts us at this time, for when people are out of work, the whole of society suffers.

So we agree, at least I agree, that unemployment must, in fact, take priority and I think you'll see by the introduction of this bill and you'll recognize through the introduction of this bill that the government considers that to be an important priority as well.

Second, from the Bishops, they say "an industrial strategy should be developed to create permanent and meaningful jobs for people in local communities. To be effective, such a strategy should be designed to both national and regional levels." That's exactly what we're doing. We believe that. We honour that thought. We support that concept and we're proceeding by way of this and other initiatives on the part of the government to ensure that strategies are developed that meet the needs of the areas which they are intended to serve.

"Third," the Bishops say, "a more balanced and equitable program should be developed for reducing and stemming the rate of inflation. They say that's not the priority, unemployment is the priority, but they recognize it as a problem as well and indeed this government does.

"Fourth, greater emphasis should be given to the goal of social responsibility in the current recession. This means that every effort must be made to curtail cutbacks in social services, maintain adequate health care and guarantee special assistance for the unemployed, welfare recipients, the working poor and one-industry towns suffering from plant shutdowns." Well, what have we done? That is what this government has done. That is what this government has committed itself to in its term of office, that those essential social services shall not suffer, that individuals and people on the street and in the hospitals and in the other areas where service is provided by the Provincial Government shall not suffer and we will reject any call by any person to curtail those services, because we know how important they are and we believe, that, in fact, society has a role to play in providing those services. We live up to our responsibility.

"Fifth," - and I've asked for comment from the other side on some of the statements the Bishops have made and I'll ask for that comment again if they'll address this issue, if they'll be so kind to do so in their remarks "Fifth," the Catholic Bishops say, "labour unions should be asked to play a more decisive and responsible role in developing strategies for economic recovery and employment. This requires the restoration of collective bargaining rights where they have been suspended, collaboration between unions and the unemployed and

unorganized workers, and assurances that labour unions will have an effective role in developing economic policies."

The Catholic Bishops said that in their document entitled, "Ethical Reflections on the Economic Crisis." I would like to hear members opposite, who have historically shown their philosophy in their approach in this regard, comment on what the Bishops had to say.

Finally, "Sixth," the Bishops say, "Furthermore, all peoples of good will in local and regional communities throughout the country must be encouraged to co-ordinate their efforts to develop and implement such strategies." So, they've identified the labour unions as being essential, but they've also indicated that there are others who have a role to play. We believe that. We understand that. We acknowledge it and we have attempted to build policy and program around it.

The member opposite takes great pleasure in reading a letter from the leader of a labour union, which is critical of the economic strategy in the Economic Summit which we have undertaken.

I would like to read an excerpt from a letter from one of the major employers in this province and what he says is, "Dear Mr. Cowan: The Manitoba Economic Summit Conference was useful and I hope it will prove to be a productive experience. Our general economic problems and the open dialogue of the conference again made it clear that the various groups represented have very much in common. Continued dialogue and co-operation will provide the quickest path to economic recovery." Then he goes on to address some specifics on how we can continue to work together. But that comment, that opening introduction to a letter from a major employer in this province . . .

A MEMBER: Signed by?

HON. J. COWAN: Well, the member asks who it was signed by? It was signed by Bill Clement of Inco and that is what Mr. Clement has said. Now, I take it that that letter was written with as much sincerity and as much initiative to try to build a better process as was the more negative letter that was read into the record by members opposite. We accept both of them as being valuable to the development of a process because we know that we have no monopoly on wisdom. We know that we need help to make a better society and to deal with some very difficult problems and we're not afraid, nor concerned, nor hesitant to ask for that help from any party because we believe that they have a stake in the system, that they have a sincere concern that the system work and that they want to work with us to make certain that the people of this province work. Because if the miners don't work, Inco doesn't do well and neither does the leader of the labour movement who wrote a different type of letter, but an important and valuable letter, nonetheless.

So, they know that they have to be a part of that process and they're not afraid to join with us, to look at new ideas, to try to undertake creative solutions to longstanding and difficult problems. They've indicated that they believe that summit conference was a useful process, a useful part of that development of an economic strategy. Certainly, it didn't provide us with all the answers. It didn't provide us with everything we

need to know, but I do believe that it provided us with a framework around which we can seek out those difficult answers and address those complex questions.

So let's not just reject the Economic Summit Conference out of hand because you don't happen to think that this government can do anything right. We can't do everything right, but once in a while we have to have some successes and I would contend that the Economic Summit Conference is the beginning of a success, that it is a way and a path by which we will provide for greater successes as we all work towards those goals that we all share.

We're not going to abandon the conference; we're not going to abandon the process because some people are critical of it. We are going to accept that criticism, we are going to review it, and we, in fact, are going to try to apply it to make for a better process so that we can have better answers and better solutions. That is what we're going to do.

