

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, March 13, 1973

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 20 students of Grade 11 standing of the Precious Blood School. These students are under the direction of Mr. R. Painchaud. This school is located in the constituency of the Honourable Member for St. Boniface, the Minister of Tourism, Recreation and Cultural Affairs.

We also have 60 students of Grades 4 and 5 standing of the George Fitton School. These students are under the direction of Mr. Ken Pugh, Mrs. French, Mrs. Cairns and Miss Day. This school is located in the constituency of the Honourable Member for Brandon East, the Minister of Industry and Commerce.

We have 28 students of Grades 5 and 6 standing of the Lord Roberts School. These students are under the direction of Mr. Johann and Mr. L. Chew. This school is located in the constituency of the Honourable Member for Osborne.

On behalf of all the Honourable Members of the Legislative Assembly I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees. The Honourable Minister of Mines and Resources.

PRESENTING REPORTS OF SPECIAL COMMITTEES

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I beg to present the first report of the Special Committee of seven persons.

MR. CLERK: Your Special Committee appointed to prepare a list of members to compose the Standing Committees ordered by the House beg leave to present the following as their First Report:

Your Committee met on Wednesday, March 7th, 1973 and prepared the following list of members to compose the Standing Committees ordered by the House:

PRIVILEGES AND ELECTIONS:

Hon. Messrs. Doern, Hanuschak, Miller, Paulley, Schreyer, Toupin. Messrs. Blake, Borowski, Cherniack, Einarson, Girard, Gottfried, Henderson, Johnston (Portage), McGregor, Malinowski, Petursson, Mrs. Trueman.

PUBLIC ACCOUNTS:

Hon. Messrs. Hanuschak, Paulley, Schreyer, Toupin, Messrs. Asper, Blake, Borowski, Cherniack, Craik, Ferguson, Girard, Johannson, McKenzie, Malinowski, Mrs. Trueman, Messrs. Turnbull, Uruski, Walding.

PUBLIC UTILITIES AND NATURAL RESOURCES:

Hon. Messrs. Burtniak, Evans, Green, McBryde, Schreyer, Messrs. Asper, Barrow, Boyce, Craik, Enns, Froese, Graham, Jenkins, McGill, Shafransky, Sherman, Spivak, Uruski.

AGRICULTURE:

Hon. Messrs. Burtniak, McBryde, Pawley, Uskiw, Messrs. Adam, Barkman, Barrow, Boyce, Einarson, Ferguson, Froese, Gottfried, Henderson, Jorgenson, McGregor, Turnbull, Uruski, Watt.

MUNICIPAL AFFAIRS:

Hon. Messrs. Doern, Hanuschak, McBryde, Pawley, Messrs. Adam, Barkman, Barrow, Boyce, Froese, Graham, Johannson, Johnston (Sturgeon Creek), McGill, McKellar, Moug, Uruski, Walding, Watt.

LAW AMENDMENTS:

Hon. Messrs. Doern, Green, Hanuschak, McBryde, Mackling, Miller, Paulley, Messrs. Adam, Barrow, Bilton, Boyce, Enns, Froese, Graham, Gottfried, Jenkins, Johannson, Johnston (Portage), Johnston (Sturgeon Creek), Jorgenson, McGill, McKellar, McKenzie, Patrick, Petursson, Shafransky, Sherman, Spivak, Mrs. Trueman, Messrs. Turnbull, Walding.

## PRESENTING REPORTS OF SPECIAL COMMITTEES

PRIVATE BILLS:

Hon. Messrs. Burtniak, Desjardins, Mackling, Miller, Messrs. Allard, Barkman, Blake, Cherniack, Einarson, Ferguson, Jenkins, Johnston (Sturgeon Creek), McKellar, Malinowski, Petursson, Uruski, Walding, Watt.

INDUSTRIAL RELATIONS:

Hon. Messrs. Doern, Green, Paulley, Messrs. Barrow, Bilton, Borowski, Boyce, Enns, Girard, Gottfried, Henderson, Jenkins, Johannson, McKenzie, Moug, Patrick, Shafransky, Turnbull.

STATUTORY REGULATIONS AND ORDERS :

Hon. Messrs. Doern, Desjardins, Evans, Mackling, Toupin, Messrs. Allard, Bilton, Cherniack, Girard, Gottfried, Graham, Johnston (Portage), McGregor, Malinowski, Moug, Shafransky, Turnbull, Watt.

ECONOMIC DEVELOPMENT:

Hon. Messrs. Evans, Green, Pawley, Uskiw, Messrs. Adam, Barrow, Boyce, Craik, Froese, Gonick, Johnston (Sturgeon Creek), Jorgenson, McGill, Patrick, Shafransky, Sherman, Spivak, Turnbull.

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

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Minister of Agriculture, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements; Tabling of Reports. The Honourable Minister of Universities and Colleges.

TABLING OF REPORTS

HON. SAUL A. MILLER (Minister of Colleges and Universities)(Seven Oaks): Mr. Speaker, I wish to lay before the table the following reports: The Annual Report of the University Grants Commission for the year ending March 31st, 1972; The Annual Financial Report of the Board of Governors of the University of Manitoba, also for the year ending March 31st, 1972; the Brandon University President's Report, for the year ending March 31, 1972; and the University of Winnipeg Report for the fiscal year April 1, 1971 to March 31, 1972.

MR. SPEAKER: Any other reports? The Honourable the Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General)(St. James): Mr. Speaker, I want to table a report as to the Trade Practices Inquiry Act. It is a nil report. Also the Annual Report covering the Department of Consumer and Corporate and Internal Services.

MR. SPEAKER: Ministerial Statements or other reports? The Honourable Minister of Labour.

MINISTERIAL STATEMENT

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Speaker, I would like to make a statement in connection with the unemployment situation as it pertains to Manitoba and I have three copies, Mr. Speaker, showing the most recent statistics that have come to my hand respecting unemployment. I am pleased to inform the House that the percentage of unemployment in Manitoba is reduced in February over January of this year from 5.9 percent to 5.6 percent and by comparison with February of 1972 a reduction from 6.3 percent to 5.6 percent.

At the present time, Mr. Speaker, on a comparative basis Manitoba is jointly with Alberta, the second lowest province in respect of percentage rates of unemployment in the whole in the Dominion of Canada. Canada's actual rate of unemployment for February was 7.3 percent. Ontario is the lowest in Canada, of 5 percent, Manitoba and Alberta share with a percentage rate of 5.6 percent.

When my friends in the Assembly, Mr. Speaker, look at the comparative labour force and the employment rates in the Province of Manitoba I am sure that all members will join with me in being reasonably satisfied of the increases that we have been able to achieve in the Province of Manitoba. There has been an increase in the labour force in February from 391,000 in January of this year to 394,000 in February, or an increase in the labour force of 3,000; and also, Mr. Speaker, this indicates an increase in the labour force compare of February, 1973. compared with that of February, 1972, of some 12,000 persons in the labour

## MINISTERIAL STATEMENT

(MR. PAULLEY cont'd.) . . . . force, indicating a growing community.

Also I suggest, Mr. Speaker, possibly even more important is the figures dealing with those employed in Manitoba. The figure for February of this year indicates that there were 372,000 persons employed in Manitoba as against 369,000 in January of this year, an increase of 3,000 people employed. And if we look at the comparative months of February, 1972, and February of 1973, we find that there are 14,000 more people employed in Manitoba this year over last year which indicates, I am sure, to all members of the growing economy in the Province of Manitoba.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights): Mr. Speaker, I thank the Minister for his statement. Certainly we on this side are happy with the reasonable progress that has been made, to use the terminology of the Minister of Labour, and certainly the fact that it has been a reduction is something that is quite acceptable. But, Mr. Speaker, I doubt if a rate of 5.6 percent is acceptable. Mr. Speaker, I suggest it is unacceptably high.

Now part of the reasons why the statistics for Manitoba appear to be good is because people are leaving Manitoba, and they are leaving Manitoba, Mr. Speaker, because there are not enough permanent jobs being created.

Mr. Speaker, I'd like to if I may refer to certain statistics which are dated as of March 31st, 1972, but which I'm led to believe from the Canada Manpower Training Program Office would apply equally as well as of this year, which indicate for Manitoba that there are a total of approximately 13,000 people who are on Manpower Training Programs in this province, and are not included in the statistical data that shows that 22,000 people are looking for work in this province. The breakdown would indicate that there are in skilled training 3,438 people, in language training 279, in academic upgrading 2,225, in apprenticeship 1,707, in training in industry 2,657, and there are 2,983 people who are training on the job in the province. Mr. Speaker, that means that there are 35,000 people who will ultimately be added to the labour force and who will be looking for jobs. Within the next six weeks students will be leaving the universities and the problems of unemployment will continue to rise and continue to be a major problem in this province.

I wonder if the Honourable Minister of Labour would be prepared, and I would ask him to furnish us with the information that would indicate the number of unemployed in this province who are between the age group of 17 to 19. And I say, Mr. Speaker, that until the picture is viewed from a total perspective of the necessity of permanent job requirement in this province, the statistics are misleading in suggesting that unemployment has been met or that economic conditions are as good as the government would like to suggest.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to thank the Minister for making the statement to the House and certainly the reduction of unemployed is good news to everybody and we'll accept it. On the other hand I think we should be concerned and remindful that there are still 22,000 people unemployed.

Second question, I don't think that we should be very happy with the figures of 5.6 percent that are unemployed, because I'm sure that we are aware for the last two months the weather has been very permissible, the construction has been going on, and I'm just concerned that this 5.6 percent is not the seasonal unemployed. I believe that this may continue into the summer. So I'm sure I would have liked to have heard the Minister make reference that I'm sure that many of these that are unemployed are not in the construction industry which usually takes place during the winter months.

I would have also liked to hear from the Minister of Education in the respect what program he has undertaken or what he will be doing in respect to the university students and high school students.

But, Mr. Speaker, while on the face of it it may appear that the figures may be satisfactory, I believe that they are not as satisfactory because certainly the weather has been good during the past two months and I'm inclined to believe that the 5.6 percent is not only seasonal unemployed, there are more.

MR. SPEAKER: Does the Honourable Member for Rhineland have a point of order?

MR. JACOB M. FROESE (Rhineland): On a point of order, Mr. Speaker.

MR. SPEAKER: Very well.

## MINISTERIAL STATEMENT

MR. FROESE: Does the government not have any papers that only two copies can be handed out? Certainly the rules do not prohibit, Mr. Speaker, that copies cannot be made available to other members of the House. I'm sure that the press must have got extra copies, and I deplore the fact that only two copies are made available.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: On the point of order. I only left my office a couple of moments ago. I picked up what were three copies and will be glad to give to my honourable friend a copy of the statistical figures for Manitoba and, if I may, Mr. Speaker, while I'm on my feet I will be pleased to give to the Honourable the Leader of the Opposition and to any other interested person in the Assembly, what statistical data I have in respect of age groups and the participation rates as between males and females. We're open house.

MR. SPEAKER: I'd just like to state for the Honourable Member for Rhineland and also to the Minister that it was not a point of order but it was a courtesy that could be practised.

Notices of Motion; Introduction of Bills; Oral Questions. The Honourable Leader of the Opposition.

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MR. SPIVAK: Mr. Speaker, my question is for the Minister of Health and Social Development. It is reported that the Federal Government has ordered the Canada Manpower Centres across the country to give absolute preference to job referrals to persons drawing unemployment insurance, and secondly to those on welfare, and thirdly to those who are unemployed. Now I wonder if the government can indicate whether it will be their intention to allow this practice to be introduced and to operate, or whether there will be an objection from the Provincial Government of Manitoba to the Federal Government on this?

MR. SPEAKER: The Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, my answer to the question is: alors, it's about time. We have no objections. I think the Premier has had correspondence with federal ministers and maybe he would like to comment.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm sorry. I wonder if the Honourable Minister could repeat his answer.

MR. TOUPIN: I said, alors, finally they are moving in the right direction.

MR. SPIVAK: Well my question then, Mr. Speaker, is to the Minister of Health and Social Development. As a result of his answer which would indicate approval of the fact that those on welfare would be included as second rather than as having first priority on jobs, is it the intention of the Provincial Government -- is it the intention of the Provincial Government to ask the Federal Government for additional support for those welfare recipients who are employable who are not in a position to have first preference on job opportunities?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Well, Mr. Speaker, I should advise the Honourable the Leader of the Opposition that some few weeks ago now I had written to the Prime Minister, the Right Honourable Pierre Trudeau, indicating that if the Federal Government intends to follow through with certain changes to The Unemployment Insurance Act, and certain other policy changes consequential thereon, that it will no doubt have some effect with respect to welfare levels and the amount of expenditures by the provinces with respect to welfare. So in the letter I indicated that we would expect the courtesy and co-operation of being advised by the Federal Government the extent to which they anticipate that their changes with respect to unemployment insurance may have an increasing -- an effect of increasing the amount of welfare expenditures. There is an interconnection I quite admit. I have not received a reply to date but I have proposed that the formula be agreed on which would take a base year beyond which if there is increase in expenditures, it be assumed 100 percent rather than 50 percent by the Federal Crown.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Speaker, I have a question for the First Minister, and it's not intended to direct the same question but I think there's a bit of confusion as a result of the answer. I want to understand from the First Minister whether it will be the Provincial Government's policy to recognize that Canada Manpower should in fact have a preference, first for

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(MR. SPIVAK cont'd.) . . . . people who are on unemployment insurance, secondly for those who are on welfare, and thirdly for those who are unemployed but are not on unemployment insurance or welfare. Does the province agree that Canada Manpower should operate in that manner?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, there was nothing implicit in my reply which would suggest that we do agree. In fact as the Honourable Leader of the Opposition realizes, the matter is a very complex and a series of inter-related aspects or problems.

If the economy as a whole fails to create new jobs in proportion to the increase in the labour force then of course there will be unemployment, and at that stage it seems to me a rather futile exercise to start arguing whether first priority ought to be to those on unemployment insurance as opposed to those who are able-bodied but on welfare or vice versa. I'm suggesting that despite the fact that in the last four years 23,000 new jobs have been created in this province, it still, as honourable members like to point out, has not been enough; 23,000 new jobs have been created. At this point in time I'm merely suggesting to the Prime Minister of Canada that if they persist in wanting to give right of first access to new jobs to those on unemployment insurance, then this will mean an upward pressure on the numbers and expenditures on welfare, and in that case, because it is of consequence of federal action, there ought to be a federal financial responsibility.

I think this answers my honourable friend's point.

MR. SPEAKER: Order, please. I should like to indicate that once again I must remind honourable members of Citation 171 in Beauschêne, and this is also in respect to answers which is contained in Citation 172, or 181 I should say. 171 says at the top "when putting a question the member must confine himself to the narrowest limits in making a question; observation which might lead to debate cannot be regarded as coming within the proper limits of the question." Let me point out in respect to answers: "Questions must be answered briefly, distinctly, and be limited to the necessary explanation. So let us do our work the way our rules have set out for us to do.

The Honourable Member for Wolseley, the Leader of the Liberal Party.

