

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock Thursday, May 16, 1974.

MR. SPEAKER: Good evening. I see we're pretty thin tonight.

A MEMBER: We're with you, Mr. Speaker.

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MR. SPEAKER: We are now on the Resolutions 4 to 6, separately and collectively in respect to Executive Council. The Honourable Member for Minnedosa.

MR. BLAKE: Thank you, Mr. Speaker. On Concurrence I just wanted to say a word or two about the Manitoba Public Insurance Corporation and this would appear to be the appropriate section of the concurrence on the Estimates to do so. Unfortunately the Minister is not in his seat but I won't be too long and he can always have an opportunity to read it later in Hansard.

I just wanted to reiterate some of the points we made in earlier debate and we did have a resolution requesting that the officials of the corporation appear before a Legislative Committee to answer some of our questions and our criticism on the Manitoba Public Insurance Corporation and the substantial losses that it suffered last year. We did have the Minister and the members of the Corporation appear before our committee and unfortunately we didn't get the kind of answers or the information that we were seeking. I found it very difficult to understand why the Corporation wasn't able to give us in the House or in the Committee a reasonably satisfactory estimate of just what their position might be this year. Apparently they have budgeted for a break-even or a near break-even position in Autopac this year but we were also told at the same meeting that accident rate was up something like 22 percent over last year and that at that particular rate it's pretty obvious to me that they are going to be suffering a substantial loss again this year. I don't know what it might be, I thought we might have had some estimate of it seeing as six months of the year have passed but apparently they are unable to come up with those figures. But I would suggest, Mr. Speaker, that we're looking at a loss again this year equal, if not more than the loss that was suffered last year.

I would suggest to the Minister that rather than try and taffy the motoring public along, making them believe that they have nice cheap insurance rates, that they get to a realistic position whereby they raise the rates 25 percent or 30 percent, whatever might be necessary to put the Corporation into a break-even position, and they will certainly have to budget for the losses that have been incurred to date. I'm not referring to the start-up costs, I know they have amortized those over a period of 20 years. There will have to be a certain figure built into the estimates every year to pick up that amortization but over and above that, they have the \$10 million loss suffered last year and I suggest possibly a similar loss that may occur this year.

I think that they have to be realistic and put the rates up to the point where they are going to have the MPIC break-even each year and accumulate some reserves that will take care of catastrophic events such as hailstorms and things of that nature. Now I'm sure the officials of the Corporation have done enough research and have enough expertise in the field that they can come up with realistic budget figures and provide the information to the House and to the motoring public. I don't think it's satisfactory that they announce a raise of nine percent or 19 percent or whatever it is and tell the motoring public that their rates are away lower than they are in the rest of Canada and then come up with a 10 million dollar loss. I think they're merely fooling the motoring public who in the long run will have to pick up the losses that have been incurred to date and the losses that may be incurred in the years ahead by operating under the manner that they have operated in the past.

I realize they have taken some steps to try and plug the leaks where some losses may have occurred and I'm sure that they have uncovered many abuses in the fund, whether they have attributed for much of the loss or not I really don't know, I think it has just been the fact that the rates were kept artificially low for reasons I suppose known best to themselves; we can only surmise as to why the rates were kept at the lower rate. But I would suggest, Mr. Speaker, that the officials of MPIC and the Minister should come to grips with the situation concerning the automobile insurance field and set the rates at a realistic level and not mislead the motorist into believing that he has real cheap insurance. I think they are entitled to know what it's going to cost them to put the insurance corporation on a proper and sound

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(MR. BLAKE cont'd) basis and have it break-even, and I know it's necessary to increase the rates to pick up some of the losses that have been incurred to date.

And I think with that, Mr. Speaker, I know there are many of my colleagues who want to speak on this particular portion of the estimates so I would just leave the area of the Insurance Corporation and leave comments on some of the other sections to some of the other speakers.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. Mr. Speaker, in taking this occasion to speak prior to concurring with the Resolution before us, namely that of the Premier's office, the Executive Council, let me say that it affords me an opportunity to make the kind of speech that I really didn't think it would be possible for me to make so soon.

Of course it also I think underlines for all of us just how fast the big wheels turn these days, certainly at a speed far greater than even those of us who are caught up with the politics of the day, and think we're on top of the situation realize. Mr. Speaker, in the last few days it has come to light of course, and it will come to light in a much more striking and dramatic way just the level of incompetency, the shameless buffoonery on the part of the First Minister and his government that has led the people of Manitoba into, without doubt, its greatest financial and fiscal disaster that this province has seen to date, and that includes CFI and a few others, that is currently taking place under the direction, under the leadership, under the incompetent leadership of the Minister responsible for Hydro. And I refer specifically to the situation that is developing at Nelson House.

MR. SPEAKER: Order please. Order please.

MR. ENNS: I refer specifically -- well they smile, Mr. Speaker, they will not smile that long. This particular government, you know, which cast aside the kind of solid advice that cost millions of dollars to the taxpayers of this province to study, but brushed all that aside, brought in a humbug, Sir, by the name of Cass-Beggs, whose name the people of Manitoba will have a long time and long memory to remind themselves of it -- who has of course since left us with pension after 36 months service for greener pastures -- and, Sir, he had absolutely abundant and sound and good reason for leaving, sound and good reason for leaving, because under the guidance and the direction of this Minister, the First Minister, by accepting the kind of cheap political advice that a humbug like Mr. Cass-Beggs gave this Minister and this government they now find themselves in the intolerable position of flooding out not 77 families, but closer to 2,000; they find themselves putting 30 and more feet of water onto Indian lands and reserve lands, not Crown lands as was previously the situation; and, Sir, all of it, all of it unnecessary, all of it unnecessary, and the First Minister has the colossal gall to come into this Chamber and really use the kind of schoolboy arithmetic that he accused others of using, to suggest that a simple adding up, that if they are flooding it to a certain level now, and we were talking about a higher level of flooding, that we would have flooded out Nelson House by 80 feet. Mr. Speaker, that is an out and out misleading of the House. The fact of the matter is had the original proposal been pursued, there would have been no flooding, no disturbance at Nelson House.

Well now, Mr. Speaker, that's where the debate starts. Now I encourage, now I ask, and now I ask that the Minister will bring back, perhaps subpoena Mr. Cass-Beggs, bring back Hydro to the Committee of Public Utilities and then let's find out. Because, Sir, documented in that list, in that \$10 million worth of studies, which was so easily and quickly shunted aside, is documented the evidence, not my evidence, but that evidence shows that had the proper sequence of development taken place water levels at Nelson House would have been firm at 800 or 805 maximum. --(Interjection)-- Yes, and I would suggest before the First Minister speaks from his seat that he go back and study some of those reports as we have done. Had the dam been built in its proper sequences, the development on the diversion taken place, Wuskwatom being the next dam that was called for under the original proposals, Sir, there would not have been the question of ice jamming difficulties, a constant flow would have been maintained in the diversion channel, and, Sir, the difficulties that this government now is about to realize the seriousness of which, would have been avoided.

Mr. Speaker, let me make it very plain the engineering advice of the day, the studies indicate that there was no problem to be anticipated at Nelson House of the magnitude of the order that is now being faced by this government had the original course been pursued; and, Sir that was true, whether we went to the high level diversion or whether we went to a modified

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(MR. ENNS cont'd) diversion of 854 or in that neighbourhood, the important question is and where the shortcut, where we're paying for that quick engineering report is that the sequence of development was broken. Sir, that was the point of course that had already been made by my colleague the Member from Riel when he indicated the massive and expensive way that we are approaching development of Hydro under this government. All the top heavy ended capital expenditures in their initial years; Pine Spruce when it shouldn't be, or Long Spruce. Talk about the proper sequential, you know, order of things as they were in the proposals of '66 and '68, '69, and, Sir, there is the scientific, the engineering data to support everything that I say, everything that I say, and I object, Mr. Speaker, the suggestion, the bland suggestion that the First Minister can come into this House and use the kind of schoolboy arithmetic--he's hoping, of course, that in the minds of an uninformed public that that kind of arithmetic is acceptable. He knows that by and large the public is aware that the previous administration talked about raising water levels higher at South Indian Lake, so he suggests that a simple arithmetic, that for whatever they're doing now and if it's causing certain problems, that the problems would simply be doubled or magnified if we had pursued in the original course. Well, Sir, I ask him to support that, I ask him to support that through any of the engineering studies that he has.