But, I've strayed somewhat from the bill before us - not in principle - but somewhat from the specifics. I just want to repeat them in closing, Mr. Speaker, because I think it's important that the record be very clear. The bill is there because it is needed to be there. The bill is there because it is intended to provide that framework and that focus and the mechanisms necessary to accomplish some very important things. What are those things? I repeat myself, but I feel it's important - direct job creation, job creation for people who don't have jobs. What could be more important, what could be more necessary, what could be more urgent than direct job creation for those who want to work? But, because of circumstances beyond their own individual control they are unable to work. And if for that alone, this bill is necessary, but it goes beyond that.

It talks about training and retraining. Well, you know, sometimes you have to get out ahead of the problem. You can't always content yourself with addressing the issues as they occur, addressing them after the fact; and we know that training and retraining is a necessary part of the development of our provincial economy over the long term. That, in fact, is why it is a part of the objectives of the Jobs Fund.

Job preservation, the third objective - well of course one has to create jobs where jobs don't exist, or at least be a part and of assistance to those to create jobs. But on the other hand, we know that many industries, small and large both, are experiencing difficult times and they need some help once in a while in job preservation, and we provide for that through this strategy, through this process. So we acknowledge that problem and I think we have addressed the issue and we intend to address it in more specific detail throughout the development of the Jobs Fund and its activities.

Finally, under other activities which may be appropriate to expand employment and offer valuable long-term assets for the people of Manitoba, long-term assets on which the economic structure of this society can flourish and develop, I think they are admirable objectives. I don't know as if we have all the answers, but I think we are going along the right path. I think as long as we do not stray from the right path, that we will in fact accomplish great successes and acknowledge and learn from the minor mistakes. That

is what we want to do; that is what we intend to do; that is what I believe the people of this province have mandated us to do and, Sir, that is what we will accomplish.

Thank you.

MR. SPEAKER, Hon. J. Walding: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. We have just had another example of what this government is really all about. It's words, Mr. Speaker, words only, and what this particular bill that we're debating is, it's simply a bunch of PR, a bunch of paper that has been shuffled within departments as pointed out by the Member for Turtle Mountain, and that's what we are talking about.

Do you know, Mr. Speaker, I remember back when I was in high school, I had a high school teacher who taught us a good lesson. It was an English teacher, and he said, Mr. Speaker - he passed away a few years ago - he was a respected man in the community and he says, you know, there will come a time when you have to learn to discern between popcorn and beefsteak, because there are some things of substance and some things that do not have very much substance to them. What we heard today from the Member for Churchill is one heck of a lot of popcorn. Mr. Speaker, that is what we have come to hear from that member.

You know, when he was in opposition and we could read chapter, line and verse, he chastised the previous government for, I believe, an unemployment rate of 22,000. It was absolutely terrible. The province was finished. It was all our fault. There was no such thing as a problem in Northern Manitoba because of the declining mineral prices. That was our fault. Now they sit here with 54,000, Lynn Lake being threatened, massive lay-offs in Thompson, and what does he say? He's happy with 54,000. Mr. Speaker, this particular Minister said one thing when he was in opposition and he is saying another thing now.

MR. SPEAKER: The Honourable Minister of Northern Affairs on a point of order.

HON. J. COWAN: Mr. Speaker, I think the record should be clear that I never have said that I am happy with 54,000 unemployed in this province. As a matter of fact, I think it's tragic and I think it is that reason why we are acting so decisively to bring this bill forward to assist those 54,000 unemployed. I'm not happy. Nobody is happy with it and, in fact, something must be done and something is being done by this bill.

MR. SPEAKER: Order please. I thank the Honourable Minister for that clarification.

The Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, some more popcorn. That's what we are getting from this man.

You know, he's now in charge of Environment, and what does he do? He announces today we're going to spray with Baygon. Remember what he said when he was critic? What did he say? He was haranguing us every day and trying to instill the feeling in the people out there that everybody that even got within 10 miles of the Baygon spraying was going to die. but this

member, Mr. Speaker, is exactly portraying the real reason behind this bill.

Because this government, Mr. Speaker, is shallow, and this particular bill does only one thing. It moves funds from the Department of Highways - I mean, you've almost got the Minister of Highways begging in committee for the opposition to go after him so he can go back to his colleagues and get some more money. What they did is they reduced the spending on Highways, which does what? - which provides an infrastructure. It's not just mowing grass, chopping a few trees down and things like that, make-work. It builds bridges. It builds drainage ditches. It builds an infrastructure which is there for future generations to have, but what do they do? They pull that out of the Minister of Highway's Estimates, and what are they going to use it for? We don't know yet. We don't know, but I just hope, Mr. Speaker.

I'm going to allow this bill to pass, but I want the members opposite to place this money back into the Highways Department where it belongs, back into the Natural Resources Estimates for drainage, Mr. Speaker, and not use this PR, press release game that they're using to shift funds from here, there and everywhere to try and make them look good.

There is very little new money in this, as pointed out by the Member for Turtle Mountain. We have seen the Highways budget cut. We have seen drainage cut in the Resources Department to bring this into this particular fund. I want to tell the members opposite that this popcorn approach that you have employed is only going to last so-and-so long because, I'll tell you, the people out there know what's happening. I don't care how often you want to put ads in papers or how you want to issue your press releases - the Minister of Education now is really going to set up her own press release machine and she's going to really churn them out now. But I'll tell you, the people out there are a lot smarter.