MR. I. H. (Izzy) ASPER (Leader of the Liberal Party)(Wolseley): Mr. Speaker, my question is to the First Minister in his capacity as Hydro reporting. Does Manitoba Hydro in connection with the Lake Winnipeg regulation intend to place a control structure downstream from Norway House on the east channel at Sea River Falls?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, as the Honourable the Member for Wolseley is aware, Manitoba Hydro is proceeding with the construction of control works and a generating plant at Jenpeg which is downstream of the Nelson River from Norway House. The site is referred to as Jenpeg. It is at the outlet of the short arm of the Nelson River into Cross Lake. I don't know if that's the geographical position my honourable friend is seeking but that's about as close as I can get without the aid of a map. I might add that it is the Jenpeg control works and generating plant that makes it possible for Manitoba Hydro to proceed with the development of the Nelson while avoiding high level flooding.

MR. ASPER: Could the First Minister explain how the government intends to deal with the 33 percent of the water of Lake Winnipeg that will escape under regulation by way of that east channel?

MR. SCHREYER: Mr. Speaker, I believe that the percentage referred to by my honourable friend is slightly overstated. I wouldn't attempt to quantify the precise amount of the overstatement. It is to my understanding more a question of the range of the 20 percent range that is to say 20 to 30 percent, but in any case the Utilities Committee will be meeting on Monday next and my honourable friend can ask the Chairman of Hydro directly.

MR. ASPER: I wonder if the First Minister could tell the House with the plan he's described, what the effect on water levels at Norway House will be, with the control structure system he's described. In effect, will it affect the new townsite and if so, is there a new townsite required?

MR. SCHREYER: Mr. Speaker, there have been of course, extensive engineering surveys and studies; there have been meetings with representatives of the community of Norway House.

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(MR. SCHREYER cont'd.) . . . . The advice given me is that there will be no significant effect on water levels at Norway House to the extent that there are, it will be very slight, it would be beneficial or enhancing, but it would be slight in any case.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I'd like to direct this question to the Minister of Agriculture. Is the Minister able to advise the House, if he's now in a position to announce, whether or not the Government of Manitoba has signed an agreement with the Federal Government on the proposed Small Farm Development Program. Is it the intention of the Minister of signing such an agreement and when, as this is urgent having had inquiries from many young farmers and federal credit people this past weekend?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, I am pleased to advise my honourable friend that negotiations are continuing in Winnipeg this week and hopefully will be finalized.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Minister of Municipal Affairs. Would the Minister be able to tell how many government vehicles are registered and insured out of the Winnipeg region?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Speaker, I think that the best plan, course of action, for the honourable member would be to file an Order for Return for this type of information, or else it could be dealt with during the Estimate review.

MR. PATRICK: Perhaps I can rephrase my question. Is there any cars that are insured in the Brandon region and are leased to the departments in Winnipeg and are used exclusively in Winnipeg?

MR. PAWLEY: That again should be submitted by way of an Order for Return, but I would like to just comment to the honourable member that the same principle that would apply to a private corporation would apply to a public corporation or agency, and therefore, that any vehicles used or insured under Brandon would be used in area No. 2 principally, but further information can be obtained in an Order for Return.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would like to direct a question to the Honourable the Minister of Mines and Resources. Will a report on the Canada land inventory be tabled at this session? I notice there is no allocation in the estimates for that purpose this year, and apparently the work must have been completed.

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

MR. GREEN: Mr. Speaker, I'll take the question as notice.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. It relates to the explanation given before the other series of questions. As a result of it, I wonder if I can pose a question that was asked before in this House but was not entirely answered.

MR. SPEAKER: Question please.

MR. SPIVAK: Yes, Mr. Speaker. Is the government now in the process of examining those who are considered unemployable on welfare and reclassifying them as employable welfare recipients?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker I don't see how the question is related to the question asked at the outset of the question period today but given the fact that it may be completely unrelated, I will try to answer, that insofar as the Department of Health and Social Development is concerned, I think that the Minister has advised this House in the past on at least one or two occasions that from time to time a review was made of those who are on caseload of social allowance, and if there is sufficient medical reason and support for a reclassification into unemployable, then that is the course of action taken. If the evidence and medical support is not there, then no change is made. I believe that that is about as good a layman's description of the administration of that program that I can possibly make at this time.

MR. SPIVAK: A supplementary question. I wonder if the First Minister can indicate to the House how many have been reclassified as employable?

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MR. SCHREYER: Mr. Speaker, that is a question for the Minister of Health and Social Development, and in any case, Sir, ought to be an Order for Return.

MR. SPEAKER: The point is well taken. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. My question is for the Attorney-General. Has the Attorney-General received a report from the RCMP re the alleged bribe made to the Minister of Health and Social Services?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I received a report some time ago indicating that on the basis of the information obtainable, there was no basis upon which proceedings ought to be taken.

MR. F. JOHNSTON: A supplementary question, Mr. Speaker. Does the Attorney-General intend to release the report?

MR. MACKLING: Mr. Speaker, historically and traditionally it has not been the subject, not been the practice of any government to release reports that are made by police.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I have a question directed to the Minister of Industry and Commerce, if I can catch him on the way to his feet. Can he advise whether he has any knowledge, or can he confirm that the Freshwater Fish Marketing Corporation is having to pay a seven percent brokerage fee in Chicago for the distribution of fish from Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, there are two points involved here. I don't know how you will handle it, Sir. In the first place it is the Minister of Mines and Resources, that is the Minister reporting for the affairs of that corporation in this House; secondly, any decisions governing the administration and operation of the Freshwater Fish Marketing Board is federal-interprovincial. The Province of Manitoba has one representative on a board that consists, I suppose, of nine or ten members. Sir, the Minister of Mines and Resources may be able to answer.

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

MR. GREEN: Mr. Speaker, at all events I don't think that I would answer as to an internal day to day managerial function of the Freshwater Fish Marketing Corporation, if I knew it.

MR. CRAIK: Mr. Speaker, perhaps I can ask a supplementary question. In the so-called rationalization of the fishing industry in Manitoba, wasn't one of the prime purposes . . .

MR. SPEAKER: Order, please. The honourable member is stating an opinion.

MR. CRAIK: No, Mr. Speaker, I'm asking a question. If it was not one of the prime purposes and aims of setting up the Freshwater Fish Marketing Corporation to do away with the brokerage costs that were being incurred through dealing with dealers in the Chicago area?

MR. GREEN: Mr. Speaker, as I understand it the main purpose of the legislation which was originally introduced by the Conservative administration was to have a better deal for the primary producers of fish in the Province of Manitoba.

MR. CRAIK: A final supplementary. I wonder if the Minister through his nominated representative on the board could determine and advise the House whether brokerage fees as indicated at seven percent are being paid to Chicago brokers?

MR. GREEN: Mr. Speaker, I had already indicated that even if I knew, which I don't, I would not consider that a matter of ministerial interference into the internal management of the Freshwater Fish Marketing Corporation.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, to the Minister responsible for the Manitoba Development Corporation, the Minister for Mines, will he undertake to ascertain for the House whether or not the salary paid to the President of Phoenix Data the government data computer company, is equivalent to the salaries paid to the Chairman of Hydro and Manitoba Telephone System, the two largest utilities?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I believe that that information is ascertainable but if the honourable member does not at this point have it, I'm prepared to get it for him. I will find out what his salary is and will rely on my learned friend being able to see whether it is equivalent to other things.

MR. SPEAKER: The Honourable Member for Fort Garry.

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MR. L. R. (Bud) SHERMAN (Fort Garry): Thank you, Mr. Speaker, my question is to the Minister of Health and Social Development. I wonder if he can confirm that the 1973 estimates for the Manitoba Health Services Commission contain the statement that there is no provision for amendments to the fee schedule for the medical services?

MR. SPEAKER: The question may be answered during the estimates.

MR. SHERMAN: Mr. Speaker, perhaps I can redirect the question to the Minister of Health and Social Development, and ask him in the light of the wording of the estimates for the Manitoba Health Services Commission whether or not realistic negotiations on a revised fee schedule with the doctors are continuing?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker it is possible for a revision of the fee schedule to continue.

MR. SPEAKER: The Honourable Member for Roblin. The Honourable Member for Fort Garry.

MR. SHERMAN: A further supplementary, Mr. Speaker. Is it more than possible; is it actually taking place?

MR. TOUPIN: Not at this stage, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Minister of Tourism and Recreation. Does the government have any plans for the erection of public housing on the west shore of Lake Winnipeg opposite the Hecla Island Causway?

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, I think that the honourable member knows that the Minister of Tourism is not involved in public housing. Now if you are talking -- if the honourable member is talking about cottages and facilities for recreation, yes at Grindstone Park we have plans there that I'd be pleased to discuss during the time of my estimates.

MR. MCKENZIE: Mr. Speaker, I have a supplementary question then to the Honourable Minister. What studies are the government carrying out regarding the feasibility and the economic cost benefit of the summer cottages.

MR. DESJARDINS: Mr. Speaker, is the honourable friend limiting himself to that area? Oh well this study has been going on for awhile and it's still going on.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, to the Minister of Education. Could he confirm that we understand him correctly in answer to a question that the operations of Phoenix Data are to be merged with the Manitoba Government's central computer service in the Norquay Building -- is Phoenix Data to be merged into the government's central computer facility?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, that is a matter which is under review now. The Province of Manitoba has a computer rationalization task force in much the same way that the Province of Ontario has established a special task force to look at the advisability of rationalizing computer capability within all agencies of the Crown and the departments of government themselves, so this is very much a matter under consideration at the present time here and in other jurisdictions that are trying to keep up with modern times in terms of the latest technology.

MR. ASPER: Well in view of the answer, Mr. Speaker, can either the First Minister or the Minister of Education indicate to the House where they intend to spend the 500 to 700 thousand on the High School Computer Service Program. Is it on the Phoenix Data corporate operation, or the government's central computer system?

MR. SCHREYER: Well Mr. Speaker, that is a matter of internal policy which will be indicated in due course. They are both facilities owned by the Crown in any case, and I might add that the one facility was purchased at a considerably lower cost in relation to its capability than is normally obtainable.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, my question is again for the Minister of Education. Have tenders been let for 107 chassis to be delivered to Flyer Industries of Manitoba and if so, can the Minister tell this House what is intended to be built onto these chassis?

MR. SPEAKER: The Honourable Minister of Education. Order, please.



## ORAL QUESTION PERIOD

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Mr. Speaker, tenders have been called for somewhere in the order of a hundred-odd chassis. It would appear to me -- now whether or not tenders have been let at this particular point in time I do not know, but I will take that question as notice. What is intended to be built on the chassis? If it should appear that the chassis is designed for a bus then we'll build a bus, or a bus on each chassis.

MR. BARKMAN: Mr. Speaker, I wonder if the -- will the Minister also tell us if these buses will be tendered for or bought directly from Flyer Industries of Manitoba.

MR. HANUSCHAK: As has been the practice of this government, we'll buy the bodies in the most economic manner possible, in the best interests of all the people of the Province of Manitoba.

MR. BARKMAN: Mr. Speaker, I had not intended this last supplementary question but is it true that perhaps that every bus going out of there, the taxpayers are losing approximately \$1,500, 00.

MR. HANUSCHAK: Mr. Speaker, I'd be most happy to debate that point with the honourable member during my Estimates.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: To the First Minister, my question --(Interjection)--

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

MR. ASPER: To the First Minister, Mr. Speaker. Do we correctly understand him to have said that in connection with the regulation of Lake Winnipeg there will be the control structure at Jenpeg but nothing on the Nelson River east channel at Sea River Falls.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I invited my honourable friend to ask that question directly of the Chairman of Manitoba Hydro. I can advise my honourable friend that there is no immediate plan for any regulating structure on the east channel, and there may well never be. However, it is a matter of engineering study and it depends on any cost on the cost benefit ratio of it. But I cannot confirm at this time that there is any intention to proceed with even a small regulating structure on the east channel. I believe the question could be answered in much more detail on Monday.

MR. ASPER: Well in view of the answer, a supplementary, Mr. Speaker. Has the First Minister not been advised that there -- in the absence of such a regulatory structure on the east channel, that there will be some flooding in Norway House, requiring the possibility of a new townsite.

MR. SCHREYER: No, Mr. Speaker, I have not been advised that. I've been advised that the effects of the Jenpeg control structure and Lake Winnipeg regulation, that the effects community of Norway House would be insignificant if not virtually immeasurable.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Yes, Mr. Speaker, I'd like to address my question either to the House Leader or to the Minister of Public Works. I'm not quite sure who's in charge. Is the name on the billboard or on the board at the entrance of the building showing the Member for St. Johns as the Minister of Finance going to remain there until he's reappointed or will it be changed?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I can only advise my honourable friend that the question of a Minister of Finance is something which if he and I were only a little more in tune politically is something which perhaps I could discuss with him . . .

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is directed to the Attorney-General. In view of the fact that there are three Ministers of the Crown being sued because of their actions as Ministers of the Crown, my question is: is the department, or is the government paying for all legal defence in this case? --(Interjection)--

MR. GREEN: Sir, on a point of order I too am being sued. So I want the honourable member to know that there's more than three are being sued.

MR. SPEAKER: That was not a point of order. The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, if it is true . . .

MR. SPEAKER: Order, please. The Honourable Attorney-General.

MR. MACKLING: If what the honourable member says is true, and that has to be

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(MR. MACKLING cont'd.) . . . . . determined yet, then we will consider the question as to how any defence would be paid for.

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

MR. G. JOHNSTON: Mr. Speaker, in view of the fact that still another Minister is being sued for a personal action, will the Crown be paying his defence costs?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I don't know what the Member for Portage is alluding to but the clearly understood distinction here surely is that if there is a lawsuit relative to a Minister of the Crown in his capacity, in his actions as a Minister of the Crown that is one thing; if it's got to do with some personal or private action of course, it is quite a different thing and it's very clear that there would be no, obviously, no involvement of public moneys.

MR. SPEAKER: Order of the Day. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, the other day the Honourable Member for Virden gave me notice of a question that he was going to ask of me in connection with the buckling of a boom on the housing project on Edgeland Boulevard in Tuxedo; I assured my honourable friend that I would give him information as quickly as possible in regard to the incident. I would like to inform him, Sir, that the Workmen's Compensation Board has primarily the responsibility for the enforcing of safety regulations in Manitoba. The Employment Safety Act which is administered by the Compensation Board requires that all industrial trades and processes be carried on in a safe manner, and this would include the climbing cranes of the type used on the construction of the Edgeland Boulevard housing project.

Although there are no regulations under the Act applying to climbing cranes specifically, it is the Board's policy that before climbing cranes of this type may be installed at any site that they must be tested either by magnaflux or X-ray, both of which are widely accepted tests for determining if there is metal fatigue or any structural defects. Where a crane has been installed and has been in use for more than one year on the same site, it must be retested for structural defects. These tests are carried out by the Workmen's Compensation Board in co-operation with the Department of Labour's Mechanical and Engineering Division. The climbing crane used on the Edgeland Boulevard housing project was tested prior to its being installed at the site and there was no indication at that time of any structural defects in the crane. The crane is now in the process of being examined and tested by specialists to determine if the accident was caused by a structural defect in the metal, and the results of this investigation should be soon available, and I will be glad at that time to further inform my honourable friend.

