



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 13 April, 1983.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for River East.

MR. P. EYLER: Mr. Speaker, The Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Member for Inkster, that the report of the committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I have another runoff report and I'm having copies made and when the copies are here then I would like to make that report.

A MEMBER: You're having some copies run off, are you?

HON. A. MACKLING: I received a copy when I stepped into the Chamber, Mr. Speaker, and I would like copies for the opposition.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. As Acting Minister of Labour, I'd like to table the Supplementary Information for Legislative Review of the Department of the Civil Service Commission in the 1983-84 Estimates.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

MR. F. JOHNSTON introduced, on behalf of the Member for Fort Garry, Bill No. 52, An Act to Incorporate The Salvation Army Catherine Booth Bible College and Bill No. 40, An Act to amend An Act to Incorporate Portage Avenue Baptist Church.

MR. G. FILMON introduced, on behalf of the Honourable Member for La Verendrye, Bill No. 53, An Act to Grant Additional Powers to Steinbach Curling Club Ltd., Loi

accordant des pouvoirs additionnels au Steinbach Curling Club Ltd.

HON. V. SCHROEDER introduced Bill No. 54, An Act to amend The Payment of Wages Act. (Recommended by the Her Honour, the Lieutenant-Governor).

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Questions, may I direct the attention of honourable members to the gallery where there are 30 students of Grade 9 standing from the John Henderson Junior High School under the direction of Mr. Warren Earl. This school is in the constituency of the Honourable Minister of Finance.

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

ORAL QUESTIONS

Spring runoff

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Yes, Mr. Speaker, I now have copies of the "Spring Runoff Conditions and Prospects." I'd like to give this report as of April 13, 1983.

The Red River: Water levels are continuing to fall by about one foot per day. The United States storm will produce about 10 millimetres of precipitation in the southeastern half of the United States portion of the Red River watershed. This will not be enough to cause any rise in river levels in Manitoba.

The Assiniboine River: Flows are declining from Treesbank to Portage la Prairie as the first peak has passed. Flows will be increasing downstream of Portage la Prairie in the next few days as less flow is being diverted to Lake Manitoba. The ice jam is still in place on the Assiniboine River downstream of the control structure.

Upstream of Brandon, levels are stabilizing due to recent cold weather. Flows are well within banks. Levels will rise again next week if warmer weather returns by the weekend.

The Souris River: There has been little change in river levels since Tuesday and little change is expected for the next week or so. Agricultural flooding from the United States boundary to Hartney will likely continue until about mid-May.

The Interlake: Water levels continue to fall. There is no flood threat with normal weather conditions.

The Westlake-Dauphin-Swan River area: Runoff is taking place in the Whitemud and Turtle River watersheds, but the recent cold weather is stabilizing or reducing flows. Runoff has not begun from the Ochre River northward. River levels may rise next week if the weather warms up significantly on the weekend. The flood potential remains high on most rivers from the

Vermilion River northward. The cool weather has reduced the flood potential on the Whitemud and the Turtle Rivers where flooding is now unlikely with normal weather conditions.

The Red River Floodway has been taken out of operation last night. That is, it's no longer being used to divert water down the floodway.

The Portage Diversion: Diversion flows have been reduced to about 4,000 cubic feet per second. Flows upstream of Portage are declining.

In respect to the weather forecast, the major U.S. storm was in Wisconsin this morning and moving northeastward. There is now little chance that it will produce any significant precipitation in Manitoba. Temperatures are expected to remain generally below freezing for the next two days and then to warm up somewhat for the weekend. No significant further storms are expected in the next three or four days.

Keenberg resignation - Horse Racing Commission

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, my question is to the Minister of Economic Development and Tourism. On Monday she indicated that Cabinet would be discussing the resignation of the Commissioner of Racing and indicated, also, that they would decide today whether they would accept the resignation or not. Did the Minister accept the resignation of Mr. Keenberg today?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, the resignation has been accepted with regret and appreciation for the work done by Mr. Keenberg.

Dayton's closure

MR. F. JOHNSTON: Mr. Speaker, on another subject, to the Minister of Economic Development and Tourism.