They know, for instance, that the Minister of Northern Affairs, when he was complaining about 17,000 and 22,000 people unemployed and that was totally disgraceful, here he is a member of a government that now has 54,000 unemployed. Now it's not his fault. It is the economic conditions of the world, but before - and Hansard shows it very clearly - that it was all the problems of that particular government.

The inconsistency and the popcorn that we are hearing from members opposite is something that will not stand the Manitoba people in good stead. I say to the members opposite, let's get on and do business in this province. Let's allow people to try and regain their self-respect, regain employment.

Mr. Speaker, I want to pass this bill here today. Hopefully, the members opposite will allow this bill to pass right now, so that we can at least use some of these funds which were taken from line departments, use some of these funds to build some roads, to build some drainage ditches and do something in this province.

QUESTION put, MOTION carried.

BILL NO. 61 - AN ACT TO AMEND THE INSURANCE ACT

HON. J. BUCKLASCHUK presented Bill No. 61, An Act to amend The Insurance Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

HON. J. BUCKLASCHUK: Thank you, Mr. Speaker.

The proposed amendments in Bill 61 are strictly of a housekeeping nature. They are necessary to make the automobile part of The Insurance Act consistent with the level of public liability insurance required under Autopac.

I, therefore, recommend this bill to the honourable members for their consideration and adoption.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker.

I'd like to move, seconded by the Member for Virden, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The time being 4:30, Private Members' Hour.

PRIVATE MEMBERS' HOUR

RESOLUTION NO. 6 - HYDROGEN RESEARCH IN MANITOBA

MR. SPEAKER: Private Members' Resolutions - Resolution No. 6, the proposed resolution of the Honourable Member for River East is standing in the name of the Honourable Member for Pembina, who has 18 minutes remaining.

MR. D. ORCHARD: Thank you, Mr. Speaker.

Well, I just had an opportunity to open my remarks on this resolution when it was last before the House in Private Members' Hour. At that time I had the opportunity to listen to some of the remarks made by the Minister of Natural Resources and his grave concerns as to the ecology of the world, and how this resolution would contribute greatly to bettering the quality of air and hence the quality of life throughout the whole industrialized world and indeed the world round.

Now, there's no question that if one were to choose an energy system which from an ecological standpoint would have no harmful and ill effects on the environment, one would choose hydrogen, no question about it because hydrogen is probably the cleanest fuel in terms of depredation to the environment that man knows.

The only other one that is probably better in terms of no damage to the environment is hydro-electric power development and power generation, because hydro-electricity in the vast majority of cases is one of the cleanest, most renewable sources of energy known to man.

Should we at some point in time develop the state of the art where we're into fusion reaction, we will

probably have the ultimate energy source for the world, but we're a long ways away from commercial fusion plants to generate electricity, but nevertheless development is proceeding on that. So that now hydrogen is the one that receives a great deal of focus.

During the time that I had the honour to serve in government, we had discussed a number of issues involving hydrogen development and hydrogen as an energy source, and many of the reasons for our interest as a provincial government in hydrogen were similar to the interests already expressed by speakers to this resolution. To create hydrogen as an energy source, of course, you need to split hydrogen from oxygen contained in water and that requires electricity. When you combine the pollution free source of electricity that we have on Manitoba, where 96 percent, 97 percent of our electricity is generated by water power, and combine that with the creation of hydrogen as a very pollution free fuel, you've got an ideal ecocycle in energy and Manitoba certainly would have a great deal of advantage there.

In transportation, one of the first places that one could envision a commercial use of hydrogen may well be in the air industry. I say that from the standpoint that one of the major problems with a hydrogen energy system for motive fuel is that cars require frequent refilling of their motive fuel. Right now the most economic ones, of course, are gasoline, diesel fuel, and more so now propane and even compressed natural gas.

Hydrogen - to get into that - car and truck transportation system would involve the installation of many hydrogen refueling stations, and that's of too great an expense right now to make hydrogen economical as a transportation fuel for our highways, but airports are a different thing. Airports, we have, say, one major airport that services our east-west transportation system, primarily in Winnipeg. To a lesser degree, we hope Brandon will still be able to offer jet service. Hopefully the actions of the government haven't prevented that from happening. — (Interjection) — It's approved now, oh well, that's indeed good news that Brandon's licence has been approved.

Now, in terms of hydrogen as a fuel, the airport and the aircraft system in Canada for our commuter airlines would be an ideal starting place at some time at approximately the turn of the century to bring in hydrogen as a motive fuel. I know there is research ongoing into hydrogen-powered aircraft, etc., and that no doubt is where we're going to probably see the first commercial use of hydrogen in the transportation system.

There have been some quantum leaps in hydrogen research and technology. A research firm in Texas has recently perfected the process of electrolysis so that, if my memory serves me correct, in reading the article the hydrogen yield is tripled and the efficiency is more than doubled in the process that they've developed.