MR. SPEAKER: The Honourable First Minister. The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Yes I'd like to direct a question to the Honourable Minister of Universities and Colleges. I wonder if he now knows how many full-time teachers are involved in the IMPACTE Program?

MR. SPEAKER: The Honourable Minister of Universities and Colleges.

MR. MILLER: Mr. Speaker, I'll take the question as notice; when I have the information I'll report to the House.

MR. SPEAKER: The Honourable First Minister.

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

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Riel.

MATTER OF GRIEVANCE

MR. CRAIK: Mr. Speaker, I wish to take a few moments to raise a matter of grievance on supply motion. Mr. Speaker, this matter of grievance is raised in response to a statement made in this Chamber by the First Minister with reference to the costs of the Lake Winnipeg control and Jenpeg power sites.

It has been stated in this House on February 23rd by myself that the costs now estimated by the government exceeded by approximately \$77 million, the original costs which were indicated to members of this Assembly. The First Minister on March the 9th, last Friday, in reply to a question stated that this difference of cost is ludicrous and ridiculous, that in fact

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(MR. CRAIK cont'd.) . . . . . the cost indicated has always been much higher than \$100 million.

I would like, Mr. Speaker, to take the opportunity to substantiate for the members of this Legislature and the public the factual information that has been provided to the members on these costs.

First of all the last stated cost by Mr. Cass-Beggs to the Public Utilities and Natural Resources Committee are contained in the proceedings of that committee. These are contained and provided as reference on Pages 12 to 13 of the September 10th, 1971, meeting of that committee, in which it is stated that all inclusive costs of the Lake Winnipeg control is \$50 million plus or minus five percent.

2. The Jenpeg study report on August 1971, of August 1971, states on Page 21, Section 71, conclusions, and I quote: "162 megawatt station can be constructed concurrently with the control works for an estimated cost of \$54,776,000.00" These costs do not include -- and it states in the same paragraph -- do not include \$36,666,000 attributed to Lake Winnipeg control, and they do not include as indicated in a sub-notice in the same paragraph, they do not include the power line.

Thirdly, Mr. Speaker, the combined total estimated costs of Jenpeg and Lake Winnipeg control is then \$54.8 million indicated to the Public Utilities Committee through the report, which everyone has made available to them, and \$50 million, as indicated by Mr. Cass-Beggs as being a firm figure, and a total -- giving a total of \$104.8 million plus the powerline costs. Therefore, as stated on February 23rd, 1973 the costs given to the members of the Legislature were in the range of a total between 100 and 110 million dollars.

Fourthly, Mr. Speaker, Manitoba Hydro issued a press release in September, 1972, stating that the First Minister had attended a Hydro Board meeting at which time total cost for the project was then estimated at \$177 million. While this increase alone should be staggering enough, it is also known that since that date problems in the channeling work have added further complications and may well now cause the estimate to exceed \$177 million. That we will hope to find out, Mr. Speaker.

Fifth, Mr. Speaker, it was generally estimated in the beginning by a former member of the Manitoba Hydro Board, Mr. D. L. Campbell, and others, that the combined costs would be closer to \$200 million rather than the \$100 million indicated by the government and by Mr. Cass-Beggs at the Public Utilities meeting. There should be no question at this point that Mr. Campbell's estimates were in fact closer in 1971 than those of the government.

Finally I would like to say, Mr. Speaker, that if the First Minister in fact finds the cost discrepancy stated by us to be ridiculous, he must surely now ask himself if the entire Lake Winnipeg control project cannot now be considered as ridiculous. At the present time we have no alternative but to accuse the government of misinforming and misleading the people of Manitoba about the true costs of Lake Winnipeg control and Jenpeg development when this project was undertaken in 1971. We have documented our position; the First Minister has not documented his, and I believe he has a direct responsibility to do so.

Mr. Speaker, that's the matter of grievance which I wish to raise. It is a serious accusation by any First Minister to suggest that a member has in fact, the next thing to lied in presenting figures to this House. The figures that were presented by the Opposition in this House are documented figures on evidence placed either in the Public Utilities Committee or in statements in fact made by the government itself.

The government cannot shed off the responsibility to Manitoba Hydro in this matter. The First Minister was in attendance in the fall of 1972, last fall, when the high figure, higher figure of \$177 million was released and of course there must be a background to his involvement in this decision. There is no question at this time, I don't believe in anyone's mind that sat through Public Utilities Committee in addition to the documented information, there is no doubt that the total cost of Lake Winnipeg control, plus Jenpeg, was generally considered to be of the order of \$100 million.

Mr. Speaker, our position is well founded, this project should be considered in the true light of what it really is. It is a disaster project.

MR. SPEAKER: Motion agreed to. The Honourable Member for Logan. I indicated the motion agreed to. I call for the Chairman of the Committee.

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MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, we are on the Estimates of the Department of Mines and Resources and I can deal with the subject matter of the regulation, conservation and control of our water resources. It has been discussed under the Estimates of this department already in the past few days. Mr. Speaker, --(Interjection)-- Mr. Speaker, there is a very definite historic pattern the extent to which the conservation and control of the water resources of our province do excite frenzied argument and debate in this Chamber. Accusations of construction costs far in excess of original estimates, accusations of estimates being revised as the engineering and construction proceeds along. My honourable friends of course would like to forget the fact that decisions made with respect to the development of the Nelson River are based on sound engineering advice, and that the development of the Nelson River has as a very important intrical part of it the requirement for certain waters to be diverted from the Churchill River, and also for some regulation of Lake Winnipeg, so that additional quantities of water can be made available in the winter low flow period rather than simply being excess to requirements flowing through the generating stations on the Nelson when water levels are high and the flows are excessive.

It's interesting that my friends in the Conservative party are still continuing their old tactic which is pretending that Lake Winnipeg regulation is not a necessary feature of the Nelson River Hydro Electric Development Project.

MR. WARNER H. JORGENSON (Morris): Mr. Chairman, I rise on a point of order. When the Estimates of this department was first brought before this House, the Member for Riel was talking on this particular subject, and I draw to your attention the statement made by the House Leader which was confirmed by you Sir, and you'll find it on Page 402 of Hansard. The House Leader said: "Mr. Chairman, perhaps we'd better have some points of order on this subject so there can be some understanding. I believe that the proper break then is that the Hydro economics of the question are a proper responsibility of the Minister to whom Hydro reports. The effects as they affect the environment and possibly the question as to whether the departments or the government, through my department, have given sufficient consideration to these effects are probably the authority of my ministry, but I do not think we should have a debate on the Hydro economics of the issue in this department."

And, Sir, your reply was: "I think that the point is well taken. I think the honourable member -- I think the honourable member under the department -- I think that we have to stick relevant to the resolution that is before us."

Now the First Minister had an opportunity to reply on the grievance, and the reason it was raised as a grievance because at that time the House Leader denied my friend, my colleague, the Member for Riel, the opportunity of raising that particular issue during the course of the estimates. Now this is what the First Minister is doing, and if the rule applies to this side of the House then I submit, Sir, that it applies to that side of the House as well, and the First Minister is out of order.

MR. CHAIRMAN: The Honourable Minister of Mines and Resources on the same point of order.

MR. GREEN: Mr. Chairman, on the point of order. The honourable member has read my remarks correctly. I said that I thought that there should be the distinction between Hydro economics and the result of the Hydro program. I pleaded with my honourable friend to make that distinction. He said that there was no such distinction, and continued to talk about the two prices at which time I said, "fine, continue but don't expect me to answer for money which is not paid in my department." The remarks that I heard the First Minister make up until this point have had nothing to do with Hydro economics; they have had to do with the environmental and other water resource result of the Hydro program, which everybody has been into, and I don't see why the First Minister can't also discuss it on these estimates.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: On the point of order.

MR. CHAIRMAN: Same point of order?

MR. SPIVAK: On the point of order, Mr. Speaker. The Premier simply has to tell the truth, that's all that's required. All he has to do it indicate whether the Honourable Member for Riel's statements are correct or not.

MR. CHAIRMAN: Order, please.

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MR. SCHREYER: Mr. Chairman, this is incredible that . . .

MR. CHAIRMAN: Order. Can I just make the point clear here. I think that . . .

MR. SCHREYER: He of all people should talk about telling the truth. Him?

MR. CHAIRMAN: I have heard nowhere so far the First Minister mentioning money and therefore he is not out of order. The First Minister.

MR. SCHREYER: Well, Mr. Speaker, I certainly don't expect special treatment under the rules but I do expect equal treatment under the rules. Therefore what has to be determined is whether the Member for Morris was in fact correct when he stated that no one had been allowed to speak to the point of Hydro economics in its relationship to water resources. I believe that a perusal of Hansard will indicate whether the Member for Riel has in the past day or two on the estimates of this department in fact spoken about Hydro economics. If he has, then I expect equal rights; if he has not, then I will desist from speaking about Hydro economics and talk about water resource development and the extent to which it has taken place in the province in the past decade and the extent to which, quite apart from Hydro, there has been deviation from original estimates with respect to certain major water control works in this province, quite apart from Hydro.

My honourable friends are trying to pretend that a deviation from estimates is something that originates only now for the first time in the history of this province. I would simply like to remind them if they make a simple little check on two projects that they had some responsibility for, the Portage la Prairie Diversion and the Red River Floodway, that by the time that the projects were constructed that in the case of the Portage Diversion, for example, they were deviating from estimates in the order of 75 to 80 percent. Now let them check that if it isn't the truth, because the first information that this House was given the estimates of the Water Control and Conservation Branch back in 1962 -- and I was a member here sitting here at that time -- we were given figures of nine million, ten million, eleven million, but does the world know that the cost of the Portage la Prairie Diversion ended up in the order of nineteen million, and they're still not through . . .

A MEMBER: And no water going down it either.

MR. SCHREYER: Does the world know that when we were given in this Chamber the initial engineering estimate with respect to the cost of construction of the Red River Floodway we were given a figure of 54 million, and that by the way was carefully brought forward so as to make it difficult to find out what the period of amortization and the interest rate factor being used was, so they spoke in terms of 54 million amortized over 50 years for an amortized cost of 188 million at four percent, and in fact what is the cost or money in the construction of the Red River Floodway, and what will be the final amortized costs? Will they be 20 or 30 million dollars below what they told this House would be the construction cost, the cost of amortization? Mr. Speaker, I certainly don't have to stand here and accept, that from all people the Member for River Heights, the suggestion that I knowingly and willingly misled this House with respect to engineering cost estimates. I would find it hard to take from anyone, but from the Leader of the Opposition of course it is a perversity to be accused in that manner since he is one who can understand that best by looking in the mirror.

In any case, Mr. Chairman, the facts of the matter are that the figures that were brought forward in the initial instance with respect to Lake Winnipeg regulation, Churchill River Diversion, and the whole development of the Nelson River, we are dealing in very great, with a very great water resource and energy development. And here we are, Sir, with an effort -- I don't know whether it's by design or inadvertence but there is this polar extremity on the part of my friends opposite. There are those who will do their very damndest to stop Churchill River diversion; and there are those on the other hand who have always opposed Lake Winnipeg regulation, and who by definition therefore were in favour of maximization of the level of flooding of Southern Indian Lake. And as far as I am concerned they are both extremists, and the government is trying to follow the best engineering advice so that we can proceed all right with the development of the Nelson River development, which has a potential great benefit to the people of this province. We are trying to do so by means of combining two water schemes, Churchill River and Lake Winnipeg regulation, in a way that will minimize flooding on both of them.

Mr. Speaker, it will be so simple, it would have been so simple to simply forget about Lake Winnipeg regulation and to have therefore proceeded with that abortive 1969 proposal to

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(MR. SCHREYER cont'd) . . . . go with the high level one million acre flooding of Southern Indian Lake, and we didn't feel, Sir, that that was in the long-term interest and so after considerable study, considerable engineering analysis, it was decided that a combination with the proper timing of Lake Winnipeg regulation plus Churchill River diversion at South Indian Lake would make it possible to reduce the environmental disturbance, community disturbance, etc., at South Indian Lake by virtue of getting some dependency, some reliance on storage on Lake Winnipeg for winter flow supplements. Mr. Speaker, that is the simple essence of the matter. Honourable friends opposite in the two different groups are playing polar opposites on this, one attacking Lake Winnipeg, the other attacking Churchill River diversion. Mr. Speaker, the Nelson River development must proceed.

My honourable friend the Member for Riel wants to talk about figures like 50 million, 54 million. He doesn't include transmission costs; he did not include some other factor there. I have indicated to him on a previous occasion that he should on Monday next when the Chairman of Hydro, the Chief Executive Officer of Hydro will himself be present to answer questions directly. He will be able to get a sequential account with respect to the extent to which there has been revision of estimates on the Lake Winnipeg regulation project. I can tell him now that what he refers to as a \$50 million figure was brought forward in its first firm manner at 56.5 million, 56.5. His suggestion about the cost of building 150 kilowatt or 150 megawatt plant at Jenpeg, which is a part of the development at Jenpeg, regulation plus the building of a power plant, he uses a figure of 54 million or 55. That figure is only a conceptual one and in its initial instance was never to be described as an engineering figure. The chief executive officer of Hydro will be able to deal with those aspects in more detail.

I tell my honourable friend the Member for Riel that the cost of bringing in a 150 megawatt plant at Jenpeg at the latest cost figures we have will develop power at a unit price which will be comparable to other plants that we have in the system. Otherwise, Mr. Chairman, there clearly would not be any development of a generating facility at Jenpeg if the cost-benefit ratio were less than parity, obviously so.

Of course I wonder in retrospect what all of the cost-benefit ratios that were stated in the reports of about nine years ago, or ten years ago, on flood control works at Portage la Prairie and around Winnipeg, if all those haven't been thrown into a cocked hat as a result of the extent to which constructions costs deviated from initial engineering estimates and initial conceptual estimates of cost. And then of course one knows that predicating a project on the basis of four percent money is simply unrealistic, and history has proven that to have been a false assumption. At least I can tell my honourable friends that when we do -- when Manitoba Hydro does its cost analyses it does it on a basis of interest rates that are in line and realistic with interest rates that prevail, and are more likely to prevail in the future, than the four percent interest rates that were used in all of those, not so many documents but the two or three documents that were circulated in this Chamber back in the days of the previous administration.

Mr. Speaker, do my honourable friends want to talk in absolute dollar terms or percentage terms? If they want to talk in absolute dollar terms it must be viewed in the context of the whole development of the Nelson; if they want to talk in percentage terms I would prefer them once again to check back on their own works that they have wrought such as the Portage la Prairie Diversion and please tell us the percentage extent to which they deviated from engineering estimates. I can do a calculation in my head right as I stand here on the floor, \$11 million, 11.2 million, a final cost in the order of 19.2 million. What kind of cost escalation would that be, Sir?

A MEMBER: How about the Convention Centre? It's the same thing.