Unfortunately, Sir, he disregarded the studies that show that that was not the case. A constant level of 800 and 805 was predicted for Nelson House ever at the 30-foot level flooding at South Indian Lake. It has absolutely nothing to do with the level of flooding at South Indian Lake. It's a question of discharge and how that discharge is to be controlled; and of course, if you gave up the whole idea of building the necessary construction of the plants on the diversion route itself, and opted, took the expensive option for going for Lake Winnipeg, at Long Spruce, and forgetting about the works in the order that they were originally made out on the development of the diversion route, that, Sir is the dilemma that has caught up with you. That is the price that Manitobans are going to have to start paying for; and that, Sir, has put this government in the just inconceivable position, you know, of having been quite happy to ride on the horns of popular emotion, of decrying that hardness, previous administration that could even think of flooding out or displacing or causing some difficulties for some 77 Indian families who were living, squatting on Crown land, no legal claim to that land, as such, certainly a very good natural claim which we always recognize as this government does, has now put them into a position of disturbing a legal entity, an Indian Reserve at Nelson House, two or three times the number of people involved, and having to take on the Federal Government and its resources and its agencies in a massive legal battle which will undoubtedly end up embroiling Manitoba Hydro in a kind of a stalling tactic that resource utility companies are only becoming too familiar with across not only this country but in other countries.

It means, Sir, a further delay of the kind of necessary developmental work that is required. And, Sir at what price that delay? Today's inflation rate, today's interest rate - what does a year, what does two years, what does 18 months cost the people of Manitoba while Manitoba hands are hog-tied behind their backs fighting a legal battle with lawyers being paid for by the Federal Government. And they are going to be good lawyers. We understand these are some of the lads that have picked up a little experience in the James Bay project, you know, these are the boys - in fact, they may even be better than the fellows, I forget their names, Buchwald was it? Well anyway I should remember them really, but they will undoubtedly be just as astute and just as experienced and they will be better financed. They won't rely on the largesse or the generosity of the government, of this government to pay their legal fees. They have the Treasury of the National Government behind them. Mr. Speaker, anyway you want to cut the pie, Manitoba Hydro has been dragged into and will be dragged into what surely will be a long unpleasant legal fight. There will in all likelihood be some kinds of injunction placed against further work very soon because that usually is the first tactic. With inflation costs, interest costs being what they are, I would like that price tag to be added on to the already massive waste that this government has caused and with no sure result of the outcome, no sure reckoning of how they're going to extricate themselves out the situation that they find themselves in.

Now I look at I look at a few of my friends particularly pre-'72 vintage era, those of you who campaigned - I regret the Member the Minister of Corporate and Consumer Affairs isn't here, I regret that my other friend, whom I am of late depicted of defending so often, the

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(MR. ENNS cont'd) Member from Crescentwood isn't here. I remember all those honourable gentlemen and their publications, The New Dimension and so forth, they waxed heroic about the dastardly deeds that the then Conservative administration was about to perpetuate on some 77 families. Mr. Speaker, this government today is going to be challenging and taking into court an Indian community over 2,000 people. The Premier in this House has stood up and said we're going to put 30 feet of water on your land, we may help you if you let us build a dam, that way you only have to drag your boats over the dam and only half your reserve will be flooded. Mr. Speaker, is this happening so soon? I can't believe that this is - that the whole situation is wrong - I'm still supposed to be trying to flood out the Indians somewhere or other. This is the government that has elected nothing but good northern NDP members into this Chamber.

MR. OSLAND: Right on.

MR. ENNS: The Member from Thompson has to go down and explain - and has to explain that to him. --(Interjection)-- Well that's fine, that's fine. I refuse to be baited by the implication of the honourable members, that's the typical arrogance socialist position that leads them to believe that only their position is right, the implication being of course that he is honest and nobody else is honest. That was the implication that he had in his speech but I leave that with my socialist friend. The fact of the matter is I want to see how honest this Premier is. I want to see whether he has the guts to go back into those studies. I want to see whether he can get up in this House and say yes, under the Progressive Conservative scheme according to the well documented evidence listed under Study so and so on Page 453, which we will present to you very shortly. There was a fixed and sure predictions of constant water levels, the kind of water levels to be expected under the diversion scheme then to be undertaken, with a somewhat rise in water but it being relatively constant and no where near the situation that they now face - 819 to 829 I believe the Premier is speaking about and our studies and our indications are that this would have been at 800 and 805.

Well, Mr. Speaker, you know - fine. You see, this is the whole trouble, we have based our whole approach to development of Hydro in this province. We have dismissed millions of dollars worth of consulting reports by that kind of position, that garbage, that schoolboy arithmetic they said of other members that chose to attack Mr. Cass-Beggs. This three-day wonder that came into this province, you know, one Mr. Cass-Beggs. Now one should not remember he had another confidant here with him when he came, by the name of Durnin, but it took that honourable gentleman only a few days to realize that he could not depart to the kind of sham humbug performance and lend his professional name to any document which essentially was a political document, and so he got out. And Mr. Cass-Beggs realized that he couldn't stick around this province too long to see the fruits of that poor ill advised costly advice that he gave this government which for the time being seems to extricate themselves out of the political dilemma. They could say to the communities at South Indian Lake no, we'll not flood you out, we'll surely disrupt your ecology to the tune of nearly 80 or 85 percent of what was previously considered, but politically he could say that not one would be flooded and that nobody would be forced to be moved.

Now Mr. Speaker, for injecting that amount of politics into the serious area of Hydro planning, we are now beginning to realize the price that we are going to have to pay. I have suggested it, other people have suggested it, more competent people than myself have suggested it. We have indications just by word of their own present manager of Manitoba Hydro where we are sitting flabbergasted in accepting escalation costs, what was said to have cost \$85 million a year ago or two years ago all of a sudden becomes \$200 million. You know that \$250 million - \$300 million of what we consider utter and complete waste is there, Mr. Speaker, and it is only going to be added to by the situation that this government has allowed Manitoba Hydro to find itself in; facing a legal battle that may well go to the Supreme Court, facing injunctions which could well delay important work - and any delay costs money, massive amounts of money in terms of interest and higher construction costs.

Mr. Speaker, I am prepared to suggest that the Honourable First Minister has only one course before him, but I doubt very much whether he'll take that, because in the final analysis you know he plays his game on all the political instincts of the kind of political fighter that he is and which I am prepared to acknowledge he is - top dog. But Sir, he is also custodian of the resources of this province at this particular time. I myself believe it can be shown to him on sound engineering basis and grounds that it is even now - it is even now still well justifiable on

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(MR. ENNS cont'd) economic grounds to revert back to the original sequence of development in the Nelson and the diversion project and by so doing at least recapture some of the economic loss that we're going into and at the same time preventing the unnecessary flooding, the unnecessary hardship to the community at Nelson House.

Mr. Speaker, let me make that very clear. There is no need, no necessity for any disruption at Nelson House. Absolutely none. And one would surely think that this government should not let politics or let their pride stand in their way when it comes to talking about the disruption of the lives of several thousand citizens of this province. I'd like to believe, Mr. Speaker, that this First Minister can swallow his pride just at least for this particular instance and sit down and look before he gets involved in that costly court battle, before he places this kind of impediment on Hydro, to sit down and re-examine whether or not if we go back to the sequence of construction as was originally laid out which called for the Wuskwatim Dam being the next in line on the diversion; which meant immediately a control with respect to the discharge on the diversion routes which meant immediately a control with respect to the ice jamming problems which play heavily into this situation. It means, Sir, pulling back from Long Spruce, and perhaps that's all it could mean at this particular time. But, Sir, no I've said so on other occasions that - you know there have been different occasions where the necessary major kind of things that face this province and how they've been approached by different governments that very often have been achieved by a combination of good and common sense applied to it - by whatever government came to power.

Let me just simply refer once more again to our recent experience with the flood situation in this province, a disastrous flood in the 50s, a recognition by that government of that day to at least begin and commission the studies necessary, Royal Commission studies on how flood protection could - put forward for the province, particularly the Metropolitan area of Greater Winnipeg. A change of government that then took place had the - no it didn't - wasn't pig-headed about the fact that maybe another government commissioned the report, in this case the Liberal government. No, Mr. Roblin and the government of the day recognized that this was a massive study done at considerable cost. It was the kind of thing that we had the fortitude and the confidence to proceed with and did carry it out, and this government today acknowledges by and large the correctness of that kind of action and can stand, as they have, and pay tribute to that particular work; standing the kind of involvement, if you want to say, of all three major political parties in Manitoba.

Mr. Chairman, unfortunately in my judgment the kind of major efforts, the kind of studies, consulting work that has been ongoing in the field of Hydro power, the kind of developmental work which I suggest no single government is going to be in a position to lay total claim or credit for. It just happens to be that day, maybe started by one government, carried on by another government, it's quite conceivable that two or three governments would have come and gone prior to the full development, full conclusion of the full potential of that great northern resource. The pity, Sir, is that politics got itself wrapped up into what essentially was sound and basic engineering advice and the people of Manitoba are going to suffer for it.