Now, to date, with the standard process of electrolysis, the efficiency of hydrogen production has not been one that would make it commercially viable. However, research developments that have taken place, as I say by researchers in Texas, indicate that certainly the threshold is being crossed and the efficiencies of that electrolysis process are certainly possible and are indeed there.

You move to research in terms of mobile storage vessels for use in automobiles and other vehicles that may be converted to hydrogen use, and you've got aluminum-based storage tanks which are greatly increasing the carrying capacity of hydrogen and giving greater range to vehicles that are so converted. But by far in large the greatest use of hydrogen is going to be, no doubt, in the liquified hydrogen form; liquified and super-cooled so that the weight of your containment vessel is reduced so that you're not carrying great weights of pressurized tanks around with you. Those technologies are being developed, but I suggest that there may be some immediate use of hydrogen in our present economy as a supplement, say, to the natural gas distribution system, where hydrogen can be introduced directly to natural gas and provide a yet cleaner and more efficient fuel for home heating, etc.

But one of the areas that we were discussing in our term of government and I'll admit, strictly on a preliminary basis, was the use of hydrogen for heavy oil upgrading. Heavy oil, as I understand the chemistry of it, is a fairly lengthy carbon chain and if you can inject under an industrial process, pure hydrogen, you can upgrade heavy oil into very much higher-quality, lighter crude oils which are easier to refine, etc., and yield higher amounts of gasoline, diesel fuel and other motive fuels. So probably in terms of an industrial process, the use of pure hydrogen may well be triggered by the advent of increased heavy oil production from the heavy oil deposits in Alberta and northwest Saskatchewan.

Now, that leaves Manitoba in a rather interesting position because heavy oil will still be transported by pipeline and once hitting Manitoba, there is a great deal of economic advantage to having Manitoba serve as the upgrading place, the staging point for upgrading of that heavy oil in the province, because we have the electrical energy required to run the industrial process in such a plant and it would be a major plant, a big plant, a major investment; and secondly, we do have the electricity in abundant supply in Northern Manitoba to accomplish the electrolysis conversion of water to give us hydrogen to use in the upgrading process of heavy oil.

The hydrogen from a standpoint, if it was only possible to develop a market for it, would make good sense in making use of our surplus capacity in hydro-electric generation capability in Northern Manitoba. We do have extra capacity up there for quite a few time periods of the year. We seldom approach our peak load to match our peak generating capacity in Manitoba. We only do that very few times during the winter months when demand for space heat electricity is high. As everyone knows, you can't store electricity and your storage capacity on water in Northern Manitoba in the Nelson River system is limited - it's certainly there to some degree but it is limited. If you could find a market for hydrogen, and instead of spilling water over the spillways and losing its potential to generate energy, you were able to generate the electricity and then immediately use it to an electrolysis conversion of water to hydrogen and create thereby a product in hydrogen - and oxygen, to some extent - which could be stored, you would be utilizing to a maximum capacity our huge investment on the Nelson River in electrical generation.

There's no question that the hydrogen energy cycle is one that deserves a great deal of attention. It is one

that is a number of years off. I do not believe we will see any commercial developments of hydrogen and any commercial uses of hydrogen until probably the turn of this century, which is some 15 to 20 years away, before we find ourselves in what might be a commercial hydrogen fuel industry. But to approach that, certainly Manitoba has a place in the development of that industry because of our unique circumstance in Manitoba of abundant capacity to generate electricity needed for the process of electrolysis.

This resolution does point that out and to many degrees, we have no problem supporting this resolution. It is a direction certainly that we were considering as government and, indeed, any responsible government in Manitoba would consider hydrogen research as necessary and beneficial to Manitoba.

The issue of pollution is another one that, of course, all governments and all people of the world are turning their attention to. Certainly, we would want to address the hydrogen issue from the perspective and the standpoint of hydrogen being a very clear and pure fuel. That contribution to the debate by the Minister of Natural Resources, I must say, was interesting. We had no idea he was an expert in that as well, and we were very pleased that he put his expertise on the line when he addressed this resolution. He was able to tell us about the greenhouse effect and the carbon dioxide impregnation of the upper atmosphere without having to be in a plane and observing it from 30,000 feet up, as he so often observes many other ecological depredation of farmlands, etc., etc., where the Minister of Natural Resources uses his acute perception and his ecological eye to spot such horrendous farming practices as too much summer fallow in the U.S. side of the border in the Red River Valley, as he flies down to a meeting in Crookston. So we appreciate the contribution from the Minister of Natural Resources. It did, indeed, Mr. Speaker, add a new plane to this resolution, which we thought originally was simply to discuss the potential of the hydrogen economy in Manitoba and the research and development into that hydrogen source, as an energy source of the future. His contribution certainly added a new plane to this.

I thank you for your kind attention, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. E. HARPER: Thank you, Mr. Speaker. I'm glad to be involved in this discussion about hydrogen. As you know, hydrogen is a new source of fuel that has been debated and studied in the House of Commons by a Parliamentary Committee.