MR. SCHREYER: There are always of course problems when one goes into any large scale project but in the end one must rely on a cost-benefit ratio that will hold up to be above parity into the foreseeable future. Of course the easiest thing to do, Sir, would be to forget about all these developments, to forget about the Nelson River, or if we proceed to go ahead with half plants, half-sized plants, and I'm sure that the Member for Riel would be among the first, at least I hope he would, to admit that it would make the economics of Nelson River development absolute -- not absolute but nonsense to a very large degree. The economics that have to be realized on the Nelson River are such, the plants must be built of a size that maximizes the available water flows in the summer which in terms of winter flow, which is

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(MR. SCHREYER cont'd) . . . . obviously short, has to be supplemented. Therefore, Mr. Speaker, all in all my honourable friends had better contain their curiosity until Monday or Tuesday, until Monday next, the 19th, when the Committee on Utilities will meet with the Chairman of Hydro present.

MR. CHAIRMAN: The Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, when the Premier spoke in the Throne Speech debate he gave us an impressive set of documents which he stated were all the documents on the Hydro projects, very impressive, all the studies - - I think it was this high. And he did that for the benefit of the Leader of the Liberal Party.

Mr. Speaker, the Honourable Member from Riel has expressed certain statements in this House and has documented it from the reports presented by the Premier. The Premier has spoken for the last few moments and has not answered at all the representations made by the Honourable Member from Riel. Mr. Speaker, Mr. Speaker, the Premier has used sarcasm and invectives and talked about the Nelson River project without answering the specific charge that he and his government have misled the people of Manitoba into believing the economics of Lake Winnipeg and Jenpeg were justified on a cost of \$100 million. The Honourable Member for Riel referred to the fact that Premier Campbell made a representation that the cost would be closer to \$200 million and he was laughed at by the then Chairman of Hydro and by the government. Mr. Speaker, there are two myths; in fact it could be suggested two falsehoods that are being perpetuated by the Premier in every conversation on this subject and by the government. One is that in some way high level has been effected directly as a result of the work that is being undertaken on Lake Winnipeg regulation. Mr. Speaker, the suggestion is that if you do not proceed with Lake Winnipeg you will have high level diversion, and - - (Interjection) - - Mr. Speaker, Mr. Speaker, that has nothing to do with high level diversion. The second myth is that the costs of the project were justified on the basis of \$100 million but now because the information is out and there is no way in which the government can back away from it, they now have to acknowledge that the cost was really never \$100 million but was always much higher, and that the increased cost that we're now talking about is only a ten percent rise. Now, Mr. Speaker, one has to question the credibility of a First Minister who at this time has to answer the political attack of his opponents but who has to remember his own moment in history with respect to a Hydro project that will be reviewed a decade from now, in which the record will show that the Premier has stood up in this House time after time and has stood up on the public platform and has in fact misrepresented the costs of Lake Winnipeg regulation and Jenpeg to the people, and has attempted to justify a political action that was made at the time to avoid dealing with Churchill diversion, but unfortunately for him he's had to deal with it before the election not after.

Mr. Speaker, the words of Douglas Campbell come true when he suggested that the government was going to have to face up to the situation that the Nelson River project was going to have to be proceeded with, and that Churchill River diversion was going to have to be proceeded with, and that the economics were such that they would justify that it should commence first, and that Lake Winnipeg may be necessary but if it would be necessary it would be necessary after 1990, and that the economic justification by Mr. Cass-Beggs, and by the government, is not true because the costs that were proposed were not correct.

And, Mr. Speaker, the Honourable Member for Riel has presented facts. He has presented an argument that is supported by statements and by the documentation presented to this House the other day by the First Minister. The First Minister has not answered. Instead he has used, he has used his position to talk about the broad picture of the Nelson River project and to suggest that in some way that answers the specific charge. The charge remains, and the charge has not been answered, and it will be up to the people of Manitoba to determine who is really telling the truth.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, I don't expect the Leader of the Opposition to fully understand the nature of the Nelson River development because he has demonstrated that despite his four years in office as a Minister there were a number of things that went on that he later felt he did not quite understand or know about. The fact remains, Mr. Chairman, that in the initial instance the regulation and control of Lake Winnipeg for purposes of Nelson River

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(MR. SCHREYER cont'd) . . . . Development was talked about in terms of a simple regulation and control system and at that point in time figures were used of \$50 million, and then very soon thereafter of \$56.5 million. There has been cost escalation I admit. The engineering cost analysis shows that there has been an escalation. It is in the order, to the best of my understanding, in the order of \$10 million with respect to the control works.

Now my honourable friends want to bring in the question of the generating station. My honourable friends had better price what a 150 megawatt generating station should cost anywhere north of the 53rd parallel. Now let them not try to mix apples and oranges. We're talking about Lake Winnipeg regulation and control, a figure of 50, then 56 million. I have indicated there is an escalation there in the order of 10 million, say 10 or 12 percent according to the information I have. Now if they want to bring in the dimension of a generating plant, a 150 megawatt generating plant, they had better compare that what it should cost with whatever information they have, and they are free to ask the Chairman of Hydro with respect to the probable cost of bringing in a plant of the equivalent size anywhere north of the 53rd parallel of this province. So let them not combine a generating plant with a control structure and say that there is that kind of gross deviation in estimates.

Having said that, Mr. Speaker, one could go on at great length to explain to the Leader of the Opposition once again that there is a relationship between Lake Winnipeg regulation and the amount of diversion and flooding that is required at Southern Indian Lake, because if you do not proceed with, and examine this, Sir, if one does not proceed with Lake Winnipeg regulation now, but admits that in about 15 years it may be necessary then, Sir, if as a result of doing what is admitted likely to be necessary in 15 years now, it makes it possible to avoid a high level flooding on Southern Indian Lake -- (Interjection) -- then why wouldn't you do it that way, Sir? And the fact remains that even though doing it in this sequence has made it possible to reverse the absolute madness of Bill 15 that was introduced in this House, and let the Leader of the Opposition not pretend that that never occurred, because right in the bill, right in the bill their motives were exposed for all to see, to go to a high level flooding that's what they intended to do. It's not my say-so; it was right in the bill. Now they pretend that a high level flooding was not necessary after all. That's true, it's not necessary providing one proceeds with Lake Winnipeg regulation. -- (Interjection) -- Well if you say that, why didn't you say it in 1969? -- (Interjection) -- How dare you say that now when you tried to force this Legislature to put through a bill that would have resulted in 30 foot flooding?

MR. CRAIK: It's not related to Lake Winnipeg.

MR. SCHREYER: Well, Mr. Chairman, the Member for Riel says it's not related to Lake Winnipeg, and, Mr. Speaker, the reason that they were going to the high level flooding is because they wanted to get the storage capability, the water storage capability on Southern Indian Lake. The reason they wanted to get it there is because they weren't making provision for any storage capability on Lake Winnipeg, which is something that only they can answer for because it was right in the initial concept back in 1966. And for whatever reasons, for whatever motivation, which I hope some day history will uncover, they reversed their course of action of 1966-67 which called for both Lake Winnipeg regulation and Churchill River Diversion, both clearly enumerated in the plans and the concepts and in the formal agreement with Canada, and they tried to drop one altogether and go for a monstrous high level diversion at Southern Indian Lake. Now they say it wasn't necessary. Well my God what were they doing in 1969, February, March, April when they brought in that bill, which would have meant flooding of a million acres, the displacing of a whole community, the complete transplantation of it; not just any impingement but a complete inundation and transplantation of it. Now they have the gall and the intellectual dishonesty to say that it wasn't necessary. -- (Interjection) -- Why did you bring in that Bill?

A MEMBER: Your studies you said it. Do you ever read them?

MR. SCHREYER: Yes, and you didn't have the foresight to proceed with any studies before you brought in that bill or sufficient studies. But, Mr. Speaker, it is not as though we, on this side are saying that the high level flooding was unnecessary, their own words in the last twelve months, only in the last twelve months unfortunately. I think Hansard will show that on perhaps ten occasions now, different of them have stated, and Hansard will show this, that high level flooding is not necessary. They're saying it now; which in effect means that they



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(MR. SCHREYER cont'd) . . . . are pulling the rugs out from under themselves with respect to what they did in -- or tried to do in 1969. And there can be no divorce, there can be no divorce of the inter-relationship between Lake Winnipeg regulation and Lake Winnipeg storage for the Nelson River and the level of diversion required at Southern Indian Lake. There cannot be any divorce of the two, they are intimately connected.

You know, Mr. Chairman, it is such a fundamental fact and point. It lies at the very basis of the Nelson River development concept that for the honourable members now to pretend otherwise is staggering. If there was no connection, then it obviously should have meant that in 1968 when they abandoned Lake Winnipeg Regulation, as an integral part of the Nelson, indicating however that they might do it 15 years later, so that they weren't really solving the problem, they were postponing it; but because they didn't have the guts to proceed and therefore were postponing it for 15 years, it meant one thing, they had to get their storage in the interval by high level flooding of Southern Indian Lake, 869 feet to 872 -- one million acres of flooding, 20 feet of water over the whole community; the complete transplantation of a whole community etc., etc., all because they tried to take a shortcut based on political expedience. That's the nature of the way they were proceeding. Quite a far cry from the way they proceeded in the early 1960's when there were a few different men in the government on that day, in the early 60s, because I suppose if they had fiddled around in the early 60s the way they did in the late 60s, then I don't know if there would be flood protection around Winnipeg, or a diversion at Portage, or a dam at Russell, and by the way, let no one say that there can't always be amateur engineers to second-guess what the engineers propose.

If one only takes a very cursory glimpse at the 1958-59 engineering flood cost commission report, there are a multiplicity of options and alternatives contained therein -- great argument and debate as to which was the better course of action; a dam at Russell and a dam at Holland, or a dam at Russell or Shellmouth, and a diversion at Portage, in combination with the Red River floodway, etc. In fact, there was a minority report by one of the Commissioners that there ought not to be a Red River Floodway but rather a dredging of the course of the Red River as it flowed in its natural bed through Winnipeg, etc., and there was great controversy and debate.

It is proving to be no different now with respect to the development of the Nelson but we do not intend, Sir, because the amount of potential good for the people of this province by the development of the great Nelson River water resource requires that certain things be done, and that they be done in a certain sequence, in order to maintain the integrity of the cost-benefit economics involved, and also in order to avoid a flooding and a removal of a whole community, necessitated now because they were postponing for 15 years, and only 15 years, doing something that they would ultimately have to do later anyway.

And so, if they are worried about the cost of Lake Winnipeg regulation now, and the member admits in 15 years it will be necessary, then presumably 15 years from now it would be all right for him if he were a member of the government in that day, in that future date, if there was an over-ride over engineering initial, engineering estimates, then presumably no one should say anything about it at that time, or what is my honourable friend suggesting? The point is that the amounts involved here are based on the best engineering calculations and advice possible; the cost benefit ratio is above parity; it is worth proceeding with. And my honourable friends obviously if they are really desirous of getting at the full facts will have full opportunity to do so in a matter of what now -- today being Tuesday, in less than a week, and I think they can contain themselves that long.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, when the professor was talking he had his hands like this as if he was in prayer, and, Mr. Speaker, what I believe he was thinking was, please God allow me to be able to talk about other things, irrelevant things; allow me to be able to use certain figures; allow me to be able to present my case in such a way that no one will in anyway be able to discern the facts that I have no facts to answer the charge that has been made. Mr. Speaker, the First Minister has suggested, do we have the guts? I will say to him, does he have the guts to allow technical experts to come before the Standing Committee of Public Utilities on Lake Winnipeg regulation and Jenpeg and give their testimony -- not Hydro Members, no hearings now, no hearings now. Allow this present Standing Committee to have

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(MR. SPIVAK cont'd) . . . . people come forward and deal with Lake Winnipeg regulation and Jenpeg. Is he going to have the guts to allow the facts to be placed on the table, or is he going to try and avoid, as he has just in the last few moments, the charges that are being made.

Mr. Speaker I want to refer to the letter of Douglas Campbell, dated June 28, 1971, and I want to refer just to two or three paragraphs and I leave this with the Premier, because it's my belief that Douglas Campbell's, you know, concern has proved to be correct; that what he suggested was going to happen is happening, and that his original proposal that the government proceed with the Nelson River project and the Churchill Diversion first was the correct one, and what we have now is a political decision that is going to cost the people the \$177 million without any real economic benefit.

In his letter he says and I quote, and it's on page 7, "Therefore the government shares with the Board the responsibility for a plan that will forego the many millions of dollars annually that would have been available by developing the Churchill River Diversion rather than Lake Winnipeg regulation. To waste the \$50 million, and I predict it will greatly exceed that estimate, on this scheme is bad enough, but to have such a sterile investment costing us huge amounts of money every year instead of a viable and remunerative development that would generate profits as well as energy and thereby make it possible to keep our power costs the lowest in Canada, is tragic." And he finishes, Mr. Chairman, in this paragraph, "Time will tell whether I am right or wrong. I confidently await time's verdict, but I shudder to think of the unnecessary financial burden which will be forced on Hydro users in the meantime and for all time to come."

Mr. Speaker, that is going to be the legacy of Ed. Schreyer in this province.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, I welcome the last, if only the last comment of my honourable friend, that one I welcome. I certainly do await with serenity the judgment, shall we say, of history with respect to the development of the Nelson River and all of the components necessary to the development of the Nelson.

Now it's rather interesting Mr. Chairman, that we have this continued, this continued battle, disagreement, controversy. We have on the one hand the Leader of the Opposition wanting us to bring forward certain experts that are quite bound and determined to show that the economics of Lake Winnipeg regulation and power generation are not impressive, that they are non-existent in terms of economic benefit, and then on the other hand we have the "Stop, Look and Listen" crowd. Now the "Stop Look and Listen" crowd have never opposed Lake Winnipeg regulation because to give them credit for one thing, they know that without Lake Winnipeg regulation the Churchill River diversion would have had to be carried out on a scale of about 55,000 cfs and about 30 feet of flooding, in other words the monstrous high level diversion.

Now look, Mr. Chairman, they can't have it both ways. The two twins of the apocalypse the Leader of the Opposition and the Leader of the Liberal Party, they can't have it both ways. The one is fighting Churchill River diversion the other is fighting Lake Winnipeg regulation, and if we had neither of those two, then the Nelson River development is a colossal stupidity and blunder. Now let that fact sink in. Now of course, the Leader - - look, sit down, I'm not nowhere through. The Leader of the Liberal Party has talked about stopping looking and listening with respect to Churchill River Diversion; the Leader of the Opposition is saying, proceed, and in fact it's too late, you should have proceeded earlier and higher and faster with Churchill River diversion. They both have their sets of experts, and frankly, Sir, we have listened to both.

We have listened to Hydro engineering advice. We have listened to the interpretation by our Hydro engineers of the consulting studies done by Underwood and McLellan, Crippen Acres etc., etc., and we have come to certain conclusions: (a) that the Nelson River project must be proceeded with in all of the plants downstream on the Nelson from Kettle, and that in order to avoid the ludicrous spectacle of building half-size plants there has to be supplementation of water flows on the Nelson, supplementation and in the winter, supplementation plus. Certainly to do that means supplement from where? Well supplement by means of a combination of diversion from the Churchill River, but not the monstrously high level flooding of 1969 which was stopped, but a lower, more modified scheme plus therefore, because the quantum of water involved is lesser, therefore it has to be made up by means of dependency on storage from Lake Winnipeg to supplement winter flows.