The First Minister on many occasions was very concerned about closings in the Province of Manitoba, and the Minister of Economic Development has been stating how well the retail sales are in the Province of Manitoba. Has the First Minister asked the Minister of Economic Development to have her good offices call on Dayton's to find out why this company, that has been a historical long-term business in the Province of Manitoba, is closing in our City of Winnipeg?

MR. SPEAKER: Does the honourable member wish to repeat or rephrase his question?

MR. F. JOHNSTON: Mr. Speaker, on clarification, I ask the Minister of Economic Development and Tourism if the First Minister has asked her to investigate or have her good offices call on Dayton's to find out why this business has closed in the Province of Manitoba, in the City of Winnipeg?

HON. M. SMITH: Mr. Speaker, I gather that type of question is out of order.

MR. F. JOHNSTON: Well, Mr. Speaker, if the Minister believes that is out of order, I'll ask the First Minister if he has asked the Minister of Economic Development to investigate the reasons why Dayton's are closing in the City of Winnipeg?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, we have a committee that is responsible for reviewing all such closures. The appropriate committee will be examining that to ascertain whether or not there is anything that can be done of a positive or significant way insofar as the province. I gather there may, indeed, be causes that are certainly outside the particular control of the province.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Well, Mr. Speaker, my question is almost three days late. I wonder, if during those three days, there has been any discussion with the management of Dayton's to find out why they are closing in the City of Winnipeg, or are we going to have to wait a couple of weeks for this committee to meet?

HON. H. PAWLEY: Mr. Speaker, I gather that there was an explanation given by Dayton's in the newspaper that apparently was quite clear.

MR. F. JOHNSTON: Mr. Speaker, I'm well aware of the reasons that were given in the paper by Dayton's, but does the Department of Economic Development, or does this committee that the Premier says is set up to investigate these closings, are they going to wait for two or three weeks before they contact them, or are they going to have discussions as to why this company closed in the City of Winnipeg?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Well, Mr. Speaker, I think the member opposite, particularly as he did occupy the portfolio of Economic Development and Tourism, no doubt is aware that in the retail trade, there is a certain volume of activity in an area, depending on the number of people and their needs and their income levels, and that the number of stores or outlets does fluctuate. It has not been the practice of the government in the past to get too involved in the retail trade area, other than to maintain the income level of people, so that they can exercise demand.

The rationalization that goes on in that sector is an ongoing process and I would think, particularly the members opposite would think, that was a healthy process. I think our concern is that there be adequate retail services available in the area and that local people get employment and that a fair proportion of the benefits stay in the province. I think the disappearance of one outlet won't necessarily affect that; it may, in fact, increase the viability of the remaining outlets.

MR. F. JOHNSTON: Mr. Speaker, the Premier two years ago was concerned about Shaino's closing the next

day. I would ask the Premier, again, or the Minister of Economic Development, how long they are going to take to have discussions with a retail store, that just didn't open yesterday in this province, it has been open for many years in this province in the City of Winnipeg, when are they going to have discussions with them to find out the reasons why they are closing in the City of Winnipeg?

Mr. Speaker, the Premier was always concerned before. Is he concerned now?

HON. H. PAWLEY: Mr. Speaker, the Manitoba Government is very concerned about the situation pertaining to unemployment, pertaining to business closures. Mr. Speaker, we're making every effort, along with Manitobans in general, whether it be in the business community or the labour community, to confront those problems. That's why, in fact, although it is a difficult task and though we're far from achieving that which we would like to achieve, there has been some considerable improvement in regard to economic indices in 1982-83 compared to the period of time 1978-1979; unemployment, employment retention, the retail sales, population growth, etc.

We are still not satisfied, Mr. Speaker, but I want to assure the honourable member in response to his question - are you concerned - yes, this New Democratic Party Government is very concerned about the job situation, the economic situation, in Manitoba, in other parts of Canada as well; including Conservative Newfoundland where we have, according to the last data, a 21 percent rate of unemployment. Mr. Speaker, unemployment is too high in this land regardless of where we look. We are concerned as Manitobans; we are concerned as Canadians.

MR. F. JOHNSTON: Mr. Speaker, I'm very pleased about the First Minister's concern. My question is: Is any department over there, anybody, going to meet with Dayton's to find out why they are closing in Winnipeg?