As you know hydrogen is a colourless, tasteless gas and it's odourless, and it's a desirable form of energy for several reasons. When hydrogen is burned, only water is the by-product. It can be produced from a variety of sources including water, coal and natural gas. The new energy sources, the solar, nuclear can produce electricity to split water into oxygen and the versatile fuel of the future, which is hydrogen.

Hydrogen is both an energy source and an energy currency. That is, falling water and solar energy are an example of energy sources, but electricity and heat are the energy currencies in the marketplace. Hydrogen is

unique that it may be produced from these new energy sources and can easily penetrate that part of the energy currency market that is now satisfied only by hydrocarbons. Hydrogen can also be transported and also stored in modified conventional natural gas distribution and storage systems.

Hydrogen is an energy supply. It is enhanced even further if one anticipates that, by the turn of the century, the major thrust for our fossil fuels will be the environmental factors and not the depletion scenario of the mid-70s. Thus, with the environmental benignance of hydrogen, it will be very significant in the marketplace.

Presently the most attractive methods of hydrogen production are electrolysis and thermochemical. In 1981, I believe, the Federal Government had a special committee on alternative energy and oil substitution. The report, I think, was entitled, Energy Alternatives. This report indicated that Canada should adopt a radically different energy system within the next half a century, based on hydrogen and electricity as opposed to oil, gas and coal. The unanimous report, prepared by the committee made of M.P.'s from all parties, from all regions of Canada, is a noble illustration of how sometimes above all squabbling, we can truly think of our country in an imaginative and courageous and perspective way.

The report goes on to say, the government should set aside \$1 billion over the next five years to foster development of a broad-based hydrogen energy system. As a matter of fact, in today's Free Press I was reading that Ontario has signed an agreement with the Institute for Hydrogen Systems with \$10 million in funds over the next five years to study and promote hydrogen utilization.

If governments act, hydrogen could capture a significant share of the energy market by providing fossil fuel for cars and buses, airplanes within the next few decades. It can be substituted for natural gas in the industrial uses and can heat homes and businesses. Also hydrogen, in terms of cost, is very cost-efficient. The Member for Thompson has said that in communities in the North where propane is used, that hydrogen could be used and much more, I guess, at cheaper cost.

As a matter of fact, for energy to be used by communities, in those communities has been lacking, first in the communities that I represent and also, I guess, most of the Northern reserves. We have been using mostly diesel plants in those communities with a service of maybe 15 amp service. Usually that could only provide, I guess, for your refrigerator or else your TV if you have a TV reception in your area, but it hasn't been able to develop itself as a community, because it lacks this energy, electricity to promote some sort of economic development like service industries, maybe have a bakery or because the source of energy that we have in communities is restricted by these diesel plants. Also it is very expensive in terms of cost.

For example, we built a facility in my community in Red Sucker Lake. We put in five poles and we wound up with 200 amp service. It cost us \$25,000 just to hook up that facility. I also wanted to hook up my band hall. We've got a community band hall and the pole is only about 18 feet away. The cost of - just generation cost was between \$5,000 and \$4,000.00. —

(Interjection) — This is electricity that is provided by the diesel engines.

As a matter of fact, just last week I attended the official opening of, I guess, the first on the east side of Lake Winnipeg, Bloodvein Reserve, where they're getting their main power line from the south. They just opened it up last week and I was glad to be part of that official opening of the community with relation to, I guess, getting energy. They will be able to provide maybe more community, more openings for them in terms of economic development and other services that they have been lacking. It will be able to, I guess, provide them with the full range of services.

If hydrogen were part of the Canadian revamped energy system, it would be a first and make Canada unique in the world and readily, I guess . . . depends on foreign fuel sources.

You know, there has been allocation of funds for research in Quebec for hydrogen fuel development. By this resolution, I guess we feel that Manitoba, because of its vast hydro-electrical generation capacity and potential, should be allocated some money to contribute to the development of the fuel of the future. I think this country and this province can lead the way for the rest of the other nations in the world.

As a matter of fact, it was also mentioned in the press that there would be a conference in Toronto next year. The conference is a World Hydrogen Energy Conference, and there will be experts attending that conference to deal with hydrogen energy.

I would support this resolution in terms of development and also in terms of some hydrogen alternative for some of the communities. Also it might be provided at a cheaper cost, rather than maybe spending millions of dollars on the present energy systems that we have.

So I'm glad that I have been able to take part in this debate, and I hope this resolution will go through supported by both members opposite and this side of the government.

Thank you.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. It's a privilege for me to rise and speak to the resolution that was brought forward by the Member for River East and I commend the Member for River East for bringing this matter to the attention of the House once again, because it has indeed captured the attention and concern of the House on previous occasions.

I'm not so sure, Mr. Speaker, that I agree with the onus of responsibility that he places. I'm not so sure that in taking this resolution and placing the onus on the Federal Government, he is really acting forcefully or with conviction, on behalf of the Manitoba Government, because one could argue, and I think rightly so, that other Provincial Governments are taking the responsibility themselves and where they see an opportunity - are carrying out action. I wonder at the narrow view he's taking, in saying, well, this is a good thing for the feds to do, because we have the hydro-electric energy and the pipelines and the water, and so on, and we have the makings, and it's up to the feds to take this and do something for us on it.