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(MR. SCHREYER cont'd)

Now there it is in laymen's terms. And I know that we can continue from now as we could have with the floodway debate, and the Portage diversion debate, and the Holland dam debate. We could continue ad infinitum arguing among the different options open. Mr. Chairman, in the end one has to proceed and try to salvage what is still a very good development, the Nelson, and to do it in a way that maximizes the future returns for the people of this province and maximizes the utilization of a renewable resource, water which will, as long as rain falls, continue to flow. We are living at a time when this generation, young people living today, in their very young years are already of that generation that will be looking at a very definite finiteness, limitation of availability of fossil fuels, therefore it is to me incredible that we should be so torn amongst ourselves with respect to the development of a renewable water resource which we know we're going to harness some day. Therefore, why not harness it sooner so as to obtain the benefit that will derive from it in the interval between now and when you would admit you had to do it anyway instead of letting it run to the sea unharnessed.

It is not as though, Mr. Chairman, that by using water energy sooner rather than later that we are somehow adding to the sum total of available water energy at some future date. Because we are not detracting; it is not a storeable energy form in the same sense as a pool of oil underground or a field of natural gas underground. It is not storeable and therefore postponable as to future use. It flows. If you're going to harness it in 1985 or 1988, harness it now if there is a productive human use for it that can pay the amount required to cover the cost of producing it with a margin for the people of this province.

. . . . . continued on next page

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

MR. G. JOHNSTON: Mr. Chairman, I believe some of the members in this House weren't in 1965 when the first debate began about the proposal. And although I was here then I still don't know all the information and facts on which to base a judgment, I have heard this battle refought a hundred times I suppose, either at public meetings or in this Chamber or in the Public Utilities Committee. And one thing that does disturb me is that we don't seem to be learning anything from history.

The Premier alluded to the Portage Diversion. At that time there was a small but vocal group in the Portage area who were against it and were fighting it out but the massive power of government was brought into force and there was no way that thing could be stopped. And as the Premier said, the costs escalated, problems have developed. To this day there are problems there that members - except for the Member for Lakeside probably don't know about. That that Diversion at Portage is changing drastically, the makeup of Lake Manitoba and it's helping to destroy the Marsh. Now I'll talk about that later, but I make the point. Why didn't government - why doesn't government give people a chance to voice their objections? Why don't the government give - in the case of the Portage Diversion there was no chance for anybody, there was a couple of highly political emotional meetings held and that's all. The government didn't change, they wouldn't let people have a reasonable say, they just gave them a chance to get it off their chest and then they proceeded. And we have now, now we have the spectacle in the past two years, of the Premier now of this province and the Leader of the Opposition who was part of the administration that put in the Portage Diversion, both saying that the Portage Diversion I guess was a mistake, there should have been another approach taken to solve the problem of time to time flooding on the reaches of the Assiniboine down river from Portage. Well can't we learn from that? Can't we say in the case of the case of the South Indian Lake debate that there have been so many groups of people . . .

MR. SCHREYER: The honourable member, a point of privilege. I hope my nonhonourable friend does not mind it.

MR. CHAIRMAN: The First Minister.

MR. SCHREYER: I would not like the honourable member to leave it on the record that I have stated that the Portage Diversion was a mistake. I made only two points. Number one, was that the cost escalation in the end was approximately 80 percent over what was initially presented to this House; and Number two, that if, if the decision had been taken for a dam at Holland, Manitoba, the Portage la Prairie Diversion might not have been necessary. But without the other I wouldn't want it to be described as a mistake just pure and simple.

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

MR. G. JOHNSTON: Mr. Chairman, I stand corrected but I allude again to the Portage Diversion it was based on a cost benefit ratio based on an original cost in the neighborhood of 10 or 11 million dollars. So the cost benefit ratio isn't worth a darn when the cost comes out at 19 to 20 million. So perhaps I over simplified the Premier's statement. But the Leader of the Opposition said it was a mistake, he said it last year if he was reported correctly in the newspapers.

Now I return to the South Indian Lake controversy. Surely when there are so many different groups of people and it's been said that some of the differences of opinion is for political reasons, and I will buy that too, some people politically are opposing it perhaps for reasons of their own and perhaps through sincerity. When we have a member, at least one member in the governing party who has been sitting in caucus and has probably heard more about the planning of the South Indian Lake operation than members in the Opposition of late years have heard, it disturbs me that a member, at least one member on the government caucus and we're told there are more, are differing with their front bench on this matter. It disturbs me that when we find the community affected have hired lawyers to stop it, try and stop it. My God, Mr. Chairman, if this thing was going to take place in Elmwood or Tuxedo or Selkirk there would be a civil war before that thing took place.

MR. GREEN: It happened numerous times.

MR. G. JOHNSTON: The Minister of Mines has said it's happened numerous times.

MR. GREEN: That is correct.

MR. G. JOHNSTON: Well all I am saying is this is a democracy and people shouldn't have things rammed down their throats without proper hearings and without doing it the democratic

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(MR. JOHNSTON cont'd) . . . . manner. And the Minister is the one that had the law changed, so we couldn't discuss it in here.

MR. GREEN: Mr. Chairman, on a point of privilege. I had no law changed which avoided any discussion in this House.

MR. CHAIRMAN: I think the point is well taken . . .

MR. G. JOHNSTON: Mr. Chairman, I take that statement back, but I make this statement, that he had the law altered so that the Manitoba Hydro didn't have to get a licence from the Water Board.

MR. GREEN: That is also not correct, you know, that's Newbury falsism. It is not true, there is a licence, a licence was issued . . .

A MEMBER: Without hearings.

MR. GREEN: There was a licence and there was no requirement under the previous law to have hearings, for my honourable friend's benefit. --(Interjection)--

MR. G. JOHNSTON: I apologize again to my honourable friend, but did he not have it arranged, by law, so that the Water Commission didn't have to hold hearings or were not -- were unable to hold hearings. --(Interjection)--

MR. GREEN: No, Mr. Chairman, if my honourable friend will give me two minutes I will give him the facts.

MR. CHAIRMAN: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Under the Act as it was previously to the Cabinet changing it, which I am one member, the law required that an advertisement be published telling people that the Hydro intended to do this and asking them whether they were for it or against it. And we said, knowing that the decision has been made it would be a fraud to publish such an advertisement. The Act then said that the Minister "may" ask that public hearings be held. The Act, I believe has not been changed in that respect. The Act said that the Director of Water Works shall say that this is a good project and we said, that knowing that this is a government position we were not going to hide behind the Director of Water Works to sign that certificate, it had to be signed by the Minister. Those were the changes. None of which eliminated the need for a licence, none of which changed any effect of those laws or whether public hearings had to or did not have to be held. They eliminated the need for an advertisement which would have caused more misunderstanding than exists at the present time. The Honourable Member for Wolseley is publishing many advertisements. He has an opportunity of having the law changed. He can get the members on this side of the House who are free human beings, and the members on that side of the House who are free human beings, to exercise the democratic process, bring this government down and that way prevent the Nelson River Program which he is opposed to. That is my understanding of the democratic process.

MR. CHAIRMAN: The Honourable Member for Portage.

MR. G. JOHNSTON: Mr. Chairman, when the Minister has the Chairman of the Water Board removed because there was a disagreement between them . . .

MR. GREEN: Mr. Chairman, as a matter of fact, if the honourable . . .

MR. CHAIRMAN: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: I knew that the honourable member doesn't --(Interjection)-- All right let him make any misstatements that he wants like you do. Forget about it.

MR. G. JOHNSTON: I do not intend to make a mis . . . --(Interjection)--

MR. CHAIRMAN: Order!

A MEMBER: You're a damn liar.

MR. CHAIRMAN: ORDER! The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Chairman, I apologize, if the Minister did not have the chairman removed. I thought he did.

MR. GREEN: Mr. Chairman, I did change the chairman but not for the reasons indicated by the honourable member. That's right.

MR. G. JOHNSTON: Mr. Chairman, the Minister is mighty touchy. I fail to see the technical difference that he's talking about here. A chairman that wasn't going along with what his thinking was --(Interjection)--

MR. SCHREYER: On a point of privilege.

MR. CHAIRMAN: The Honourable First Minister.

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MR. SCHREYER: Now there we have a specific statement which I -- now the Member for Portage la Prairie I regard as one who would be willing to yield for a minute to attempt to get the facts. He refers to the Chairman of the Water Commission as not going along. The other day I read a letter from the Chairman of the Water Commission on to the record in which he indicated approval for proceeding with a diversion of the Churchill River. Now if the honourable friend would like I will get the letter from my office and I will send it along to him so that he may read it.

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

MR. G. JOHNSTON: . . . his word and I apologize if this was the interpretation that I put on, was that there was a difference of opinion and one had to go.

MR. GREEN: I gave the reason at the time.

MR. G. JOHNSTON: Mr. Chairman, I return to the different groups who have been dissenting with the government over this matter. The South Indian Lake Indian group who are taking objection and are going to court with their objections. The Metis Federation of the North, is that . . . ?

MR. GREEN: Manitoba Metis Federation.

MR. G. JOHNSTON: Yes, they're objecting to the government's action in this matter. There's a churchmen's group of the north who are disagreeing. As I said, there are some political people who are disagreeing. There's a group at the university who are expert in the field of water management and hydro matters. They're disagreeing with the government. Surely, Mr. Chairman, government should at least give these people a chance, preferably by a Royal Commission. But my friends opposite will say well it's too late the operation is entrain, it's started. But then they can take at least one other course, and that is this, that the Public Utilities Committee should not be held down by the government's majority. If we want to call expert witnesses or people we think are expert in the field who take the opposite tack to what Hydro take then I appeal to the government to let us call those people before the Public Utilities Committee; and if it takes two weeks straight or whatever time it takes, to have both sides at Public Utilities so that the members who vote on that committee can hear both sides. And that's all I ask, that's all I ask. That because of the controversy across the province and the growing opposition -- in my opinion there's growing opposition -- the government has a duty to even with their Public Utilities Committee where they have a majority, not to stifle the Opposition who want to call expert witness before the committee. That's all I ask.

MR. CHAIRMAN: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. . . .

A MEMBER: I have a suggestion I want to make.

MR. CHAIRMAN: The honourable member has already been recognized once -- in this debate.

MR. GREEN: That is correct, Mr. Chairman, the honourable member has not been recognized and if . . .

MR. CHAIRMAN: I said in this debate that has been taking place on resolution 82 (a) (1) the honourable member certainly has been recognized.

MR. GREEN: I think he's referring to today, Mr. Chairman. I am prepared -- I don't believe that I have been . . .

MR. CHAIRMAN: Order, please. The Honourable Minister of Mines and Natural Resources.

POINT OF PRIVILEGE

MR. PAULLEY: May I on a point of personal privilege, because every member of this committee of the Whole House is entitled to personal privilege. And the Honourable Member for Riel was casting aspersions on the Chairman of this committee, and I regret as a member of this committee that one who has been a Cabinet Minister of the Government of Manitoba should conduct himself so. And I suggest, I suggest, Mr. Chairman, whether there has been or has not been a recognition of my honourable friend from Riel that this is not cause enough for him to cast aspersions on the conduct of this committee. Mr. Chairman, as far as . . .

--(Interjection)--

MR. CHAIRMAN: Order, please.

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MR. PAULLEY: Mr. Chairman, I rise on a point of personal privilege, which is the prerogative of every member of this Assembly. And if the honourable member . . .

A MEMBER: State your point of privilege.

MR. PAULLEY: I have done, because my point of privilege, for the benefit of the Member for Morris, was because one of the honourable members of this committee was casting aspersions on the manner in which the Chairman of the Committee was conducting the proceedings. And surely to goodness my honourable friend from Morris, who is chirping of course as he normally does, seated on his butt, suggested that is not a point of personal privilege, I say, Mr. Chairman, that every member of this Assembly has the right of personal privilege and I am exercising that right right now.

MR. CRAIK: Mr. Speaker, I want to raise a matter of privilege here as well. The last day when I spoke on the Estimates I presume you were referring to Mr. Chairman, the bounds of the matters which we were to discuss were fairly well spelled out and were adhered to when I spoke on them. They were. Mr. Chairman, you made a ruling at that time and that ruling was stuck to. What you have done today in order to get back at what I consider is an injustice on behalf of the government, I had to use up one grievance which each member of this House is allowed to use in a session. Mr. Chairman, there was answers given to that by the First Minister without him having to use up his grievance in reply, answers, Mr. Chairman, which would have been ruled out last day on the grounds which they involve, namely, the economics, the dollars and cents of the project involved.

Mr. Chairman, the answers to them introduced a great amount of material which was incorrect and which I could have raised - rose on a point of privilege to correct the First Minister. And I rose twice following his remarks to answer them and was ruled by you informally, Mr. Chairman, that I had in fact already spoken once. Mr. Chairman, I did not speak on this matter that was raised the last day because it was ruled by you that the matter of the economics on Lake Winnipeg development were not within the bounds of discussion of this department. So, Mr. Chairman, I raise a grievance now with your rulings.

MR. GREEN: Mr. Chairman, let me on the point of order indicate that no such ruling was made, no such ruling was certainly adhered to. There was a comment made by myself saying that I would like to have the lines drawn, then saying I'll let the honourable member speak and try when I can. I did try, and after I did, Mr. Speaker, after I did, this is the remarks made by the Member for Riel, after the so-called ruling that he is talking about was made. The project at that time was indicated to be a cost, a total of 50 the cost of the controls for Lake Winnipeg were to cost \$50 million. It was generally accepted that this was the cost for the project with some additional costs for power aspects of it. The total of these, Mr. Chairman, and I refer you to the Jenpeg information that was filed in August 71 showed a cost figure which put it in the vicinity of totally 100 million.

The next three paragraphs Mr. Speaker, which he says he made after a ruling was made that he couldn't make them and I invite my honourable friend to look and see whether that is in fact so, were made in exactly the same vein as his grievance today. He can't come in here and whine that he was forced to make these remarks today because he was forced by your ruling not to make -- Mr. Chairman, no ruling was made. Observations were made, the member was never ruled out of order and in fact made the remarks which I had originally objected to -- and if he'll go back two pages he'll find the objection, if he'll go forward two pages after the objection he will find that he made the very remarks which he now complains you have prevented him from making. So with greatest of respect, Mr. Chairman, to the honourable member I suggest that any suggestion that there has been impartiality -- that there has been a lack of impartiality on the Chair is contemptible and is not to be acceded to by the House.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to speak on the matters that have been raised here today.

MR. GREEN: Mr. Chairman, if the point is taken then I believe that I have been recognized.

A MEMBER: That's right. He was recognized.

MR. CHAIRMAN: The Honourable Minister of Mines and Natural Resources.

## POINT OF PRIVILEGE

MR. GREEN: That's right.

MR. PAULLEY: I raised a point of personal privilege, Mr. Chairman, he was recognized.

MR. GREEN: Mr. Chairman, . . . --(Interjection)--

MR. PAULLEY: Oh I know a little bit about the rules.

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MR. GREEN: Mr. Chairman, you know, the suggestion, Mr. Chairman, that is being made by the Honourable Member for Portage la Prairie is that somehow people have been prevented from making their views known on this question; and, Mr. Chairman, the suggestion is that the prevention of views being made known is as a result somehow of the Public Utilities Committee conducting itself in the way in which it has always conducted itself.