Mr. Speaker, I ask the First Minister to accept the responsibilities that he has as Minister responsible for Manitoba Hydro to acknowledge, to recognize the kind of position that he's putting Hydro into by letting them out on their own now to face a determined Federal agency with ample resources behind them to start a long drawn out legal battle which will tie up Hydro's hands. I ask him to consider the fate of the people at Nelson House and not to hide behind legalities of situations saying, well you've got your lawyers you fight it and we'll fight too and whoever wins, you know, will take over. That's hardly the way, hardly the way the position was put to us a few short years ago. Sir, there is an answer, there is a remedy even at this late date, and I suggested it and I would hope that the First Minister will not simply try to horn-swagger us which he has some capacity at doing but take in fact, retrieve, Sir, retrieve that mountain of studies that he once put on the desk in front of him which he discarded in favour of that 20-page document that one Cass-Beggs provided him in three days' work or something like that. Retrieve, go back, acquaint yourself with the sequence that was planned for, and certainly acquaint yourself with the facts, the engineering facts that we could and did predict constant water levels at Nelson House under our scheme, under either scheme.

Mr. Speaker, lest there be any doubt, we are not talking about the necessity of the high level diversion scheme now, we are talking about the necessity of the maximum diversion

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(MR. ENNS cont'd) possible of the Churchill River possibly in the order of 854. I've said that before in this House, we're probably about four or five feet apart from the present position that the present government is undertaking. But Sir, in any event, in any event, even what they are doing, the course that they have been bent on if they want to get themselves off of the hook they're on, they have to go back to the original sequence of construction, and the Wuskwatim Dam plays a key role in that construction. And Sir, before we simply get pooh-hoed out of this, I think it's our responsibility, Mr. Speaker, it's our responsibility to at least kind of predict with a degree of sorrow and regret the kind of costly unnecessary procedure that this government is allowing Hydro to fall into. You know, the preposterous position, where you have the Federal Minister dedicating the resources of his department to fight our Manitoba Hydro. What's happened, Mr. Speaker? Mr. Speaker, what's happened is that the affairs of Manitoba Hydro, you know, have been left to aimlessly wander from here to there, always constant and always worrying about the politics of the situation.

Chairmen have come and gone and others have been left to kind of pick up the pieces, to explain the unexplainable in common economic engineering sense. Why the top heavy capital spending type of an approach when other routes were available to them? Sir, the tragedy of it on top of it now, Sir, it seems that we now are going to be disturbing to an extent greater than conceived of before the lives of many thousand innocent people. And Sir, let me remind you, these people are in a much stronger, in a much stronger legal position to take on this government or any other government or any agency like Hydro than were the community at South Indian Lake, than was the community at South Indian Lake. That community I remind you was not living in a reserve, the land essentially was belonging to the Crown in the first instance. These people had come from Nelson House to settle along the banks of South Indian Lake. And despite what the news media of the day carried there were only 77 people involved, family heads involved, not the 700 or 600 that was so frequently mentioned; 77 family heads involved. As compared to a long established reserve at Nelson House, has been their land for many years by treaty; many more people involved, I don't know exact number but I suspect that number will become pretty familiar to all of us very shortly, who are now pledged to fight tooth and nail with all the resources that the Federal Government gives them to stop and prevent this project from proceeding. Mr. Speaker, the irony of the situation really escapes me, I can't fathom that this could have happened in such a short time, that this government will allow a thing like that to happen. I'm prepared to be overly generous, and say that it happened out of sheer ignorance, out of sheer not knowing and not taking time to realize the price that they may well have to pay on the kind of fast cheap advice that they undertook to accept in the face of so much good, expensive and well researched material. That really is the price that Manitobans are going to have to pay, and I will be interested to hear how this government, how this Minister will respond in the immediate future. Sir, this situation, you know, unfortunately if there was any thought that perhaps Hydro and Hydro development the flooding of Indian villages or the flooding of resources was going to somehow disappear from this Chamber in any quick way, I can assure you, Mr. Speaker, right now that it will likely be the issues for the next two or three sessions. I know of the length that legal battles take; I know that this issue is going to be in front of the Supreme Court, and I know how long that takes.

Sir, there is a way out, there is a way out for this government, for this Minister, if he but resurrect some of the sound engineering advice that I got when I was the Minister and I was prepared to act on, that he had and discarded for the humbug advice that he got from Mr. Cass-Beggs. Sir, if ever the word "garbage" applied, it applied to that advice; and if ever the word "humbug" applied, it applied to that man, who now sits in greener pastures and after 36 months' service, enjoys a pension for the rest of his life, for the service that he gave to the people of Manitoba. (Applause)

MR. SPEAKER: The Honourable First Minister.

MR. SHCREYER: Mr. Speaker, the Member for Lakeside made a very good speech, that is to say if one is impressed by form. He spoke with great feeling and one has to acknowledge that he spoke with great feeling, and I doubt very much that I can match in that respect the address he has just delivered. But I tell him frankly that while I may not be able to muster up the kind of manifest feeling that he demonstrated, that nevertheless my soul is filled with great feelings of indignation at the utter garbage I've just heard him mouth in the past 30 minutes. Very cute technique, Mr. Speaker. He keeps concentrating on a man who was chairman

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(MR. SCHREYER cont'd) of Manitoba Hydro for a period of time, keeps making reference to the fact that he is now in receipt of a pension, does not mention the fact that the pension he is in receipt of is in the order of \$150.00 a month and which was actuarially arrived at on the basis of the amount of his contribution, a standard actuarial calculation.

And of course, Mr. Speaker, the Member for Lakeside, as others, are very careful not to mention the name of the incumbent chairman of Manitoba Hydro who has been a career engineer with Hydro systems for all of his professional adult life. I refer of course to Mr. Bateman, who was director of Systems Planning in certainly some of the years of the 1960s and in the early 1970s and who is now chairman of Manitoba Hydro. I don't suppose that the Honourable Member for Lakeside would want to imply that the advice and recommendations we have received and are receiving from him are political or partisan in nature. Yet that is the only thing that one can conclude or infer from the remarks of my honourable friend's speech that he has just given.

Talk about schoolboy arithmetic, talk about garbage, my honourable friend, the Member for Lakeside would have us somehow believe that a diversion scheme that involved not only much higher storage of water, South Indian Lake, and the flooding of about a million acres of land, approaching a million acres, and which important in the context of his address tonight but he carefully omitted, mentioned, which involved the occasional diversion of 55,000 cubic feet per second of water through the Burntwood River system, twice as much forced flow as is involved in the scheme that is underway, that is under construction. He would have us believe that somehow that would involve less flooding. Did you ever, Mr. Speaker, hear of such childish nonsense? Because, Mr. Speaker, --(Interjection)-- Mr. Speaker, I hear a magpie, --(Interjection)-- a man who . . .

MR. SPEAKER: Order please.

MR. SCHREYER: . . . who I don't believe understands even the elementary nature of hydraulic flows. I don't know that he was ever responsible for Manitoba Hydro or that he was ever responsible for the Department of Mines and Resources - and he is interjecting, and that's of course his privilege.

But, Mr. Speaker, I repeat for the sake of emphasis, that on what basis can anyone argue or pretend to argue that a diversion scheme that involves the occasional diversion of 55,000 cubic feet per second as opposed to 28 to 30,000 will somehow involve less flooding, at any point downstream? Now, it would take a magician to bring that about. My honourable friend, the Leader of the Opposition is right. Therefore what is my honourable friend basing his argument on? He is basing his argument that presumably, that while they would be flooding higher and more and forcing twice as much flow, 100 percent the amount of flow that will be involved in the low level diversion scheme, that there would be less flooding along the course of the Burntwood waterway, and at Nelson House in particular. Mr. Speaker, that just doesn't stand up to even elementary analysis. But he says that they would have constructed a power dam at Wuskwatim, just upstream of Thompson, and this would have stabilized the level of water further upstream on the Burntwood all the way back to Nelson House. Mr. Speaker, if that is what my honourable friend is arguing, I would simply suggest to him that he is basing his entire case on a faulty premise, but completely faulty. And in any case, let him not pretend that the kind of engineering data that they had in 1968 and 1969 and upon which they were prepared and in fact did bring a bill before this Legislature to define the nature of the high level flooding scheme, to actually specify the maximum extent to which flooding could take place, namely 870 feet, etc. etc. Let them not pretend that they had all relevant information in at that time with respect to water levels downstream on the Rat and on the Burntwood.