I remind him, as he already acknowledged to the House, that certainly the concern and the interest in hydrogen as an energy source in Manitoba was put forth a number of years ago, under the previous Conservative administration. It occupied note in a Throne Speech a number of years ago.

A colleague of mine, the Honourable Don Craik, as Minister of Energy and Mines, I know was working on it with his department. As his former Legislative Assistant, I'm aware that discussions were being held with private sector investors and private entrepreneurs, with respect to economic pre-feasibility studies on this area. Of course, I believe, that ultimately, as in most areas of new development and endeavour, the quickest way to ensure that something of this comes into production, to ensure that something of this nature becomes a reality, is to be able to demonstrate, through private entrepreneurs and private investors, that there is an economic reality, that there is an opportunity for economic return in creating something of this nature. And if there is, if it is demonstrated to be economically viable, if it does make economic good sense, than it will get under way very, very quickly. No amount of government tub thumping, no amount of government sort-of based analyses is going to work, if private sector investors do not see a return on their investment.

Probably that holds very little interest to members opposite because we have seen demonstrated very often, by their actions in government, that economic viability doesn't have a great deal of meaning in terms of their decision making and in terms of their decisions on investment. They rarely are tied to economic viability.

This government, of course, has done very little, thankfully, in terms of new initiatives and new investments, but their predecessor government, the New Democratic Government of the early '70s in this province, time and time and time again demonstrated to us their complete lack of interest or concern about the economic viability of endeavours in which they invested thousands and millions of taxpayers' dollars. I don't need to recall the litany of investments that they made: William Clare Publishing, King Choy Foods, Saunders Aircraft - on and on and on, none of which had a shred of economic viability or good sense. However, that didn't deter them from making those kinds of investments or from saddling the taxpayers of Manitoba with that kind of debt load that resulted in the kind of economic mismanagement that ultimately threw them out of government in 1977.

However, this endeavour is based on some sound reasoning. It's based on the reasoning that there is a generous supply of economic hydro-electric energy available in this province - indeed, a surplus. That surplus, of course, is again - thanks to some economic mismanagement on the part of that NDP Government of the early '70s - whereupon they built additional capacity, upon additional capacity, in our hydro-electric generating system in the province and we continue to have an installed capacity of 4,400 megawatts when, I believe, the maximum that we have used in this province, is something in the range of 2,600 megawatts. So we have unused excess installed capacity that is costing the taxpayers millions upon millions of interest dollars, unused capacity in the range of something of the order of 1,800 megawatts still waiting for an appropriate economic purpose in this province.

As a result, of course, the taxpayers are paying massively inflated rates, compared to what they would have to, were it not for that kind of forced development of hydro-electric energy capacity, that unwise decision making that was so well documented in the Tritschler Report.

However, being faced with that excess capacity of hydro-electric energy supply for this province, then it becomes incumbent upon this government, this successor government to the NDP thinkers of the '70s, to try and come up with some method of utilizing this hydro-electric energy supply, in some manner that would justify its construction and its existence there, in the hydro-electric system of Manitoba.

And, of course, we are and have been since the mid-'70s, all of us, very conscious of the need to find alternate energy sources; alternate energy sources that relieve our dependency on the hydrocarbon fuels of the world and, of course, one can enter into debate as to what amount of hydrocarbon fuel we still have on our earth to deal with, some would say that we have 20 years supply, some would say that we have 50 years supply, some would say that we have 500 years supply in the ground, untapped, in the world today. We don't know that, of course, and a lot depends on how quickly and how easily we relieve our dependency on the existing hydrocarbon fuels and get it onto new alternate energy sources. But it doesn't matter whether you argue that we have 20 years supply, or 500 years supply.

The fact is, I believe that virtually everyone agrees that it is a finite supply that exists in the world today and that finite supply says to us that at some point in time it will run out and at some point in time, we, as citizens of this planet, will have to have adjusted our lifestyle, will have to have adjusted all the things that we do in society today to relieve our dependency on hydrocarbons and transfer it onto alternate sources of energy.

Of course, the ones that look most promising to us are the ones that are pollution free. I believe, that at some point in the past, we thought that there was a great deal of promise in nuclear energy, but the Minister of Natural Resources said in his speech to the House on this particular resolution on the 7th of April, that the big problem that we have not managed to deal with or that has reared its ugly head in respect to nuclear power is, of course, the method in dealing with the wastes. The fact is that we have grave and well-founded concerns about whether or not we can deal safely with the disposal of nuclear wastes. Such being the case, there has been more or less worldwide a slowing down or, indeed, a moratorium on the development of further nuclear energy plants in the world. So that has changed our focus a bit.