Mr. Chairman, those who say that people have been prevented from making their views known are either ignorant of what takes place in the world or are directly misleading themselves or the House; because, Mr. Chairman, everybody's views have been made known not once, not twice, not three times, but dozens of times on this issue. Is anybody suggesting that Mr. Campbell couldn't make his views known? He made his views known as a board member; he made his views known before Public Utilities Committee; he made his views known before two meetings of the Water Commission, and, Mr. Chairman, he made his views known on innumerable other occasions at public meetings of one kind or another sponsored by citizens which I consider to be a part of the democratic process. And hasn't this been true of every single other principle involved in this case. Somehow it's been suggested that Bob Newbury has not been able to make his views known. Mr. Speaker, Bob Newbury made his views known while he was working for the study group, before he was working for the study group and will make his views known after he is working for the study group. The same is true, Mr. -- (Interjection)-- Well, Mr. Chairman, the Honourable Member for Wolseley says, before I fired him.

Now the Honourable Member for Wolseley says, the Honourable Leader of the Liberal Party says that this is how he will behave as Premier. He will not have the Churchill River Diversion, he will decide not to proceed with it. On the best advice available he will come to the conclusion that he will not -- well, okay, Mr. Chairman, I'm sorry, I'm postulating, I'm postulating. Let us assume that the Member for Wolseley or the Leader of the Liberal Party -- and this is how I infer that he will operate. He will come to the conclusion, if one can believe him, which is difficult, that there will be no diversion of the Churchill River, that they will hold . . . hearings, there will be a bias against it, he will listen to Dr. Newbury, to Mr. Booy who wants by the way pumping as I understand it, and Professor Lansdown, and will come to the conclusion that there should be no diversion. And then he will proceed with the normal course of government and he will hire people to do whatever has to be done in connection with it. For instance, he will hire people to study the inter-connection between Saskatchewan and Manitoba and he will let this interconnection be farmed out to a university group, and the university group will have on it somebody who says, Asper is insane. Asper is a liar. Asper is arrogant. Asper is stopping a diversion which is going to make the people of Manitoba millions of dollars. Now it's true that I am only here to work on a study to decide whether there should be an inter-connection between Manitoba and Saskatchewan but in all conscience while working on this study I am going to use the information to show that Izzy Asper is insane. And Mr. Asper says that when that happens he will say to this person working on the study, he will pat him on the head and he say, nice boy, I believe that you are exercising your democratic right. I am going to continue to have you work on this study which is engaged with an inter-connection between Manitoba and Saskatchewan; despite the fact that you tell me that this is insane, that we should not be proceeding here and that part of the time you are engaged on this study is going to be used to give information to the effect that we are all wet. Now that is the proposition that the Leader of the Liberal Party is putting forward that he would exercise if he was the Premier of Manitoba.

Mr. Chairman, I don't believe him, and I think, Mr. Chairman, that what we are coming down to in this debate of what the Member for Riel did and what the Member for -- the Leader



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(MR. GREEN cont'd) . . . . of the Opposition Party did is -- we are coming down to the crunch after all the experts are in, after everybody has made their pitch, and I remember last year the Leader of the Opposition said or the Member for Riel I think it was he who said, how can you go ahead with this project - that's Lake Winnipeg regulation. A former Premier is against it; a former Minister of Mines and Resources is against it; a former chairman or vice-chairman of Manitoba Hydro is against it. All of these people are against it, how can you proceed with it? Now we know what they will do if they were in government, Mr. Chairman, They are going to rely on a former Premier, former Chairman of Manitoba Hydro, former Minister of Mines and Natural Resources. And let us assume, Mr. Chairman, that they got into government; they said they're going to dispense with Lake Winnipeg regulation; they're going to go to 754 on the Churchill because that is their program --(Interjection)-- 854. I'm sorry. Thanks to the Honourable Member for correction. And then let us say that people were against it, and a former Premier was against it --(Interjection)-- Ed Schreyer. Former Chairman of Manitoba Hydro, Cass -Beggs was against it, former Minister of Mines and Natural Resources, Sid Green was against it. By that analogy, Mr. Speaker, they'd have to stop the program, because all of these people are against it. Now that is what the honourable members' position was last year --(Interjection)-- Well, Mr. Speaker, it is a lot of junk. I agree that it is a lot of junk but I will read from Hansard . . .

A MEMBER: But he said it.

MR. GREEN: . . . . that that is the position that the Member for Riel or if not the Member for Riel, members on that side of the House, his Leader, which I assume he follows his position although I notice that he follows pretty far behind, but the fact is that that is the position that were being reported, and now the question is coming down to the crunch, and what they are saying is that you're being told something by one side, you're being told something by other side and now it's a question of whose judgment you're relying on and who do you believe. If we can show that this guy said something which is a lie then everything that he says is a lie and you don't have to believe him. And the Member for Wolsley, the Leader of the Liberal Party comes in and shows that I told a lie. I said that we have reason to believe that the Churchill River Diversion can be accomplished without flooding. And if he will read the entire speech, I said on numerous occasions that we are talking about a low level diversion, that one which would do no damage -- and I thought it would do no damage and I'm wrong --- but that that was a lie. That was a betrayal. And this is intended to show -- and then the despicable thing which I read in the paper that somehow Mr. Newbury was taken off the study because I know that he has information. He didn't say that in the House, that I know that he has information which makes this whole program a disaster.

Mr. Speaker, I got up in the House -- I think the member is supposed to take a Minister's word. I don't expect him to take my word because I think that he believes everybody behaves the way he does and therefore he will take nobody's word because he knows that his word is no good. But, Mr. Chairman, I tell you as I stand here that I know of no information by the study group which is being forwarded to us which is the reason for that study group being taken off the project. The study group was taken off the project because they are very politically involved in it; we prefer to do the work in house. If somebody is very emotionally against what we are doing we expect him not to do it. He also said that the members of my department, professional engineers had to please me to make a living. Mr. Chairman, I challenge him to find anybody who now works or who worked before or who was on the Water Commission who said that I wanted them to tell me what I thought, or to make statements which were favourable to me. The honourable member will not find a person. But he thinks that that is the case because, Mr. Speaker, that is what is in his mind.

The Member for River Heights, the Leader of the Opposition, in trying to throw the lie to the Premier again, trying to -- they can't defeat the project but somehow if they can defeat the credibility in their mind they think that they've got it made. The Leader of the Opposition says that D. L. Campbell said in delivering a letter to Hydro that the project is going to cost 50 million and he thinks it will go higher. They first of all say that when that estimate was thrown out and the Premier adopted it that the Premier knew that the estimate was incorrect. Mr. Speaker, that is absolutely incomprehensible, --(Interjection)--

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(MR. GREEN cont'd)

Mr. Chairman, you know the honourable member talks about lies. I had an interesting experience with the honourable member. We were lining up for a radio show on the -- what's CJOB? - Peter Warren, just before the election. I considered it a joke at the time but apparently it wasn't a joke. The member walked into the radio show huffing and puffing and he said, "Well I have just been through Wolseley constituency and half the apartments that I went to smelled of pot." So Peter Warren said, "Will you repeat that on the air?" He said, "of course not." Peter Warren said, "I'll ask you about it." He says, "I'll deny it." That is the honourable member, that is the honourable member's way of regarding the truth. You'll ask me about it, I'll deny it. As simple as that, that's the end of it.

Mr. Speaker, that happened. At the time, Mr. Speaker, I regarded it as bit of a joke. At the time I regarded it as a bit of a joke and nothing to talk about. But now that the honourable member, you know he thinks it is a joke. Well I don't think so, Mr. Speaker, I don't think it's a joke because I know that the honourable member now proceeds to deal with this question of reducing credibility on the most outrageous basis and the fact is, Mr. Chairman, that the \$50 million figure that was used by Mr. Campbell had no relation to the \$177 million figure and the Honourable Leader of the Opposition knows it, because at the time that the first \$50 million figure came in, at the time that the economics of the project were considered Jenpeg wasn't even a fact as a generating station. It came in, Mr. Speaker, -- Mr. Chairman, my recollection is and the honourable member will have opportunity to correct me -- is that after this program was agreed to in September of 1970 that Mr. Cass-Beggs came to a meeting of Public Utilities Committee and announced that in addition to the regulation part of the program there would be a generating station at Jenpeg as sort of a fringe benefit, that that wasn't even one of the original components. It is not found in the task force report, a generating station on Jenpeg.

Mr. Chairman, the initial 50 million had to do with Lake Winnipeg regulation as such. It did not have to do with a generating station. Not only would nobody make such a statement that it would be outrageous, you know it would be an outrageous lie to talk about a generating station plus Lake Winnipeg regulation controls, plus the dam, plus the channels at \$50 million. If someone was going to tell a falsehood about that he would do it more cleverly. Mr. Speaker, that was never a factor and I am sure that D. L. Campbell would not say that that \$50 million figure included the generating station. The generating station was an added component and was not part of the original 50 million.

The Honourable Member for Riel the other day thought how can I get the Minister of Mines on his credibility, and he said, Mr. Speaker, that --(Interjection)-- well we'll see whether it's not persecution. He said that I had gone about saying that Lake Winnipeg would be kept within lake --- 715 most of the time, that I had not -- that my position had been found to be wrong by the Water Commission and he introduced a graph which I agreed I couldn't read. Two things, Mr. Speaker, I'll get to the graph eventually. The fact is that the graph that he talks about is an October graph, the one that he pointed out to me, and it uses, Mr. --- well I'll get to the graph -- it uses wind effect, and at no time, and at every meeting that I was at, and I'm going to prove it, did I say to the people that 711 and 715 were figures that I was using including wind effect. I specifically said at each meeting that it would not include wind effect, that all of the figures that I was using did not include wind effect. Furthermore, I told the people that the water would be higher than it would normally be in the fall. I told them at these meetings and the honourable member was there, and I'll read from the transcript. So to try to now make me appear to have misled the people on that issue is absolutely ridiculous. "Although we will in some years have 715 when it would have been 17, in order to pay for that peak in other years where we would have had 714 we may be as high as 715, and one loss, one advantage is taken care of by the other raising the average level." In other words the advantage of losing the peak is taken care of by raising the level at other times.

Mr. Chairman, I wonder -- I know the honourable member would let me indicate what I did say. I said no one has ever said we would guarantee that the water would not go over 715 feet. And I'm going to read all of these references because I said it so many times that it was not an accident. I made it a point of telling the people that in the fall the water may be higher than it would be under normal conditions. "I don't remember the point. Had we been

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(MR. GREEN cont'd) . . . . regulating Lake Winnipeg at that time the level of the lake would have been below 715, 715 below. Therefore the amount of damage which would have occurred on that day would have been less than occurred under natural conditions. The level of water during the fall has been over 715 and when you have winds with water over 15 you have lots of damage. We say that for those occasions which were the worst flood years we would have reduced your problem by having that water reduced from whatever it was, 715.5 to 715 feet. I can't see us flooding the lake when we take the water from 711 to 715. I know" -- and I want the Honourable Member for Riel to listen to this -- "I know that this also involves taking the water at certain times from 714 to 714.5 perhaps, or close to 715, but the benefits that come from reducing the higher water levels more than compensate for any possible problems that come from increasing from 714 to 715."

Mr. Speaker, at every meeting I indicated that there would be an increase in water levels in some occasions to take off the peaks. What I was saying was that our studies indicate that by taking the water off the peak level is more benefit than adding water between level 714 and 715, and I agreed that water would be added between 714 and 715. I can't come before you and say that everything about Lake Winnipeg regulation is good, because there are some problems. Let me indicate one of the problems. When we reduce the level of the Lake from 711 to 715 and take the water down those two feet during the worst flood period, it also means as a trade-off that there would be times when the water would have been 714 and when we would be putting it up to 715; so that you have a condition on Lake Winnipeg when the water would be 715 where under natural conditions it would have been 714. But as against this, I repeat, the conditions where it was at its worst at 717, would be no more. We also have a situation with regard to the fact that the average level will be slightly higher, and if one took the last 50 years into account the average level would be approximately a foot higher.

Now this man says I misled the people on those questions in order to attack credibility. I said it again at every meeting, so the beach would never be as bad as it was unless, and I have checked up on this but I want to emphasize it, unless we had levels which would result in levels of not 717 but 710, 719 or 720, and even in those years if we suddenly had water at the level of 720, regulation would bring it down to 718.

Now, Mr. Chairman, the honourable member takes out a graph and says that the graph says that the water is going to be more often over 715 than it would be under natural conditions. Of course, the graph that he pointed to was an October graph. Mr. Speaker he pointed to an October graph but let not that be the most serious problem. The fact is that he took a graph which had wind conditions, and that is not in graph, that is language which I can understand because it refers to the fact that wind effect is included.

All daily elevations shown include the effect of maximum daily wind, wind setup recorded at Gimli. I never ever said that with wind effect we could keep the water below 715. --(Interjection)-- Yes.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Does the wind effect not apply to both the normal condition and the control condition?

MR. GREEN: Absolutely. And I said, Mr. Chairman -- I told the people at every meeting that if it was 715 and we had wind effects that would bring it up to whatever figure, let's say the wind effect was 2 feet, that would bring it up to 717, that at certain times of the year, when it normally would have been 714, we would have it at 715, and with wind effects you would have a worse condition than you would have naturally, but the trade-off is that you lose the worst years that would have been 717 plus wind effect, and I told them that at every meeting. And I resent the fact that the honourable member introduces that as being something where I have been shown by the commission to be wrong. These graphs were provided by the department. If I was wrong would the commission not have in its report have said, these commissions who don't listen to me, who don't please me -- if I had run around Lake Winnipeg saying that the water is always going to be below what it would have been under natural conditions, do you think Cass Booy would not have said "the Minister has told the people that the water is always going to be lower than it would be under natural conditions, and I think it should be pointed out that the Minister is not correct." He would have done that. But the fact, Mr. Chairman, the reason he didn't do that is because I didn't do what the honourable members said that I did.

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(MR. GREEN cont'd) . . . . I went to all of those meetings, and in the House, and I said, "it's true we can get you down from 717 to 715 but there's going to be a pay-off for this -- and another member of the Water Commission is here -- in some years when it would have been 714 it will be up to 714-1/2, maybe 715." I told that to the people at those meetings and for the honourable member to suggest that I didn't is what annoys me.

But there is something going on in this House and what is going on is that people are trying to not defeat the program but they are trying to defeat the people. I'm talking about the, --(Interjection)-- no, no, don't misunderstand me. I'm not talking about the people of Manitoba. They are trying to damage the credibility of the government people, hoping that if we make people think that they are liars that we will get them to go against the program.

Well, Mr. Chairman, I indicated to the Member for Wolseley from my seat what I think of him, I won't repeat it. I also indicated on my feet, what occurred with the Honourable Member of the Liberal Party. I have also indicated what the Member of the Liberal Party produces to show that I am a liar that I made a statement in 1969 where I said, "We have reason to believe" -- one statement amongst many, and you know and when he's been in this House as long as I have, and talked as much as I do, because I'm not exactly known as "Silent Sid", he will find a lot more inconsistencies in his own sayings than that -- but he found a statement that I said we have reason to believe that the water - that we can divert water from the Churchill to the Nelson without flooding South Indian Lake, and he says, that on that basis I have betrayed the people of Manitoba.