I say that the high level scheme, not only do we not regret it now, we are very thankful that history of this province was such that we were able to abandon that high level scheme before the contract was awarded. Because at the time when they had called tenders, received bids and were on the verge of awarding the contract for work at Missi Falls which would have put them on their way towards the building, the construction of the high level designed diversion, that they in fact were lacking a great deal of information. In other words, they didn't really know at that point in time what they were getting into. And now they pretend that they had all the facts and figures in. --(Interjection)--

MR. SPEAKER: Order please.

MR. SCHREYER: Mr. Speaker, Mr. Cass-Beggs is not the only one that is at issue here.

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MR. ENNS: He was the only one you were listening to.

MR. SCHREYER: The chairman, the incumbent chairman of Manitoba Hydro was prepared to answer any and all questions with respect to the requirements of Churchill River diversion and Lake Winnipeg regulation as they relate to the Nelson River development and the agreement of 1966. Let my honourable friends not try to paper that over or blithely circumvent the existence of the chairman of Manitoba Hydro and his role even at that time as head of Systems Planning. Mr. Speaker, we have not given Manitoba Hydro political instructions in the sense of partisanship. Mr. Speaker, we have followed a course of action which is based on the engineering advice that has come to us through the Board of Manitoba Hydro and the chairman of Manitoba Hydro.

MR. ENNS: You had the engineers swear under oath.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Aw, you wouldn't know what it's all about.

MR. SCHREYER: Mr. Speaker, this much my honourable friend should be told, that when asked, when the chief engineer of Manitoba Hydro was asked what would have been the implications at Nelson House in the light of information now available to us of a kind that is by the way far more precise than they had in 1968-69, would have been the case at Nelson House if the high level diversion had been proceeded with, the answer was - I shudder to think. I shudder to think. So let them not play stupid that they think that flooding to 30 feet as opposed to 8 to 10, that force diverting 55,000 cubic feet per second as opposed to 28 to 30,000 would have been more ameliorating to that community - are they completely mad?

MR. SPEAKER: Order please.

MR. SCHREYER: Are they completely mad? And they had every opportunity to question the chairman of Manitoba Hydro and they will have - my honourable friend, the Member for Lakeside is quite right, the whole Nelson River development is a major scheme. We are saddled with the responsibility and task of carrying out all requisite action in order to make sure that the Nelson River and related works are carried out in the optimum timing. And, Mr. Speaker . . .

MR. ENNS: The people are saddled with costs.

MR. PAULLEY: . . . saddled with you right now.

MR. SCHREYER: . . . we will carry out and discharge that responsibility, despite the fact that my honourable friends switched course in midstream. They signed an agreement that included some very specific obligations with respect to Churchill River diversion, it's right in the agreement; with respect to Lake Winnipeg regulation, it's right in the agreement - but somewhere along the line, between 1967 and '69 it seems as though they had some great brilliant insight, a stroke of genius or a blinding light of revelation, and they abandoned the basic course of action as laid down in the Canada-Manitoba Nelson River Agreement and decided they were going to put all their eggs in one basket, abandon Lake Winnipeg regulation, although they weren't sure if they would abandon it till 1979 or 1989, but they would at least defer it for a decade, but presumably do it later. But in the meantime because they were deferring it they would have to go ahead with a much greater and more massive flooding and diversion of the Churchill River drainage basin.

MR. PAULLEY: And how.

MR. SCHREYER: So, Mr. Speaker, there is the history of the matter. The chairman of Manitoba Hydro was available, is available, will be available in the future to deal with all and sundry questions having to do with all of the engineering works that relate to the requirements of developing the Nelson River.

But, Mr. Speaker, it is just too much to allow logic to be turned on its head, to allow elementary arithmetic to somehow be turned inside out; that a more major flooding and a more massive diversion would somehow end up in less flooding downstream. That, Mr. Speaker, is the ultimate in absurdity. And there need not be any hesitation in labelling that. Mr. Cass-Beggs was not alone. The director of Systems Planning, other engineers, the members who constituted the Board of Directors of Manitoba Hydro . . .

A MEMBER: Mr. D. L. Campbell.

MR. SCHREYER: Yes, my honourable friend, that just shows again how they use arithmetic - six members took one position, one member took another position, so the nays have it. Six say aye, one says nay, the nays have it. That, Mr. Speaker, I don't hesitate

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(MR. SCHREYER cont'd) either in describing as the ultimate in absurdity. And were these necessarily partisan people? Were men on there such as Dean Hoogstraten, such as the former engineer in Manitoba Hydro, Tom Storey, are these people partisan in the sense of being - how shall I say - active or even associated directly or indirectly as so partisan that their powers of logic and analysis are impaired? Or the late W. J. Parker who had served on that same board for I don't know how many years, and who continued on that board? And he, Sir, took a position that was in favour of the course of action of avoiding putting all of the dependency for additional flow into the Nelson River, avoiding over dependency on the Churchill River. And the majority practically unanimous, six to one, if my honourable friends want to make a point of that, did recommend a course of action which provided for really getting back to the original concept, which was to proceed with diversion of the Churchill at a more modified and a more modest or a limited extent coupled with regulation of Lake Winnipeg.

My honourable friends now of course talk about cost escalation. Well we do live in a time of inflationary pressures, but let them not pretend that the Nelson River development was not subject to considerable revision of estimate and cost escalation all along. I would invite my honourable friends to peruse Hansard of February 1966 in which they will see what figure was given then for the construction, the escalated cost of construction of Kettle, plus Churchill River diversion, that figure was put into Hansard on that as well, and regulation of Lake Winnipeg. As a matter of fact in 1966, they were going to regulate Lake Winnipeg on an eight-foot range. But in any case they had a cost figure on that. Will you take the 1966 cost estimates and then look to see where they were in 1969 and in 1970, one can see that there was cost escalation taking place right from the first day that they announced any cost figures in connection with the Nelson River development.

But, Mr. Speaker, talk about horn swagging, I don't know just why my honourable friend, the Member for Lakeside chose to make the kind of address he did. Under rules of parliamentary democracy one is supposed to assume that an honourable member says what he means when he makes a speech. We do not impute motives and so accordingly I do not attempt or presume to do so. But lest he think that what I am saying is being said merely in defence against an attack, if he meant every word of what he said, I can assure him most emphatically that I mean every word of what I say when I express indignation, but complete indignation for the kind of figures and reasoning that my honourable friend has expressed this evening, when he would try to have honourable members alarmed or impressed with an argument that would have us believe that somehow if you divert 30,000 cubic feet per second you'll cause great damage, but if you divert twice as much that you get a lesser negative result, twice as much. Because as my honourable friend knows, the whole high level scheme was predicated on the assumption that not only would there have to be considerable storage, which is why they had to talk in terms of 869 to 872 feet maximum range on a lake, the normal range of which was in the order of 840, 835 to 840, but also which required the occasional diversion of 55,000 cubic feet per second. There's no getting away from that fact, that is in all of the background studies that they had. But this much must also be said, Sir, that when they were all set to go with legislative setting out all of this, and awarding of a contract for actual construction, that at that point in time, Sir, they didn't even have the basic survey datum, and they can't deny that either, Sir, because that has been done in joint survey work, Federal-Provincial only subsequent to that year. So therefore of necessity whatever figures they were talking about were of necessity sloppy in that they did not have an accurate point of reference. I think that's common knowledge in resource and engineering circles that they didn't have the datum lines accurately set at all, they didn't exist. They were using 1926 or 1929 datum that was widely acknowledged as requiring substantial revision, refinement and revision. So despite all that they blindly pretended that they knew exactly what they were doing, that they were in fact cognizant all along of some possible problem at Nelson House - humbug, humbug, Sir. And of course, at Wuskwatim if structure and power dam at Wuskwatim is what would make all the difference then, Mr. Speaker,

(Interruption by two members arguing).

MR. SPEAKER: Order please. Order please. I wonder if the two honourable gentlemen would like to step outside and talk to each other, then they'd have a lot closer relationship. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I believe that during my honourable friend's address I

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(MR. SCHREYER cont'd) interjected perhaps three or four words during his entire address, and certainly I would have expected some reciprocal consideration on his part. I suppose the one consolation that both my honourable friend the Member for Lakeside and I have is that in retrospect, and in terms of the longer term, it will be possible for others to make a dispassionate analysis of just what happened in 1966 and what was proposed then, what happened in 1968 and 69 by way of an altered course of action proposed then, 1970, and each year since then, and the truth will ultimately come out and the verdict of history will be the ultimate one.