We now proceed in the hope of developing other alternate energy sources that are pollution free. We talk in terms of solar energy, we talk in terms of wind energy, of harnessing the tides, and of course we have the one in Manitoba, which we have spoken about, which is hydro-electric energy. Although it doesn't have the kind of capacity to solve problems of a world scope in terms of alternate energy, it can be one small move towards decreasing dependency and one small step along the way.

The other one of course that holds a great deal of promise to us is the one that is under discussion today

in the resolution, and that is the development of hydrogen as an alternate energy source. Hydrogen, of course, has fascinated students, scientists and observers of the energy scene for a great length of time.

I read an article recently about the kind of experiment that is able to be carried out in high school laboratories where the class makes hydrogen from electricity and water. It's a science teacher's dream, it said. They hook up a battery to an electric current, flow through some water, and as the current flows a test tube slowly fills with a colourless gas. The teacher then brings a flame to the mouth of the test tube and pure hydrogen explodes with a pop to form water. Well, that's almost a dream in terms of, as the Member for Pembina said, the perfect ecocycle resulting in the burning of hydrogen, producing water. That kind of vision of the perfect energy source is repeated in another scientific article in which they show somebody bending down to the exhaust pipe of a hydrogen-fueled vehicle and drinking water out of the exhaust pipe, again a very perfect ecocycle that results in pollution-free energy forms.

As well, we have the continuing concerns that people express to us about not only the decreasing amount of hydrocarbon fuel that we have in the world today, the fact that it is finite, that eventually the sources will run out, but we have the increasing concern for the pollution that is caused by the burning of hydrocarbon fuels in today's world. Those concerns are laid out in a variety of different manners. I have a number of articles before me that tell about the increasing pollution in our environment as a result of the continuous burning of hydrocarbon fuels.

Earlier, as we listened to various speeches on this particular topic, we were very much in favour of the resolution that was brought forward by the Member for River East, but as speakers put forth their positions on it, and particularly the Minister of Natural Resources, he touched on a number of sensitive cords that brought to mind the kinds of concerns that we ought to be dealing with in considering a resolution of this nature. In particular, he talked about the burning of hydrocarbons contributing to the cause of acid rain in North America, something that has been awakened in our awareness in recent years, something that all of us are concerned about, something that, I, as a former Minister responsible for the Environment, attended meetings on and supported research into and that sort of thing. I know it's a continuing concern of this government and the present Minister of the Environment, the fact that the continuous burning of hydrocarbon fuels increases the incidence of acid rain in our country and throughout North America. It's something we ought to all be concerned about.

Indeed, the Minister of Natural Resources again in his speech on the 7th of April, referred to the pollution caused by lead in our hydrocarbon fuels and in reference to me, he said, "For example, the other day the Honourable Member for Tuxedo, Mr. Speaker, showed his concern with the Minister of the Environment about the lead pollution in our city. Why have we got lead pollution? We have lead pollution because we've been burning hydrocarbon energy for 100 years."

Well, Mr. Speaker, there is lead-free gasoline now, so we can reduce our concerns about lead in the

environment by moving to lead-free gasolines, but that isn't the only concern with respect to environmental pollution from the burning of hydrocarbon fuels. The fact of the matter is that in another article recently it said over the next century the earth's changing climate may give a whole new meaning to the phrase, beach-front property. The world's oceans have risen 4 to 6 inches in the past 100 years, scientists say, and as a blanket of pollution causes earth's temperature to rise, melting polar ice caps, the ocean is likely to rise even faster, soaking low-lying areas of land and sending storm-tossed waves crashing into coastal cities with increasing frequency.

Carbon dioxide concentration in the atmosphere already has increased from 315 parts per million in 1958 to 339 parts per million by 1980. Scientists now estimate the concentration will double some time between 2,040 and 2,080. This blanket that is caused from the heavy use of fossil fuels wafting skyward causes the earth to retain more of the sun's heat, and as a result of that of course we have various effects, one of which is the melting of the polar ice cap. The melting of the polar ice cap, ultimately, could lead to an increase in the level of the oceans of the world of 10 to 12 feet it says in some of the information that I have, or it could possibly cause the world seas' level to rise by 25 storeys, creating a flood disaster that would destroy seven of the 10 largest cities on earth. That's not very good news, and that is as a result of our continuing and increasing dependency on hydrocarbon fuels in the world today.

So as a consequence, looking at that, one has to ask oneself why we are just saying to the Federal Government, you should become interested in this whole area, you should be spending money in Manitoba. Why are we not taking matters into our own hands in Manitoba and saying, we have a responsibility here? We can do something about it. Why are we advocating that we put money, \$20 million, into ManOil to increase our dependency and our use and development of hydrocarbon energy sources instead of taking that money and putting it into hydrogen research and development? We have proven it through all the things that have been said by all of the speakers that were here on this particular resolution.