Well, Mr. Chairman, I'm going to have to fight an election campaign with that member and the Honourable Member for Riel and the Leader of the Opposition, and we will go out and you will say that here is why the honourable member is a liar, and is a betrayer, and is a traitor, and I will say what I have to say about you, and the people will judge -- and I suppose that ultimately they will make that kind of judgment that you now want them to make. You want them to make a judgment on credibility; you think that you are destroying the credibility of the government members. I don't think so. I think that my record in this community, both public and private, will do me in good stead. Well, yes, Mr. Chairman I believe that my credibility will withstand the picayune attacks that are being made by the Member for Wolseley.

And I want to, I want to, Mr. Chairman, because I believe my time is running out, I want to get to the graph because I didn't take the figures of my honourable friend to the department, and perhaps it's an injustice to him that I didn't do so, but I'm merely trying a bit of an experiment. My son who is 17 years old and who says that he can read graphs has given me figures. I want to give them to the honourable member who can then be his hydraulics teacher and say whether my son is correct; because these are the figures that he gave. He says that the water will be above 715 in June under regular conditions, under regulated conditions 12 percent, under normal conditions 27 percent. These are with wind effects. The honourable member is nodding, which my son will be very happy with. In July, in July under regulated conditions 25 percent, under normal conditions 32 percent; in August, under regular conditions 25 percent; under normal conditions 32 percent. The honourable member is shaking his head -- I will come to the discrepancy in a moment. In September, under regular conditions 23 percent under normal conditions 27 percent. The honourable member is going to shake his head again? In October above 15 under regular conditions 20 percent under normal conditions 20 percent; in November under regulated conditions 15 percent, under normal conditions 15 percent, for a six month's total under regulated conditions 16 percent, under normal conditions 24 percent.

That if, Mr. Speaker, if he says the water will be over 715, 50 percent more often, he will be using projected 1986 figures. This is my -- the honourable member should take my son's observation -- if he says the water will be over 715 fifty percent more often, he will be using projected 1986 figures. If he gives figures that are almost equal, he will be using 1981 and 1986 figures combined. If he gives a grossly larger figure for the regulated level, he will be including the figures for water at 715, so that there is a complete difference if he uses the figures for water at 715 and over 715.

Well Mr. Chairman, that's not the worst of it. If we go to 716 we will find that with regulated conditions Mr. Speaker, the water will be under, over 716 feet 4-1/2 percent of the time, and I have the months if the honourable member wants them, and under normal conditions ten percent of the time, and this is including wind effects, and if you take out the

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(MR. GREEN cont'd) . . . . wind effects then the water never gets over 716 under regulated conditions, and the honourable member has the graphs upon which these other graphs are based to prove it, because the Water Commission only took the graphs that have been supplied by our department; they didn't make findings against the department. And the Hydro graph for the 60 year period which assimilates regulated conditions against non-regulated conditions, never shows the water over 716 feet, because they don't include wind effects.

They show it once, Mr. Speaker -- I believe it's once, and I hope that I'm not going to be attacked for credibility for saying once and it might have been one and one-half times-- but very very rarely do they show that it will get over 715. And of course last year, Mr. Speaker, when those graphs were produced, what did he come out with - it shows that the Minister didn't tell the truth; shows furthermore, Mr. Speaker, this great legal mind that the licence is illegal, that the licence only provides for regulation between 711 and 715. The Leader of the Liberal Party jumped into the lake very quickly, said the licence is illegal. --(Interjection)-- Why is it illegal? Because it doesn't guarantee that the water will be regulated below 715. Mr. Speaker, if the honourable member had waited a day or talked to somebody he would find out that no licence guarantees that the water will not go over 715 feet. All that the licence does is say that the water will be regulated between 711 and 715 and if there is more than 715 coming through, then the gates are wide open and as much water as can get through is possible and the water will not be artificially kept up. There has never been a water licence to say anything else, and anybody who tried to say anything else would be deceiving the people, not somebody who said that that's what the water licence does.

Now Mr. Chairman, I presume that my time has expired. In the few minutes left, I wanted to say while the Honourable the Leader of the Opposition is here, that the letter that he read from Douglas Campbell, surely he is not suggesting that the figure of \$50 million in that letter, included the generating station --(Interjection)-- no, he is agreeing then, and I'm happy that he is agreeing because I got something else for the Member for Riel. He is agreeing that that 50 million figure related simply to the regulation part of the scheme and not to the generating station.

Another point that I want to make is that the Honourable Member for Riel said that we have sacrificed the permanent people in favour of the cottage owners. I want to remind my friend from Riel that when this debate started, that his Leader was here, saying that the program was hurting the cottage owners, and he even mentioned several hundred cottages around Lake Winnipeg that we are affecting. Well we can't be both hurting them and sacrificing the permanent residents to the cottage owners at the same time. I'm telling the Member for Riel that the program is generally considered to be beneficial. It's one that the people around Lake Winnipeg have been asking for for many years, it's not one, and I said this to the people, that the Water Resources Department would spend \$50 million on. There would be no Lake Winnipeg regulation although it is a desirable thing if we have to spend \$50 million on it because the benefits nowhere near justify that kind of expenditure.

The benefits of Lake Winnipeg regulations come as a fringe benefit to this Hydro project and no other way.

MR. CHAIRMAN: The Member for Riel.

MR. CRAIK: Mr. Chairman I want to deal first with the last couple of points made by the Minister of Mines and Natural Resources. First of all, any comments I made about cottage owners and permanent residents, was not a differentiation; my statement was that people who went to the Lake in June may gain benefits, but those that own land and were there in the fall of the year, whether they were cottage owners or permanent residents, would not receive benefits, in fact would receive detriments.

Mr. Chairman, I want to make one point clear. I'm not accusing the Minister of having misled the people with information that was produced later than his hearing in the Water Commission Report. However, it is clear in the Water Commission Report, and I don't have - he has my only copy, if I could get it back I'll at least have it for my record -- but what he did not say and what is important is that from a period of the year on, and you have to look at the ultimate development at 1986 not between now and then, because presumably you're locked into it for the next one hundred years, is that from 1986 on what you have to look at the long

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(MR. CRAIK cont'd) . . . . term, that on average the water levels will be above, at or above 715 more frequently under control conditions than they would be under normal conditions wind or no wind. -- (Interjection) -- from August on, from August on the water on Lake Winnipeg under control conditions will be at levels of at or above 715 more frequently than under normal conditions. -- (Interjection) --

Mr. Chairman, that's the only thing that I have said, that the Minister did not represent well, if at all, in his meetings with the people. Now I assume that he did not have the information because the information came out in a Water Commission report after the meetings were held, and I deny the fact that that information was ever made available to members of this legislature at the time, before the hearings or at the time of the hearings. We did not have that information made available to us until the Water Commission report was brought out and shortly after that Mr. Cass Booy was relieved of his responsibility as the Chairman of the Manitoba Water Commission.

Mr. Chairman, I know that my interpretation of this report is correct.

MR. GREEN: Would the honourable member permit a question?

MR. CRAIK: I've asked the Chairman of the Water Commission directly -- am I interpreting this -- the former chairman of the Water Commission -- am I interpreting this report correctly and he said you're dead right. So again I repeat that the people generally at those hearings nor probably now, do not know that in the fall of the year the water will be at or above 715 more frequently than it would be under normal conditions, wind or no wind. If you are going to apply wind to control conditions you've got to apply it to normal conditions and if you're not going to apply it, you apply it to both. So whichever way you have it, it doesn't make any difference, the wind effect is going to be the same in both cases.

I want to get back to the main point of the argument here. Both the First and the Minister of Mines and Resources here have suggested that the decision of the Conservative Party has been based more or less on a public opinion poll of what a former Premier, a former Minister and so on thought about Lake Winnipeg. Mr. Chairman, let me make it very clear the First Minister has said on many occasions that the former government considered Lake Winnipeg regulation, that's absolutely right, they did, and they even considered that at some point in the future it might be beneficial to control Lake Winnipeg.

In 1966, Lake Winnipeg was ruled out because the evidence that had accumulated to that day said that Lake Winnipeg regulation was not an economic and viable option in the development of the Nelson River. That judgment was made by Manitoba Hydro, that judgment was made by the technical people involved, that Lake Winnipeg regulation was not a contributor. Now he's accused us of reversing position on that and the Minister of Mines and Resources says we took a public opinion poll. Well I'll tell you where our evidence came from, Mr. Chairman, you just finished it in your last speech.

MR. GREEN: On a point of privilege, Mr. Speaker.

MR. CRAIK: You haven't got a point of privilege on that.

MR. GREEN: Mr. Speaker, I rise on a point of privilege.

MR. CHAIRMAN: The Honourable Minister of Mines and Resources, on a point of privilege.

MR. GREEN: I never said, I never said and I will apologize to my honourable friend if Hansard says the opposite, that their position was taken as a result of a public opinion poll. I never used that statement.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: I consider the former Premier, former Ministers and others as members of the public, Mr. Chairman, in making that assertion which he just finished making. Now let me finish. I'll tell you exactly why we have been against Lake Winnipeg regulation and it's contained -- the verification of our position in 1965 is right in the report commissioned by this government and issued in March of 1970. And let me read it to you. And I've been trying to provide you with the facts of the position that we've taken here repeatedly and all we get back from the government is a complete snow job based on statements without fact to back them up. That goes for both, primarily for the First Minister, not so much for the Minister of Mines and Natural Resources.

So let me read, Mr. Chairman, let me read from the report, report of March 1970 -- (Interjection) -- yes, it's the report on Systems Power Study, Manitoba Hydro, March 1970.

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(MR. CRAIK cont'd) . . . Let me read to you the short-term solutions to the problem. "The mathematical analysis showed that Lake Winnipeg regulation would play a significant role in the development sequence if the costs were less than approximately half the present estimated cost of \$30 million." That your study that told you at that time that Lake Winnipeg regulation even on the short term made no contribution to hydro economics at a cost that would exceed \$15 million, and now here you are at a cost of over \$100 million. No matter how you cut it your costs attributable to hydro on this is in the order of over \$100 million, the cost attributed to hydro.

Well, Mr. Chairman, the First Minister you know, from his illustrious position as First Minister can stand up and throw out all sorts of innuendo, sarcasm and all the rest, but he does not back it up with a cost benefit, never have we ever had a cost benefit statement on Lake Winnipeg. You know what we get, Mr. Chairman? We had a report in September of 1969 by Mr. Cass-Beggs who was brought into this province by this government and there has not been a thing ever happened on hydro since then despite contradictory evidence that did not let him vindicate the position he took in an ill considered report in September of 1969. Mr. Chairman, this report is one of the ones that was filed by the First Minister the other night in his massive public relations demonstration in this House when he stacked them this high on one side and that high on the other. Mr. Chairman, this speaks for itself.

Let me give you another quote from the same report" "Controls on Lake Winnipeg outflows do not appear beneficial to the system within the time horizon of the study as reported in this report" -- which was to the 1990's. Another statement in here. The first one on the short term which is the one that the First Minister had said he had to do it because you had to avoid high level on South Indian Lake. "There is no technical vindication of the statement made by the First Minister that Lake Winnipeg control was an alternative to South Indian Lake. The diversion of the Churchill River is part and parcel of the total development of the Nelson River. Let there be no question of that." -- (Interjection) -- And nobody has ever said that on this -- from the Conservative Party nobody has ever said that the Churchill River was not a necessary and essential part to the Nelson River development.

A MEMBER: All right we agree on one point anyway . . .

MR. CRAIK: But the government, the First Minister has said repeatedly, repeatedly, four feet on Lake Winnipeg is worth -- one foot on Lake Winnipeg is worth four feet on South Indian Lake. You know the great snow job again. The great snow job.

A MEMBER: That's a fact.

MR. CRAIK: It's a fact, that's right. You know just on the basis of area alone, just area alone, it has to be a fact. -- (Interjection) -- Sure. But it's completely out of context. To begin with, South Indian Lake is 100 feet higher than Lake Winnipeg. What are you going to do, are you going to waste the water, the 100 feet to get it down to Lake Winnipeg, is that what you're going to do?

A MEMBER: You're doing the snow job.

MR. CRAIK: The second part of it is, Mr. Chairman, that he avoids saying every time, Lake Winnipeg does add no new water to the system. It all flows down the Nelson River now. The Churchill River water is all new water, it's diverted into the Nelson. Two major points, Mr. Speaker, but the First Minister glosses over it and says, a foot of water on Lake Winnipeg is worth four on Southern Indian Lake. That's all there is to it. So to justify the position taken by Mr. Cass-Beggs in 1969, he'll take the report of the people he should be listening to, the report he commissioned, throw it out the window, make his political decision on Lake Winnipeg, defy the recommendation that Lake Winnipeg control is not worth over \$15 million, spend \$177 million on Lake Winnipeg and then tell us well he's just trying to walk down the middle here because the Conservatives are damning him on this side and the Liberals are damning him on that side and he's got to solve his problem.

Well let me tell him that the Conservative Party has never recommended any halt to the development of the Lake Winnipeg project. What it has said repeatedly, and with the justification provided by the First Minister's own commission study, that the Lake Winnipeg development was a disaster to begin with and is twice the disaster now at \$177 million, and that is not the only cost that they're going to have yet on Lake Winnipeg development with the problems that are now accumulating. So do we have to say any more. We have tried to fight the

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(MR. CRAIK cont'd) . . . . argument, Mr. Chairman, on the basis of fact. The basis of the fact, facts provided by the government since this government came to power and in all cases there's a vindication of the position with regards to Lake Winnipeg taken by the Conservative Party in 1966, 1967 right through the whole works and today. So, Mr. Chairman, let it be clear the position that we're taking and the argument we're presenting with regard to Lake Winnipeg is not a political argument that we're trying to pull out of the air based on a position which we think is convenient for the moment, expedient politically. We base it on the facts of the matter presented to the members of this Legislature by the technical people.

Now there's one more aspect I want to cover and that's the matter of -- (Interjection) -- I'd be pleased to entertain questions after, Mr. Chairman. I had many questions and I believe, Mr. Chairman, in light of the interjections, many points of privilege during the address given to us by the First Minister when he, as in his usual style manages to twist the facts around to the point where he can allude to things and leave the impression that there is misinformation being presented or an inconsistency being presented on the other side of the House. The matter I want to deal with is the hearings. There is no doubt and I've said it before in this session, that the evidences before us on many aspects of this development that should be put into proper documentation, evidence that can be provided by the former chairman of the Manitoba Water Commission is one of them. There is no question that some of the findings in this little report itself are different from what the members in this House were led to believe a little over a year ago, particularly with regard to levels on Lake Winnipeg. We have ongoing studies that have been carried out by the government, commissioned in 1971, Mr. Chairman, two years after the government suddenly realized that they had an environmental problem on their hands, they commissioned long-term environmental studies. Had they commissioned them in 1969 when they had the power to do so, those studies four years later would have been complete. -- (Interjection) -- I didn't get elected on an environmental issue, you did. You got elected on an environmental issue. Mr. Chairman, this government says why didn't you commission them. Well, Mr. Chairman, this government had full reason and responsibility to the people of Manitoba to have commissioned their environmental studies -- (Interjection) -- yes, you got to report, and if Underwood McLellan's report was sufficient and adequate why did you begin a \$2 million program in 1971?