In the meantime we can only proceed on the basis as follows: That the advice we have received, the engineering consideration studies and calculations that have been run, have prompted us to proceed with Nelson River. There's been no backbiting, or gainsaying, or second guessing, insofar as the desirability, particularly given the kind of world energy situation we are moving into, which will be of irreversible pattern, that it is desirable to proceed with the harnessing of renewable energy; that all of the investment that is required to be put in place on the downstream Nelson plants requires the maximum possible firming up of flow, and we have chosen to proceed, based on engineering advice, based on the advice of the incumbent chairman of Manitoba Hydro, the former systems planner of Manitoba Hydro, lifetime member of Hydro Systems in our province. We are proceeding with a double insurance approach which is one that my honourable friends are not ignorant of because they signed such an agreement in 1966. And let it not be assumed Sir, if I may in conclusion, let it not be assumed that any action in terms of federal involvement of funds means necessarily that the Government of Canada has stated in an official position that they will attempt to block by litigation the proposed Hydro development, because, Sir, that was a possibility all along, and I suppose remains a possibility but the probability Sir, is not logical.

MR. SPEAKER: The Honourable Minister will have an opportunity to carry on another day.

The hour being 9.00 o'clock we are at Private Members' Hour.

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PRIVATE MEMBERS' HOUR - BILL NO. 23

MR. SPEAKER: The first item is Public Bills, Bill No. 23. The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, we have looked at this bill and the sub-amendments which will be proposed in Committee; we are ready to have it proceed to Committee Stage. MOTION presented and carried.

Bill No. 31 the Honourable Member for Crescentwood.

MR. HARVEY PATTERSON (Crescentwood): Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 47. The Honourable Member for Crescentwood.

MR. PATTERSON: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 41 The Honourable Member for Logan. Absent.

BILL NO. 35

MR. SPEAKER: Bill No. 35. The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, the particular bill that is standing in my name and is proposed by the Member for St. Matthews, is similar in content to other bills incorporating other college students associations. I don't see any great difference. I would hope however that the member would undertake to impress upon his colleagues the necessity of proceeding with the Committee Stage of this bill at the earliest opportunity, because I understand that the Student Association at Red River Community College will be in somewhat of a bind if the bill is not passed before the end of the month, and I would not want to have them placed in that situation. For that reason I am allowing the bill to go through at this point in the hope that it can be dealt with and become law before the end of the month. I think that can reasonably be done without pushing anybody too much, and I hope that this will be in effect done.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Well, Mr. Speaker I would like to move a substitution on the Committee for the Agricultural Committee. I don't know whether this is the time or the place.

MR. SPEAKER: Order please. Before we proceed with that, can we finish with Bill 35? The Honourable Member for St. Matthews will be closing debate. The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, I would just like to thank the Member for Radisson for letting Bill 23 go through, and also thank the Honourable Member for Morris for allowing the bill that I'm sponsoring to go to Committee, and I would assure the Member for Morris that I will do my level best to impress upon my colleagues the urgency of getting these bills to the Committee.

MOTION presented and carried.

MR. SPEAKER: The Honourable Member for Gladstone have an announcement?

MR. FERGUSON: Yes, Mr. Speaker. By leave of the House I guess it would have to be, and I would like to move, if I have leave of the House . . .

MR. SPEAKER: Does the Honourable Member have leave to make a motion? The Honourable Member . . .

MR. FERGUSON: I move, seconded by the Honourable Member from Sturgeon Creek, that the name of the Honourable Member for Minnedosa be substituted for the Member for Rock Lake on the Agricultural Committee.

MOTION presented and carried.

BILL NO. 39

MR. SPEAKER: Bill No. 39. The Honourable Minister of Mines. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I realize that the adjournment stands in the name of my honourable friend the Minister of Mines and Natural Resources. I'm informed we have no objection to the bill, and I take the responsibility of saying this, and if it is the desire of the House to pass the bill we'll have no objection.

MOTION presented and carried.

BILL NO. 50

MR. SPEAKER: Private Bills, Bill No. 50. The Honourable Member for Radisson.

MR. SHAFRANSKY presented Bill No. 50, an Act respecting Montreal Trust Company, for second reading.

MOTION presented and carried.

BILL NO. 53

MR. SPEAKER: Bill No. 53. The Honourable Member for Radisson.

MR. SHAFRANSKY presented Bill No. 53, an Act for the benefit of Jessie Ellen Gillespie, for second reading.

MR. SPEAKER presented the motion.

MR. SHAFRANSKY: Mr. Speaker, in April, 1970, Mr. Donald Gillespie passed away and under the terms of his will his estate was to be held in trust with income to his wife, and upon his wife's death the estate was to be divided equally among his 13 children. The Will was not in accordance with the Dower Act in that it did not give his wife the homestead, plus one third of the Estate. Probate of the Estate was obtained. The land consisted of approximately ten titles, some of which were still in the name of a deceased brother of Mr. Gillespie, and others in the name of a sister who had predeceased Mr. Gillespie. Some of the titles could not be located and in order to get the titles sorted out it was necessary to obtain the assistance of a surveyor, and it took approximately one year to determine what land was owned by the deceased Mr. Gillespie.

Probate of the Estate was obtained on March 3, 1971. At the time Probate was filed Mrs. Gillespie was advised by the counsel that she had the right under the Dower Act to take under the Act, or under the will. She advised the lawyer that she preferred to take under the Act in order that she could obtain the homestead, plus one third of the property.

The Form of Election was prepared, Mr. Speaker, and was signed by Mrs. Gillespie at the time the Application for Probate was signed. The Probate was filed but for a reason that the lawyer cannot explain, the Election was not filed until the 27th of September, 1971. Now both the Application for Probate and Election were filed at the same time, but it was not possible to understand, neither is the lawyer suggesting that the Surrogate Court in any way made any error, however, upon filing the documents to transfer title through the Land Titles Office the Land Titles examiner discovered that the Election was not dated within the three months period. The lawyer attempted to rectify the error by discussing the matter with the Surrogate Court Judge, who after discussing the matter at a meeting informed the lawyer that there was no provision in the Act to cover this matter and the only way that this matter could be corrected was by way in which I am proceeding today.

Now, Mr. Speaker, I believe that if this bill is not proceeded with it is going to cause undue hardship to Mrs. Gillespie, which involves certain sums of money plus property, farm property. Mr. Gillespie prior to his death had commenced a plan of subdivision in the Dugald area. However he passed away before the subdivision was completed. Now, Mr. Speaker, if Mrs. Gillespie can obtain title to her one third of the property this will permit her to complete the subdivision of the land, and would enable Mrs. Gillespie to obtain sufficient moneys to properly maintain herself. Mr. Speaker, I hope that the members will not set out to prevent her rightful inheritance, and that this bill will be allowed to proceed to Committee. The lawyer will be present to explain any other details. Thank you.

QUESTION put.

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

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Mr. Speaker I wish to move, seconded by the Honourable Minister for Northern Affairs, that debate be adjourned.

MOTION presented and carried.

BILL NO. 57

MR. SPEAKER: Bill No. 57. The Honourable Member for Assiniboia.

MR. PATRICK presented Bill No. 57, an Act to amend an Act to incorporate the North Canadian Trust Company, for second reading.

MOTION presented.

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MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, it is my understanding that the bill is mostly a housekeeping bill; it's to comply with the Manitoba Companies Act. When the company was originally incorporated it did not have to comply, or the restrictions of the Manitoba Companies Act were not as restrictive as they are today, and one feature of the bill is to comply with the Manitoba Companies Act and the other one is increasing their capitalization. There will be representatives in Law Amendments Committee if there's any questions at that time.

QUESTION put. MOTION carried.

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MR. SPEAKER: Private Members' resolutions. We are now on Resolution 28. The Honourable Member for Fort Rouge has 15 minutes left.

MR. AXWORTHY: Thank you, Mr. Speaker. I should say at the outset that this is a little bit of a historical debate seeing as the issue that we were taking for discussion has already itself resolved, and I suppose it's an example of how in some cases events have a way of outstripping the somewhat creaky machinery that we have used for ourselves to apply to problems of the day. Therefore I suppose it would certainly be in the best interests of all if we were just to sit down and shut up. But I would not want the opportunity to pass in one respect to at least spend a few minutes re-emphasizing what was, I think, an important principle in that bill when this Legislature was being asked to reaffirm the position taken by the Federal Government in relation to the introduction of the World Football League into Canada.