HON. H. PAWLEY: Mr. Speaker, I'm certain that if indeed there is justification for meeting, if there are obvious areas that Dayton's themselves would wish a meeting, if we feel that there would be positive results from such a meeting, certainly the Department of Economic Development would be interested in doing so.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Yes, Mr. Speaker, one of the reasons Dayton's has given for their closing is that with the proliferation of shopping malls on the outskirts of the city and the decline in the core, there is much less volume of business there. To that end, our long-term programs, Mr. Speaker, with redevelopment of the core, bringing people back into the core of the city, making it more of a magnet, and working on containing the City of Winnipeg, having a more planned approach to the total city, should remediate this type of situation. Of course, it can't overnight remedy a situation that's taken quite a while to develop.

MR. F. JOHNSTON: Well, that's interesting, Mr. Speaker, because in the paper the man from Dayton's said the

expropriation of property in the core area around him was one of the reasons for harming his business.

Economic Review of Manitoba

MR. F. JOHNSTON: Mr. Speaker, I have another question for the Minister of Economic Development. In Estimates last year and I believe on one other occasion when I asked the question in the House regarding the 10-year economic review of the Province of Manitoba that was well under way when the previous administration left, the Minister said that it would be available very soon the last time I asked her. I wonder if the Minister could tell us when that 10-year Economic Review will be available to the people of Manitoba?

HON. M. SMITH: Mr. Speaker, I will take that under advisement.

Lynn Lake layoffs

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, the First Minister has assured the House, and the people of Manitoba, again, of his concern, and the concern of the New Democratic Party, for job retention in the Province of Manitoba. I wonder, Mr. Speaker, if the First Minister is now in a position, to have ascertained from within the labyrinth of this government, as to what action, if any, that government is proposed to take to save several hundred jobs at Lynn Lake, one rescue item for which has been before that government for better than two months, even though the First Minister apparently didn't know of it until last weekend.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, the Minister of Energy and Mines indicated that, indeed, we are prepared to undertake joint investment ventures with the company if, indeed, those joint investment ventures will realize employment, will realize benefit to the company, Sherritt Gordon, as well as to the Government of the Province of Manitoba. We are prepared to undertake joint investment undertaking, but not, Mr. Speaker, the handing out of grants of taxpayers' monies without any return to the province.

Mr. Speaker, once you reach a point of simply handing out large-scale grants, without any return to the province, there is no end to which we may, in fact, proceed. We had the bitter experience of the Churchill Forest Industries, now Manfor, when a previous administration in the Province of Manitoba, handed out large sums of monies with negligible benefit to the province. I don't need to recapture that long, sad, tragic history, Mr. Speaker. We are interested in joint investment undertakings to ensure there is maximum benefit to Manitobans and, in the process, jobs for Manitobans.

HON. S. LYON: Well, Mr. Speaker, I think, increasingly on this side of the House, and among the thinking

people of the Province of Manitoba, we're finding it difficult to understand a government which, on the one hand, says that it has \$200 million for a Jobs Fund which will be a supplement or make-work jobs, cutting grass, brushing, doing everything you can think of; and, on the other hand, says that, for what appears to be purely ideological reasons, it is unwilling to give any consideration to an application that is made under a joint federal-provincial program, by a mining company in Manitoba that is trying to protect jobs in Manitoba. My question, very simply to the Premier of Manitoba, Mr. Speaker, is, is he really concerned about jobs in Manitoba, or only those jobs where he can implement his socialist ideology?

HON. H. PAWLEY: Mr. Speaker, that was a very, very sharp question. I commend the Leader of the Opposition for that query. Mr. Speaker, the Manitoba Government is engaged in a program, together with the Federal Government, in aerial surveys insofar as the northern parts of the Province of Manitoba is concerned. I gather, in particular stress, insofar as the Ministry of Energy and Mines, pertaining to the Lynn Lake area insofar as exploration development work.

HON. S. LYON: Well, Mr. Speaker, my understanding of the application that was made indicated that the company in question had a project that it was suggesting to the Federal and Provincial Governments, apparently at the behest of the Federal Government, in order to attempt to save jobs at Lynn Lake in Manitoba. Now, the question is still unanswered, Mr. Speaker, is this government not prepared to give careful consideration to the companies request, whether or not the company is willing to knuckle under to the kind of equity participation that this government apparently insists on? I remind the First Minister, before he answers, and reminding him of his apparently new found concern for taxpayers' dollars, that it was his government, in the Schreyer years, that squandered \$40 million on a government-owned aircraft plant before they found out it wouldn't fly.