A MEMBER: Because it wasn't adequate.

MR. CRAIK: Well, Mr. Chairman, this is the first time I've heard this. The Minister is saying now that the environmental information they got in 1969 was not adequate so they commissioned another study.

A MEMBER: That's right.

MR. CRAIK: Well if it was inadequate how did he make his decision? He thought it was adequate enough, that it was bad enough that he had to spend the \$2 million more to get more studies done but in the meantime issued the provisional licence, issued the interim licence.

A MEMBER: That's right.

MR. CRAIK: Well, Mr. Chairman, then the government is in a very untenable position if that's the one that they're now going to present to the people. Well, Mr. Chairman, we are two years later, we're three years later after the commissioning of the environmental studies I don't know when the report is to be available but I assume it is 1974 for the completed report. -- (Interjection) -- Well, Mr. Chairman, we have interim reports that's correct. But, Mr. Chairman, if we're going to present this information in a complete and open manner, why is the government resistant why are they resisting allowing these people, professional people to come before the Public Utilities Committee so that we can ask them the questions, we can ask Mr. Cass Booy about his report on Lake Winnipeg, we can ask Professor Kuiper about why he thinks the Churchill River should be gone to a different leve. We can ask Dr. Newbury . . .

A MEMBER: Kuiper says no flooding.

MR. CRAIK: We can ask Dr. Newbury about the First Minister's major and repeated concern about the damage to the Burntwood and Rat Rivers. The First Minister has told us time and again if you pour 50,000 CFS 40,000 CFS down the Burnt and Ratwood you're going to rip them right out, you'll destroy the river bed, you'll create damage. Oh, Mr. Chairman, we've heard it frequently over and over again. -- (Interjection) --



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MR. CHAIRMAN: The Honourable First Minister on a point of privilege ?

MR. SCHREYER: Yes, yes the Member for Riel is now using a certain descriptive terminology to try to describe the way in which I put the problem with respect to forcing 55,000 CFS through the Rat River and Burntwood River systems, but the words I used were in the total context and certainly I would hope a little more accurate and down to earth than what my honourable friend is using trying to put them in my mouth.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Mr. Chairman, I suppose that a person does get carried away and uses the same sort of overstated case that we get frequently from the First Minister in this House. But let's make it clear that the First Minister has stated many times his concern about the natural river courses of the Burnt and Ratwood rivers. Well, Mr. Chairman, there is one specialist on river bed erosion in this province that I know of and it's Dr. Newbury, and who was working I understand on the Burnt and Ratwood rivers. So what do we do we let them out, Ratwood and Burnt rivers.

Well, Mr. Chairman, you know there's a consistent inconsistency particularly in the arguments being presented in this House by the First Minister. I give the Minister of Mines and Resources his due. He presents his arguments as clearly as he can, he sometimes avoids points that might otherwise be pertinent to the matter but that's his prerogative and his privilege. But we don't get that degree -- and I'll call it intellectual honesty -- we do not get that degree of intellectual honesty from the First Minister on these matters. You can't typically have a bleeding heart for the Burntwood and the Rat Rivers in one breath and fire the only specialist in Manitoba in the second breath who has been studying those river beds. Mr. Chairman, his case must have been very bad. He must have had a very bad conflict of interest to have been let out at this stage of his studies. I don't disagree, I don't disagree in principle that if a department has to be run and from time to time people have to be changed and if their emotions and subject of opinions come in conflict with their objectivity and you think that that's absolutely a fact of life and you can verify it on your own grounds, do it. That's fine. But let's point out in this one case that Dr. Newbury particularly was a specialist who was studying the Burntwood and the Rat Rivers and this has on repeated occasions appeared to us as the concern of the First Minister for being against a higher level and a higher flow diversion from the Churchill River. So what have we got?

MR. SCHREYER: On a point of privilege. That is not the main reason, it is a secondary reason, I have stated it as a secondary ancillary reason. Let the Member for Riel not now try to pose it as having been a main reason stated on my part.

MR. CRAIK: Mr. Chairman, I'm not going to say very much more. I would be interested to -- I know that the Liberal Party can present its position. I did hear the First Minister say that the Liberal Party has never said that the Lake Winnipeg regulation should be dropped and therefore the Liberal Party is tacitly endorsing the position of the government with regard to Lake Winnipeg. I've never heard that position taken and it's certainly in their purview to either correct that statement or verify the statement.

Mr. Chairman, our position is simply that on the basis of the facts presented by the government to us and on the basis of the background there, there is no justification for the expenditures that have taken place on Lake Winnipeg. I admit also and I suspect that this may be the case for other parties as well, that the development of Lake Winnipeg with all contracts let probably is going to make it extremely difficult for anybody to do anything but to proceed with it. We don't know at this point, we'll perhaps find out next week. But at this point it may well be that the Lake Winnipeg thing should just be accepted as a fact of life, an expenditure which had no justification other than by Mr. Cass-Beggs that I know of in his report of 69, no where since have I seen a full justification and certainly we've seen every evidence to lead us to believe that on the basis of strong technical grounds there was no justification for Lake Winnipeg regulation in the first place and the position now being taken by the Minister of Mines and Resources is a much weaker argument than what was presented for Lake Winnipeg regulation in the first place.

I understand, Mr. Chairman, that I made an error earlier in the statement by interchanging the Lake Winnipeg for Churchill River Diversion. I would like to correct that. The intent was to say that we have never at any time taken a position of being against the Churchill River Diversion that I believe I referred to as Lake Winnipeg.

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MR. CHAIRMAN: . . . honourable member permit a question?

MR. SCHREYER: I believe the honourable member indicated he would entertain a question. I would ask him if it was, if I heard him correctly, did he state that the task force report, the document that he has been referring to, the 1970 document, substantiates the decision taken by the previous administration in 1965, did he say, not to proceed with Lake Winnipeg regulation? Did the honourable member say that or attempt to say something to that effect?

MR. CRAIK: Well perhaps for the First Minister, I don't think he was in when I quoted it.

MR. SCHREYER: . . . state that I was particularly anxious to be certain about. Did the honourable member say that the net effect of that document is to substantiate the decision taken by the administration in 1965 to not include Lake Winnipeg regulation in the Nelson development?

MR. CRAIK: Mr. Chairman, I think the final decision of the former government to forego Lake Winnipeg regulation was later than that, but let me check the date. At least there was a decision by the former government prior to mid-1969, it could have been '68, that the decision was made that Lake Winnipeg regulation should be foregone and it was, as I stated here, vindicated in this report which states on page 5-13, the analysis showed that Lake Winnipeg regulation would play a significant role in the development sequence if the costs were less than approximately half the estimated cost of \$30 million, namely \$15 million.

MR. CHAIRMAN: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Chairman, I think the case that the Liberal Party has been advancing for the past several months has never been more vindicated than today, because the debate on the issue before us has only produced further evidence and further conviction on my part that the demand, the insistence, the requirement of open government, of public hearings should be met because of the conflicting points of view and the conflicting evidence that is being put before this House.

Now the First Minister, and I don't only say the First Minister, Mr. Chairman, but the entire government bench, the Minister of Mines, have created an atmosphere of emotion, of irrational behaviour from the government bench, hurled severe provocation across the floor and were it our style as it is theirs to interrupt every speaker on points of privilege, and were it our style to on point of order take the most miniscule syllable of every speech and put it out of context, then, Mr. Chairman, we would be on our feet all day impeding debate just as the Minister and the First Minister have been since this issue began. There have been protestations -- I might say, Mr. Chairman, so that the question of passive acceptance of the kind of distortion that the Mines Minister has put into the debate, that we repudiate the bulk of what he states to be fact as to what we say and what our positions are. Otherwise we would be on our feet all day. His protestations about his view of what he said in 1969, his hurling of challenges that he will resign. He knows very well what our position is and what he said and what he did in 1969. But more so we know what the public were led to believe in 1969 as to what this government's position was. He says, he makes the point that our whole purpose, we don't care about people, we don't care about the environment, we don't care about economics, we only care about damaging this government's credibility.

I wonder what he said or would have said to his colleague, the Minister of Northern Affairs, when the Minister of Northern Affairs made a statement which since he has not taken the trouble to deny in this House on a point of privilege, appears in the newspaper of yesterday, Winnipeg Free Press, which says as follows: He says -- this is the Honourable Mr. McBryde: "At one point the Liberal platform appears to call off the diversion of the Churchill River. Then according to Mr. Asper it favours a low level flooding. A few days later it was that there would be no flooding unless it was absolutely necessary." Mr. Chairman, I have never ever said that we favour a low level diversion, never ever said it. Never ever said, and if the man who uttered this statement has any sense of integrity, any sense of self-respect, any sense of fair play, he will stand in this Chamber as the Honourable Minister of Mines is wont to do, and deny, and repudiate this statement. We don't bother to rebut or deny every misinformation, every half-truth, every distortion that the government puts out, but here is a statement of . . .

MR. CHAIRMAN: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Will the honourable member permit a question?

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MR. ASPER: No. No, you've had more than your share of the 90 hours now, you'll get your turn. Mr. Chairman, I recognize that in the few minutes I have I will not be able to make the case, but, Mr. Chairman, the First Minister has again added the attempt to confuse by saying that the Nelson and the Churchill River diversion are inseparable projects. We take a different position. There are many others, and he knows full well that there are many other positions that say they are not inseparable, that they can be proceeded with independently or one can be proceeded with at the expense of not doing the other. And it's a question of cost -- (Interjection) -- Yes, there are two points of view obviously. But he tries to divide, he tries to confuse, he tries to appear as the moderate middle ground in this controversy, the great compromiser.

Mr. Chairman, we suggest that it is not compromise we see, we see only arrogance. We see a refusal to accept the basic principle of open government, that when an issue such as this arises that affects future generations, that involves several hundred millions of dollars, that involves doing an act which can't be undone or for which there can be no compensation if we're wrong, that he refuses public hearings. Why does he refuse public hearings if he has nothing to hide, if there is nothing that wouldn't come out at those public hearings to raise severe doubt? Mr. Chairman, the issue is not only dollars and cents, there are human values, cultural values, there are the issue of open government and the survival of this administration that's at stake.

Mr. Chairman, the First Minister suggested that Dr. Cass Booy as Chairman of the Water Commission had written to him to say that he favoured, or that was the impression that I took from his remarks, that the First Minister indicated that Dr. Cass Booy approved or favoured in some way the diversion of the Churchill River. And I have the letter that he was good enough to hand my honourable colleague from Portage la Prairie. And this is what he says, I interpret it quite differently from the First Minister. I am reading on Page 2, paragraph 11, fourth line from the bottom of paragraph 11: "The Commission understands that acceptance of this recommendation does not imply a commitment to allowing Southern Indian Lake to be raised to elevation 850 feet. The Commission agrees the maximum lake level, the range and pattern of regulation and the diversion rate be determined by due consideration of." And then lists environmental loss, resource loss, intangible, imponderable values, and we say that the conditions that the First Minister suggested have not been met, that there has not been -- but the suggestion is not rebutted that Dr. Cass Booy was approving the diversion at the 850 level. And that is not how I interpret this letter. He says in his own words, "this implies no commitment to allowing South Indian Lake to be raised to elevation 850." Now that's an honest interpretation. -- (Interjection) -- What I just said -- his words. -- (Interjection) -- So if you're going to start quoting indiscriminately . . .

A MEMBER: I'll quote the whole letter, I'll do better than that.

MR. ASPER: You'll get your chance, you'll get your chance. The point is, Mr. Chairman, that there is reason for deep concern, very deep concern over the vitriol, the violence of this kind of a debate where insult replaces intelligence. We say, Mr. Chairman, we ask some simple questions. The Environmental Committee, Commission -- sorry the Environmental Council set up by this Minister to advise him wanted to have a hearing on this issue and the Minister, the Minister wrote to that Commission saying don't bother holding a hearing, I'm not interested in your hearings because . . .

MR. GREEN: Mr. Speaker . . .

MR. ASPER: Ah, point of privilege.

MR. GREEN: Mr. Speaker, the honourable member says that I told these people not to hold a hearing, and I would ask him to withdraw that statement. I never told these people not to hold a hearing.

MR. CHAIRMAN: I think the point is well taken. The honourable member withdraw his remark.

MR. ASPER: Mr. Chairman, if the Minister will table the letter then we'll deal with the letter.

MR. GREEN . . . that the honourable member has said that I told the Environmental Council not to hold a hearing and I made no such direction to the Environmental Council.

MR. ASPER: Mr. Chairman . . .

MR. CHAIRMAN: Order, please. When an honourable member stands in his place in

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(MR. CHAIRMAN cont'd) . . . . this House and states that he said a certain thing another honourable member of this House is to believe him. The Honourable Member for Wolseley, the Liberal Leader, will he please withdraw that remark?

MR. ASPER: Mr. Chairman, I was interrupted on the point of privilege while I was in the middle of a sentence. I'd like to make the statement that I am making, that the . . .

MR. CHAIRMAN: Order, please. I'm asking you to withdraw that remark.

MR. ASPER: Which remark?

MR. GREEN: Mr. Chairman, whatever else he's going to say, he says that this Minister told the Environmental Council not to hold a hearing and I made no such, gave no such direction and never told the Environmental Council any such thing. If the honourable member wants to know, and I'll paraphrase. I told them that their holding a hearing is not something which I will consider of value to me, but I never told them not to hold a hearing.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. ASPER: Mr. Chairman, what I was saying was that the Honourable Mines Minister wrote to the Environment Commission when he was made aware or was invited, I'm not sure under what circumstances, to the hearing that they proposed to hold and he told them, and I was about to say in effect the impression that he gave, that I was interrupted before I could finish.

MR. GREEN: On a point of privilege. Mr. Chairman, I will make the same statement that I made yesterday. If the honourable member did not say what I have attributed him to say and says that he was about to say something I will apologize to him, but if the words that I say that he stated were indeed stated and appear in Hansard would the honourable member agree to withdraw those words, because he used them?

MR. ASPER: I would agree, Mr. Chairman, to conclude the words which would give the full meaning of what I said.

MR. GREEN: It's not a question of concluding the words. He concluded the statement that the Minister wrote the Environmental Committee and told them not to hold a hearing. That is what he said, he concluded that statement, and I never did any such thing.

MR. ASPER: Mr. Chairman, so much time has elapsed since I made the statement, unless we wait for Hansard I will satisfy the Minister, if I said and concluded the comment I will withdraw the comment. What I meant to say, Mr. Chairman, and I think I said, and was in the process of saying, Mr. Chairman, was that the instruction the Minister gave, or the advice he gave to the Environment Commission was that there was no point in their proceeding, their advice was not required on this vital environmental issue and that they were wasting their time.

MR. CHAIRMAN: Order, please. The hour being 5:30 I am leaving the Chair to return. . .

MR. GREEN: Mr. Chairman, perhaps to -- Before we adjourn and so that I don't have an embarrassment with my honourable friend, I said one thing to the Commission, I said another thing to the Council. I did tell the Commission not to hold a hearing, I did not tell the Environmental Council not to hold a hearing.

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