So, Mr. Speaker, I move, seconded by the Honourable Member for Sturgeon Creek, that the resolution be amended by deleting everything after the third clause of the preamble and replacing it by:

WHEREAS the world supply of hydrocarbon fuels is continuously depleting; and

WHEREAS the burning of hydrocarbon fuels results in the release of carbon dioxide into the earth's atmosphere, which has a long-term deleterious effect on our environmental health and is causing the polar ice caps to melt which could destroy the 10 largest cities on earth through flooding; and

WHEREAS this government plans to commit substantial financial resources to the exploration, development and production of hydrocarbon fuels which would exacerbate this environmental and atmospheric deterioration;

THEREFORE BE IT RESOLVED that the Government of Manitoba consider the advisability of cancelling its plans to establish the Manitoba Oil and Gas Corporation, ManOil, and reallocate the financial

resources to fund hydrogen research in Manitoba where the economies of production are the most favourable in North America.

QUESTION put on amendment, MOTION lost.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

Order please. The question before the House is the proposed amendment by the Honourable Member for Tuxedo to Resolution No. 6. Do you want the amendment read?

It is moved by the Honourable Member for Tuxedo, and seconded by the Honourable Member for Sturgeon Creek that the resolution be amended by deleting everything after the third clause of the preamble and replacing it by:

WHEREAS the world supply of hydrocarbon fuels is continuously depleting; and

WHEREAS the burning of hydrocarbon fuels results in the release of carbon dioxide into the earth's atmosphere which has a long-term deleterious effect on our environmental health and is causing the polar ice caps to melt which could destroy the 10 largest cities on earth through flooding; and

WHEREAS this government plans to commit substantial financial resources to the exploration, development and production of hydrocarbon fuels which would exacerbate this environmental and atmospheric deterioration;

THEREFORE BE IT RESOLVED that the Government of Manitoba consider the advisability of cancelling its plans to establish the Manitoba Oil and Gas Corporation, ManOil, and reallocate the financial resources to fund hydrogen research in Manitoba where the economies of production are the most favourable in North America.

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

YEAS

Messrs. Banman, Blake, Brown, Downey, Enns, Filmon, Gourlay, Graham, Hyde, Johnston, Kovnats, Nordman; Mrs. Oleson; Messrs. Orchard, Ransom.

MR. SPEAKER: Order please. May I remind all members that divisions are required to be taken in silence in this room?

All those who are of the opposing opinion, please rise.

NAYS

Messrs. Ashton, Bucklaschuk, Carroll, Cowan; Mrs. Dodick; Messr. Doern; Mrs. Dolin; Messrs. Evans, Eyler, Fox, Harapiak, Harper; Mrs. Hemphill; Messrs. Kostyra, Lecuyer, Mackling, Malinowski, Parasiuk, Pawley, Penner, Plohman, Santos, Schroeder, Scott; Mrs. Smith; Messrs. Storie, Uruski.

MR. CLERK, W. Remnant: Nays 27; Yeas 15.

MR. SPEAKER: The amendment is accordingly lost. Are you ready for the question?
The Honourable Member for The Pas.

MR. H. HARAPIAK: Call it 5:30, Mr. Speaker.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: The Honourable Member for The Pas.

MR. H. HARAPIAK: Mr. Speaker, I am pleased to have an opportunity to speak on the hydrogen research resolution put forward by the Member for River East. There is a lot of interest expressed in this form of energy and it appears to be going to be the fuel of the future.

The Federal Government shows that they believe that hydrogen has a promising future. In the past years, they have allocated \$1 billion which will go towards hydrogen research.

The corporation of Ontario Hydro, after conducting years of research, have come out with a report that stated that hydrogen dedicated nuclear generating stations would be cost-competitive by the year 1990.

We in the Province of Manitoba should also become involved because we have been hit by increasing energy costs.

We in the North are especially hit, affected by high energy costs because we do not have the natural gas that the people of the southern part of the province have. Even though natural gas has increased by tenfold in the last 10 years, in the last 8 or 10 years, propane has had even a greater increase than natural gas. — (Interjection) — We are faced with a declining reserve of natural gas as well.

There is a report issued by the Alberta Energy Resource Conservation Board which calculated that Alberta's energy reserve would be able to meet the needs of provinces east of Alberta only till the year of 1986. This may have been extended a bit because of the current recession but we still have to be concerned with a dwindling supply of natural gas.

Manitoba is in a position to take advantage of any future that hydrogen development has. Hydrogen is a non-polluting form of energy. It is produced by the process of electrolysis which passes an electric current through water. It can be broken down into the basic components of both hydrogen and oxygen. When hydrogen is burned it recombines with oxygen to form water.

MR. D. MALINOWSKI: How do you know?

MR. J. HARAPIAK: I've seen the experiment carried out.

Hydrogen can lead to a tremendous energy saving as well as an economic development in Manitoba in the future. With the rising costs of natural gas it will soon be cheaper to substitute hydrogen as a home-heating fuel. Home heating is one of the most attractive uses for energy.

The dangers of hydrogen gas are largely exaggerated because of one isolated incident that happened many years ago, and that was the Hindenburg disaster.

MR. SPEAKER: Order please. When this resolution is next before the House the honourable member will have 17 minutes remaining.

The time being 5:30, the House is adjourned and will stand adjourned until 2:00 p.m. tomorrow (Thursday).