Because while football itself may not be considered to be a major bread and butter issue demanding an undivided attention of the nation at a time when we have other more serious problems, but I think nonetheless it symbolizes or certainly epitomizes a dilemma or problem that Canadians have had to face well over the hundred years of our existence, and that is the fact that we live next door to a very powerful neighbour, and while we have benefitted in many respects from that association we've also had to pay very serious consequences. The consequences often have been that while we receive some benefits we also have oftentimes found ourselves totally accessible to the heavy concentration of power that's exercised by the United States, and we have as a result lost many valuable Canadian institutions practices and birthrights.

It is therefore of some importance that we recognize and continue to recognize the requirement to undertake, both on the federal and I believe on the provincial and internal vigilance concerning the maintenance and promotion of those aspects of our existence which make it our own, which define us as being somewhat different than having certain special cultural qualities that give us a sense of identity, and a sense of belonging, and a sense of meaning, and that we're not simply just absorbed as one more large part of a kind of a worldwide homogenization.

I realize, Mr. Speaker, that in this debate certain members raised the argument that this was another example of government intervening into the economic affairs of the private business, and that it was one more example of the restraint or limitation on freedom of business to pursue it's own activity. I don't make fun of that particular position, or castigate it, but I do think it does point out the dilemma we're in that as Canadians we must choose, and sometimes between two different sets of values, and in this case the set of values of trying to promote and protect an economic system, or theory, as opposed to the protection and maintenance of our own country, and to the national identity that we enjoy.

I think that generally the history of our country has been that in times of serious issues we have opted thankfully for the need to protect the east-west nature of our country as opposed to the north-south demands of our continent. In that respect if we hadn't done that we would not today have national railways and national communication systems, national banking systems, and other forms of distinctive Canadian institutions. Therefore I think it's very important to underline that aspect of our history and not to lose sight of it in a modern day when perhaps the issues are even confused, and I suppose some hundred years hence, or so, a future Pierre Burton may be writing a new series that would be broadcast on some future communication system about the time we fought about world football in Canada. While we may not be able to see the significance of the issue now because we're so close to it, it may be that it was an important battle to the maintenance of at least one part of our cultural heritage.

There's an aspect to that issue, Mr. Speaker, that is important to recognize, and that is

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(MR. AXWORTHY cont'd) . . . that it was also very much an east-west issue; that one of the difficulties we all recognize, at least in this Legislature, or should recognize, is that we have to be particularly aware and vigilant and active in protecting and pursuing the maintenance of a western presence and the institutions of our own region. It was very obvious, certainly from the statements made by the people like Mr. Berger, the owner of the Montreal Alouettes, that really underneath the whole thing is that it wasn't Montreal or Toronto that was going to suffer if there was a world football league, they were going to have good football anyways, but it was Winnipeg and Regina and Edmonton and Calgary, because they would have to sell or settle for something that was second or third rate.

The thing that we've lost sight of in our own debate in this House was that very much part of the issue was the issue of protecting and enhancing our own position as a western city and as a western province to maintain again an institution that could be considered of top calibre, but what would have been totally and completely destroyed and damaged if we had allowed, if the World Football League had had its way. Now I think that that is an issue of some significance and one that we should take some note of, because it again highlights or underlines the requirement of western Canadians to again preserve and maintain their own heritage, and to take action on their own behalf to protect institutions which are important to us, and not to cave into the somewhat more mendacious point of view of easterners.

So, Mr. Speaker, I think that this issue, while the issue was football itself, I think had wider significance. I would hope that perhaps that in the debate tonight we might take some moment to pause that while, at least I for one would applaud the actions of the Federal Government and point to the success that they were able to achieve in preventing the loss of a major institution, it tends to throw, or cast a poor light on the activity on our government in the maintenance of another athletic institution that could provide a certain degree of support and fibre to our own city. And of course we talk about the issue relating to the Winnipeg Jets, that I don't think that we have displayed in this government, or had displayed to us the same kind of fortitude, or determination, or interest, that might have been helping and assisting to preserve and maintain the hockey club in this city, which in its own small way is another reflection of the same kind of issue that we dealt with in the World Football League that sports for whatever you may think of them or participate in them, is very much a major part, or an important part of a life of any community, whether it's a city or a province or a country.

While the Federal Government at least took an initiative in trying to maintain football for all of Canada, we have not seen the same kind of initiative being displayed in our province by this government in trying to maintain a hockey system for this city. And while I'm not prepared, or even able to talk about the financial arrangements because I haven't delved into that issue, what has disturbed me a little bit is that there hasn't really been much sort of energy or enthusiasm been displayed by the First Minister in promoting that particular activity.

So I think we could use this resolution as an object lesson if you like about how governments do have a role in the promotion and maintenance of sports, whether they're professional or amateur; how those sports can add a certain richness of texture to the community, and it is the responsibility of government to do something about it. We should learn from that lesson of the success of the Federal Government in living up to its responsibilities and perhaps reflect upon at this stage the lack of our own ability to assist in preserving or maintaining the hockey system in Winnipeg.

So, Mr. Speaker, those would be the only words, which I use more on the basis of reflection than an act of advocacy, because the advocacy of this resolution may not be required, but I do think that there is a lesson to be learned from this resolution.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I cannot agree entirely with the Honourable Member for Fort Rouge that the resolution before us has slipped into the sphere or realm of academic argument. I think that it's academic at the moment because it was embodied in an issue that was dealt with by the Federal Government, or the former Federal Government, and of course at the present time with the dissolution of parliament it is a piece of legislation that remained unresolved and died on the Order Paper. But it's academic only for the moment I suggest, Mr. Speaker. I think that it's very likely that it will be resurrected following the federal election and whichever party forms the next national government is going to find itself probably faced with resolution of the issue in one form or another. So I don't believe that we

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(MR. SHERMAN cont'd). . . . should necessarily dismiss it as a question that has died with the last parliament.

I want to say at the outset that I speak on this only because I would hesitate to see the questions raised in this Chamber and to find myself in a position where having participated to some degree with the Honourable Member for Assiniboia and with the Honourable Minister of Tourism and Recreation and Cultural Affairs, I then did not state anything for the record. I wouldn't want to find myself, or leave myself in that position. I think a considerable airing of the question has been held federally and provincially, both at the political and at the public levels, but because I am interested and concerned with what is at stake here, and because I had the opportunity of participating to some degree with the aforementioned honourable members of the House, I do want to say one or two things at this juncture before the debate at this stage at this Legislature passes into the record and into history.

I want to say at the beginning that I find the suggestion of government intervention into private enterprise, whether it be sport, or business, or commercial, activity of any kind rather repugnant. I don't like the idea of government intervention into sport. I have been deeply concerned about the pros and cons of the question raised with respect to the funding, the possible funding, of professional hockey here in the city for all the value and benefit that it can bring the community. I'm not at all sure in my own mind that I believe in the principle of government intervention in sports, and I certainly am repelled, repulsed generally by the idea of government intervention into private enterprise at the general business level. So on principle, and philosophically, I don't really like the course of action that many of us have felt was necessary in the situation involving the Canadian and World Football Leagues.

But just to reassure the members opposite that all is well in the Conservative Party and the Conservative caucus and there still are sharp divisions of opinion on many questions, and in the true traditions of conservatism I must take exception to and register objection to the position that my colleague the Honourable Member for Morris took on this resolution. I think in the first place that he was reading perhaps more into the resolution than should be there, or that that he was entitled to read. The resolution in its operative clause says, "that this Assembly should be encouraged to recognize that the CFL is a distinct Canadian athletic activity that should be maintained and encouraged, and for this reason it supports all efforts made to preserve and foster its integrity." Sir, that seems to me to be an eminently admirable and an eminently justifiable intention. What we're saying here is that we have something of value in the Canadian Football League and this Assembly should be interested in lending its weight and support to efforts directed to the maintenance of the integrity of that institution.

I think that notwithstanding my philosophical opposition to intervention by government in private enterprise, I can subscribe to that resolution. I think that most members of this Assembly would in principle be able to subscribe to and support the intention of that resolution. I think that some of the objections raised in the earlier debate, some of the criticism was based on activities taking place outside this Chamber and not encompassed by the operative part of the resolution itself.

In any event, regardless of one's interpretation of the intent of the resolution, and regardless of one's philosophical position on this question of intervention, I find myself in the position where once again, as happens so often in public affairs, and even in private affairs, one has to make choices between courses of action that are better or worse than each other in terms of degree only. One has to make choices between courses of action that perhaps by themselves don't have the wholesale support of the individual. One has to choose the lesser of two evils in many situations, and this is one of those situations. I would like to see the Canadian Football League be able to maintain itself, and be maintained through the private initiative and private effort of individual Canadians not bound by or beholden to any legislation, manufactured in any legislative Chamber federal or provincial. But if it comes down to choosing between that vision, that hope, and between survival of the Canadian Football League at any cost, then I opt I think at this stage of development of the Canadian football profession, Mr. Speaker, for survival of the league at any cost. And I don't advocate that simply because of the Grey Cup and the institution of the national football final. The fact of the matter is that the Canadian Football League offers opportunities for Canadian boys to play professional football. And there is no other football league on this continent or in this world that can make that claim, and I would go so far

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(MR. SHERMAN cont'd) as to suggest that if it weren't for the existence of the Canadian Football League and the teams therein, and the quota system pertaining to Canadian content, there would be very very few job opportunities in professional football anywhere in the world for Canadian boys.