MR. SPEAKER: Order please. The Honourable First Minister.

HON. H. PAWLEY: Thank you, Mr. Speaker. The Leader of the Opposition was not present, I believe, yesterday when the Minister of Labour pointed out that, yes, an application had been received by the staff of the Federal Government; that that application had not been further submitted, at this point, to the Advisory Committee which is responsible for the NEED Program, that there are serious questions pertained to the criteria insofar as the acceptance of that application. As the Leader of the Opposition ought know, the NEED Program is restricted to those that have exhausted their Unemployment Insurance Benefits.

Mr. Speaker, I had indicated the other day, two facts. One, certainly we would be interested in looking at any worthwhile application pertaining to the Jobs Fund by which there could be additional jobs created. But, secondly, Mr. Speaker, insofar as the investment of the monies of the taxpayers of the Province of Manitoba, we must not only be conscious of the jobs created,

but we must be quite conscious of the economic return to Manitobans. Mr. Speaker, rather than simply handing out grants, handing out the dough, as indeed the Leader of the Opposition might have us do, under a system of corporate welfare it would be our intent, Mr. Speaker, to engage in joint ventures that would benefit both the provincial community as a whole and, at the same time, would end up in benefit to the company, to Lynn Lake, and to the creation of jobs within the Lynn Lake area.

HON. S. LYON: Mr. Speaker, I am sure that the workers at Lynn Lake will take great heart from the Premier's statement that any preservation of their jobs would come under the heading of "corporate welfare." I am sure that they will take notice of that statement made by the First Minister.

Mr. Speaker, very simply, and the First Minister seems to be avoiding the question, what are he and his government prepared to do to help job maintenance at Lynn Lake, now that the sulphide ore is running out and there is some prospect of a gold operation being open up there if the Federal and Provincial Government will lend some co-operation.

HON. H. PAWLEY: Mr. Speaker, I thought I had indicated earlier that we had improved a grant re the aerial survey, which was a significant undertaking on behalf of the provincial community. No. 2, Mr. Speaker, this government at least is attempting to do what it can in respect to assisting the workers in Lynn Lake, unlike, Mr. Speaker, and I would like to refer the Leader of the Opposition to a statement that he made on October 29th, 1981, which represented the view, Mr. Speaker, of the previous Conservative administration in the Province of Manitoba, in response when the Leader of the Opposition referred to workers at Lynn Lake and their concerns. The Leader of the Opposition in Lynn Lake made reference, "Lyon made only a cursory comment yesterday when students of the West Lynn Heights School asked about the mine. Mines are non-renewable, sooner or later they run out of ore," he told them.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. The Honourable Leader of the Opposition.

HON. S. LYON: Well, Mr. Speaker, I'm happy to see that the First Minister is beginning to understand some of the elementary economics of mining. Apparently his Minister of Economic Development understands that mines are suicidal industries and run out of ore but when mining companies do present an alternative for the employment of the people who are located in the town, Mr. Speaker - we need no interruption from the junior House Leader

MR. SPEAKER: Order please. The Honourable Attorney-General on a point of order.

HON. R. PENNER: I had to raise this point of order in the past couple of days and I think it's important to raise it again. It's important to understand that the Rules apply to the Leader of the Opposition as much

as to anyone else and we are now into the third or fourth supplementary and instead of the very short preamble, if any is permitted, we're again into one of his long, rambling, rhetorical introductions, and that is contrary to the Rules of the House.

MR. SPEAKER: Order please. I hope that all members would use Oral Question period for the gaining of information rather than the supplying of it or the making of statements.

The Honourable Leader of the Opposition.

HON. S. LYON: Thank you, Mr. Speaker, in view of the background that I have stated and in view of the fact that the company has, by submission to the Federal and Provincial Governments, supplied some alternative whereby jobs might be protected at Lynn Lake, will the First Minister very simply tell the House whether or not his government is prepared to act on that kind of an initiative or whether or not they have any other initiative that will go to the heart of saving jobs in Manitoba, the same jobs that he professes to have so much concern about all the time?