We produce good football players in our high schools and our colleges. They are young men who are gifted physically and athletically, have an opportunity to improve themselves, to better themselves, to make a living for themselves, to achieve advancement for themselves, through the playing of professional football. Because of the numbers game and because of the money game, it is virtually a certainty, Mr. Speaker, that those young men would not have opportunities to any degree appreciable to play professional football in any league other than the Canadian Football League. There would be a minimum who would be recruited by professional teams in other countries; but it would be a minimum and it would be nowhere comparable to the numbers that find employment opportunities through the Canadian Football League.

This is really the basic reason why I say that I want to see the Canadian Football League preserved at any cost. Not because I believe the Grey Cup Final is a fabulous national institution that has to be preserved at any length, although I do believe it's a fabulous national institution. But I think that like other national institutions it some day sooner or later must face the test of being able to stand on its own feet. But I think that the opportunities for our young men to play football are worth preserving, and for that reason if for no other the Canadian Football League is worth preserving.

What we're faced with here is a threat to the survival and the existence of the Canadian Football League that is backed up by football authorities the length and breadth of the land. It's all well and good for someone to suggest that the new owner of the Toronto Argonauts says, let the World Football League come ahead, we'll take them on, we're not worried. Well, Mr. Speaker, in the first place I think that it would be no exaggeration to suggest that the new owner of the Toronto Argonauts knows a great deal about the life insurance business but he's got a great deal to learn about the Canadian football business. He is not to my knowledge an experienced football man. He has now entered the football profession as an owner, and that's an interesting hobby for him and I'm sure he'll enjoy it, but he'll also learn a lot of lessons along the way.

The people who have been in football in this country for years and who have fought to build this league, and who have put their money and their effort and their energy into the development of that institution say to a man, and to a woman too, that the Canadian Football League can not survive without the gates of a Toronto professional team. It is those gates, it is that box office, that makes the difference between survival and failure. The corollary of that truism is that no city in North America, New York included, has yet demonstrated a capacity to support two professional football teams. There may be some demonstration of that in the years ahead because of the location now of some World Football League franchises in cities that have NFL franchises, but up to this point in time there has been no city in North America, and that includes New York and Los Angeles and Chicago, capable of supporting two professional football teams. It was tried in New York with the New York Yankees and the New York Giants and the only team that survived in that struggle was the New York Giants, and ultimately it became the preserve of the New York Jets with even the Giants moving out of metropolitan New York. It was tried in Los Angeles with the Dons and the Rams, and only the Rams survived; it was tried in Chicago with the Cardinals and the Bears, and the Cardinals ultimately moved to St. Louis, and only the Bears survived. To suggest that there are not some experiences from which lessons can be learned is to put one's head in the sand. Toronto is a big booming burgeoning metropolis, that's true; but it's not bigger than New York; it's not bigger than Los Angeles, and I'm not sure that it's even bigger than Chicago, and I think that it's unrealistic to assume that Toronto can support two professional football franchises when some of these bigger cities have not been able to.

So we come down to the question of which franchise, and that matter, Sir, is easily resolvable, easily answerable, for anyone interested in the Canadian Football League. It must be a Canadian Football League franchise because the Canadian Football League demonstrably needs those gates in order to survive. So I think some of the arguments that are perhaps advanced by some observers, and some of the bravado that has been expressed by the new owner of the Toronto Argonauts, while interesting and while colorful, had no foundation in fact whatever, and it will be

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(MR. SHERMAN cont'd) too late to allow the thing to occur as an experiment simply on the grounds that these people may be right, cause once the Toronto franchise at the CFL is endangered and goes under then the League is non-recoverable, the institution is non-recoverable, the case is closed.

What we're attempting to do here Sir, is protect Canadians against that, develop the mechanism to prevent that from happening, repugnant as it may be insofar as it requires some supervision, some overseership by political authorities at this stage of Canada's development and the CFL's development.

Sir, there have been some attempted analogies between the situation in football and the situation in hockey; there have been questions raised comparing the situation where the WFL and the CFL is concerned of the situation, where the locating of American franchises in Canadian hockey league, and the employing of Canadian hockey players in American leagues is concerned, but, Mr. Speaker, there is no analogy whatsoever between the two situations. Hockey sold out to the Americans long ago. Hockey sold out long ago, and now the Canadian has become the hewer of wood and the drawer of water in professional hockey; the teams are owned, controlled, run, dominated by United States citizens. The players are the employees who work for those United States citizens.

The situation in the Canadian Football League is the precise reverse. The teams are owned by Canadians; the teams play in Canadian stadiums, in Canadian cities; the team executives are Canadians, and the employees, to a certain extent, are Canadians, half the player content is Canadian, the other employees are Americans working for Canadian enterprises. It's true that a substantial number of coaches and managers are American, but the owners aren't American, the cities aren't American, the parks aren't American, and the people who go to the games aren't Americans. The Canadian people in those cities own those teams and the American players who play for them are the operative employees, the hired hands, and that's the precise opposite of the situation existing in the professional hockey field today.

The National Hockey League is a perfect example of a sell-out by Canadians of an institution, not only a game but an institution. What we are trying to prevent in this resolution before the House now is a similar sell-out of the institution of the Canadian Football League, and if it takes some overseership from political authority to protect us against making that mistake, then I say at this stage of the game that kind of intervention is the lesser of two evils.

So I recommend, Mr. Speaker, that we in this Chamber endorse the intent of this resolution which asked only that we support all efforts made to preserve the integrity of the CFL. Insofar as it's possible to be pro Canadian about this question rather than anti something else, I myself am opposed in no way to the World Football League as an institution; I am hopeful that all of us can be pro Canadian and pro CFL in our approach to this thing. I think there are many things that could be done to strengthen the CFL without weakening Canada's position vis-a-vis freedom to operate privately and independently in the professional sports sphere.

I think that one thing that could be done is consultations could be held between the CBC and the Canadian Radio Television Commission and the Canadian Football League to see what kind of schedule could be worked out under which there was greater support offered to Canadian football by the public broadcasting corporation. The Canadian Football League stages programs for the CBC. The CBC receives a great deal of ready made, ready packaged top rated program material through the medium of CFL games, and I think that the time is long overdue when the -- (Interjection) -- Well the time is long overdue, the time is long overdue when the CBC, which is supposed an instrument of support for Canadian institutions looked at the kind of support, financial and otherwise that it's giving the CFL.

So my recommendation at this juncture, Mr. Speaker, as I've said, is that we support this resolution in this Chamber, which is not academic because the question is not dead, although the last parliament of Canada may be.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Speaker. I listened to the Member from Fort Garry and there is nothing that I disagree with, I agree with everything that he has said, and I am glad that he was here tonight to make his contribution because I do feel like he does that perhaps this may become an issue again, whenever a new government, or whenever the government is formed in Ottawa and somebody may have to deal with this. So I hope whatever we do in here that we can

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(MR. PATRICK cont'd) convince the MPs from eastern Canada that this is very important as far as we in the west are concerned.

There's two points; I don't like the government to interfere, no more than the Honourable Member for Fort Garry, but I'm sure the member knows that the Congress of the United States did interfere in football in the United States to the extent that there must be TV showing of games that are sold out. That was one time that the government did interfere; they interfered on the option clause. As well I understand that many Canadians are barred from playing U.S. hockey by a recent decision of the National Collegiate Athletic Association as well, and this affects quite a few kids that used to go from western Canada particularly, to the United States to play hockey. So there is some interference. I know there's been great discussion about hockey, and my feeling is that at the time the United States starts to produce their own hockey players, you will see some interference as well.

So I'm glad that we have this kind of dialogue in the House here, because what the Honourable Member for Fort Garry has said is certainly true. I think that we had an open-door policy in Canada as far as the American entertainers were concerned, performers, artists, musicians and professors, and so on. We had an open-door policy. But what's really happening if they produce their own talent, it'll change, so I think that this is something that we have to look at.

I know that unfortunately this became sort of a political issue, and unfortunately did in Ottawa, but I hope we can convince that it's not a political issue. It's something that people like Gordon Lawson, who is of the political faith of the Member for Fort Garry; let him go and talk to him, see how he feels about this, a man that's spent probably 30 years building the game in this province made probably one of the most contributions as far as the Winnipeg Blue Bombers were concerned. And many others who are of the political stripe the same as the Member for Fort Garry, that their feelings, what he had to say, say Mr. Preston, or Mr. Kimmel, their attitude is the same thing. The pressure came from the business community, from the business people to the government in western provinces and said, look you have to do something otherwise there will be no league. And that's where it came, but as I say, it's unfortunate that this happened. I'm sure that - I don't have to tell the members, but the Canadian Football League is made up of nine teams, four in the east and five teams in the west. The western teams are all community operated and none of them have made money with the exception of one club perhaps the B.C., and they didn't put any money in reserve, I understand in the last few years. The eastern teams as well have not paid any dividends; they're all independently owned. What it was, it was the gate equalization subsidies that was able to keep football alive in Canada for all these years. And this is the problem, if you haven't got the sharing of TV revenue, and if you haven't got the gate equalization, then naturally the league will not exist. This is the problem and why the league was so concerned, and everybody was concerned with the exception of the people in Montreal and Toronto. You know, it's sort of almost hard to believe when Mr. Berger would say that, you know, he didn't know this was going to happen. When he did attend a meeting and said, look I agree with the proposal the Federal Government is taking, the action it's taking, and two weeks later he reversed his position and said, look I want one thing in Montreal, all I'm interested in is to get a national football league team in the National Football League, a team in Montreal. So that was his case, and so at least now we know what was the purpose of the World Football Team in Toronto or Montreal. Now we know. And if that would ever happen I think the league would be lost.

I know that the history of the Grey Cup, which is most prized of all Canadian sports' trophies, was donated to the Rugby Union in 1908 by Earl Grey, who was Governor-General at that time, and senior championships had been declared by Canadian Rugby Unions since 1892, but did not receive the prominence until the Grey Cup series first went in in 1909. So we're looking back at many many years of history, many years. The first western invasion took place in 1921, when Edmonton Eskimos went out east and lost to Toronto. So the Grey Cup has been competed for some 66 years now between the east and the west. And this is my feeling that at least I feel that it's something worthwhile perhaps preserving. I know the first western winners were the Winnipeg Blue Bombers in 1935 when they beat Hamilton, and the west has won the cup only 14 times, and of course Winnipeg has a record of seven wins of those 14 times, which is a very good record.

I know that the Member for Fort Garry mentioned maybe perhaps the Grey Cup Festival is not that important. I think it is important. Even in the Super Bowl Game, Mr. Speaker, in

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(MR. PATRICK cont'd) the United States, you may have the two teams from the same State which doesn't get the nation that involved. In Canada it's a different thing, you get the whole nation involved, sort of East against the West but you can have two teams from the same State. You can have the two pro teams from the State of California playing in the Super Bowl and it is not what our event is, the Grey Cup. I know it includes many activities; you have the Grey Cup Pageant, the Parade, the Grey Cup Dinner, and there's many many activities within the Grey Cup, which takes more than a week.

I think the Canadian Football League is without question, Mr. Speaker, the only professional sport that forms sort of an integral part of the Canadian mosaic. But the question is, why should the World Football League not be allowed in Canada? That's the serious question that we ask ourselves, Mr. Speaker. I think that the Canadian Football League would be eventually destroyed by the new league and by encouragement of a team in Toronto. That's as I say, not only the feeling by people who are closely connected but the people that have worked closely with the clubs in all western cities, that's their feeling; and surely the loser would be Canada.

I think the substantial loser would also be municipalities, Mr. Speaker, because the stadiums now that are occupied by the teams would perhaps be empty, and I know that this is what we don't want to happen. I feel another loser in this whole thing would be the amateur football. The average annual contribution of the Canadian League is substantial to the junior and the amateur and the college. I believe it's in the neighbourhood of 200,000. Junior football and intermediate football in my opinion, Mr. Speaker, would disappear.

I think that a further loss would be on the level of university athletic programs. There would be a decline in college football, and it's only in the last ten years or so that we really got real good football on the college scene in Canada; in the last while that we're able to produce some real good football players. I think the CFL is a natural employer of players produced in Canada, and that's another important factor which the Member from Fort Garry has stressed. It employs Canadian talent, Canadian ballplayers and graduates of Canadian universities, and I feel this is another important point, Mr. Chairman.

I think it's only a realistic long-range outlook that some government action will be necessary and will have to be taken, and it doesn't matter who the government will be. I'm sure that this issue that they will be confronted with they will have to take some action. I think the World Football League would really affect the whole Canadian Football League and particularly the losers would be western cities.

For 50 years in western Canada we did not have any professional hockey, 75 percent of the professional hockey was played in the United States, and still we produced 100 percent of the talent.

So, Mr. Speaker, I think it's been proven, as indicated by the other speakers, that statements like, "Toronto can sustain two teams" is certainly not correct and untrue because it's never happened in any other cities in the United States with greater populations. All that's necessary in the City of Toronto is increasing their seating capacity in their stadium from 30 probably to 50,000 seats, and I understand this is under way at the present time. Some of the arguments that have been used by the promoters of the new league in eastern Canada I think certainly do not hold any water, Mr. Speaker, because without the television rights that we get, the revenue that we get from the television, which would naturally cut into the revenue, and I know that it was stated that it would be made up but according to the Football Commissioner that was not so, that was not the case. So I believe that the fans in western Canada, the most teams in western Canada agree that we would be hurt and hurt badly if the new league would have been started.

I do not feel sorry for the promoters in eastern Canada to relocate because they were well advised, they were advised two years ago, there's minutes to that effect at CFL meetings where they were present, and there's resolutions to that effect that they heard that the government would interfere if say NFL would be coming into Canada, or the Canadian League would be expanding into the United States. So the arguments that we've seen and some of the editorials that when this league was being started, a team being formed, and it was a great expense because then they were not allowed to operate, well that's not true, because they were informed of that quite a few years ago, Mr. Speaker. So as I say we can't feel sorry. But the big point in here is, it's we in western Canada that would suffer, and I see nothing else but a complete destruction of our league.

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(MR. PATRICK cont'd)

I know that the legislators in Alberta, the legislators in Saskatchewan had taken a strong position. The government of Peter Lougheed, the Conservative Government in Alberta, has taken a strong position that this would hurt our league. So really what we're doing here, what we're doing here, Mr. Speaker, at the present time is to reinforce what some of the other western provinces are saying, and what I'm trying to point out to you is that I think it's worthwhile to protect a league. I think it's different. We have produced some great players, great Canadian players in this league in the last 20 years that could have played in any league, in the American league, or the National league. I've had an opportunity to play with at least 15 to 20 ballplayers who've played here for several years, have gone and played in the National league and ended up making the All Star and All Pro.

I know that the President of the Players Association, George Reid in the Canadian Football League, has indicated and has also stated that he is concerned if the league is started, if the team's allowed to start in Toronto in the World Football League, that this would hurt football in Canada.

So I just want to point out that what the Member for Fort Garry has said, I agree. Much of what I wanted to say he's already said. So really I do hope that the action that the government will take in eastern Canada will be for protection of the Canadian league because I think it's worthwhile protecting. It's unique, it is a good brand, it's topnotch football as has been evidenced by the calibre of players that have been playing here, have gone back to the National League and were able to play in the National League. This is an indication itself, it is a topnotch brand of game that we have here. It's in fact indicated by many people that it's more exciting than perhaps some of the games that you see in the National Football League. I know the former coach of the Winnipeg Team, Bud Grant, has indicated many times on National TV coverage from Minnesota that Canadians do have a great game and he said he would hope that they wouldn't change it. So I do hope that we can convince more people and the Government of Canada if they have to take action I hope they don't . . .

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J.R. BOYCE (Winnipeg Centre): Mr. Speaker, the score is 4 to 1.

MR. SPEAKER: Four to one for who?

MR. BOYCE: For Boston -- (Interjection) -- 5 to 1. Mr. Speaker, doubtless I will have to wait until this next appears on the Order Paper but I would just like to draw to the attention of the House just how sometimes we can slip a little. The previous speaker made reference to the lack of government in Canada. I would like to point out it's really a picayune detail that we have a government in Canada; the only thing that has been dissolved is the parliament of Canada, that the government remains until they resign. But, Mr. Speaker -- (Interjection) -- I wonder if we could call it 10:00 o'clock, Mr. Speaker, and I can address myself seriously to these events at some future point in time.

MR. SPEAKER: The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 10 a.m. tomorrow morning. (Friday)