HON. H. PAWLEY: Mr. Speaker, again, let me repeat to the Leader of the Opposition that an application has been received by the staff of the Federal Government. That application has been reviewed, there are serious concerns as to the criteria being applicable. I would think the Leader of the Opposition would not be demanding that the criteria be twisted in order to suit one particular application. The application of the monies as per the federal/provincial program need initiated by Mr. Axworthy at the federal level and Ms. Dolin at the provincial level relates to those that have exhausted their unemployment insurance benefits are the recipients of welfare.

Mr. Speaker, I did indicate, and possibly the Leader of the Opposition, due to the fact he was not present this past Monday, that we would be prepared to accept an application which I do not believe we have received from Sherritt Gordon in regard to a program under the Jobs Fund. I want it to be made very very clear again, Mr. Speaker, that government is not there just to hand out funds to those that make application, otherwise there is no end to the demands that might be made upon government. There is, indeed, an end to the demands that can be made. Mr. Speaker, we're prepared to examine any application, to weigh that application insofar as jobs created; and secondly, Mr. Speaker, just so I can emphasize again to the Leader of the Opposition that we can ensure that there be a return to the Manitoba community, the taxpayers of Manitoba, in total. I think it would be reckless, it would be irresponsible for certainly this government to proceed on any other basis, Mr. Speaker, than to proceed on that sound businesslike approach.

HON. S. LYON: Mr. Speaker, we know something about the sound businesslike approaches of this government and its predecessor, losing \$600 million on Hydro, \$40 million on Saunders Aircraft, God knows how many tens of millions of dollars on other silly ventures. Is the First Minister, Mr. Speaker, not prepared to negate the comments made by the Minister of Mines and Energy

the other day that the only condition on which this kind of an application would be considered would be that of joint venture? Is he not prepared to show some compassion for the workers of Lynn Lake who have, through their company, put forward an alternative means of saving jobs? Is he not prepared to take some of the \$200 million alleged Jobs Fund, which is going to be put for cutting grass, and God knows what else, and apply it to the maintenance of hard jobs at a mining town in Manitoba which otherwise is probably going to die?

HON. H. PAWLEY: Mr. Speaker, let me assure the Leader of the Opposition that this Manitoba New Democratic Party Government has more compassion in respect to the workers of Lynn Lake, more desire to assist in a given situation than that was expressed by the previous Conservative Premier of the Province of Manitoba when he was asked about the potential closure of the mine, when his response was mines are non-renewable, sooner or later they run out of ore; and the reference is Lyon made only a cursory comment yesterday when students of the West Lynn Heights School asked about the mine.

Mr. Speaker, we're prepared to compare our standard of compassion and I'm not very anxious to do that because I think we are better judged by our deed than by our words. Mr. Speaker, I don't think it helps workers of this province who have lost their jobs, other workers that are fearful of losing their jobs, if all that they indeed are confronted with is pious or holier-than-thou attitudes that we hear so often across the way rather than real attempts, real programs, in a concrete fashion to make jobs in the Province of Manitoba.

HON. S. LYON: Mr. Speaker, I can only come to the conclusion that when I was speaking to the students at Lynn Lake I was speaking to a more intelligent audience than what I am in this House. Mr. Speaker, the other day I gave notice to the First Minister that — (Interjection) — the Minister of Finance says from all of the depths of his jocularity that the people in Lynn Lake voted the right way. I wonder if they could see now the action of this heartless government whether they'd vote the same way, Mr. Speaker. Mr. Speaker, if the Minister of Finance wants to fire the second cork out of his gun, let him go ahead.

Demonstration at U.S. Consulate

HON. S. LYON: The other day I gave notice, Mr. Speaker, to the First Minister that I intended to ask questions of the Minister of Economic Development with respect to the unprecedented statement that was made by the First Minister concerning the Minister of Economic Development and the Minister of Natural Resources unfortunate involvement in a matter in front of the U.S. Consulate. The Minister of Finance, Mr. Speaker, for the record seems to think this a laughing matter. The people of the United States and the people of Canada don't think it's such a laughing matter as he apparently tries to attribute.

Mr. Speaker, the First Minister the other day described the two Manitoba Cabinet Ministers as being naive and showing bad judgment when they attended the

demonstration outside the United States Consulate General where the American flag was burned.

Mr. Speaker, on the 25th of March of 1983, the Minister of Economic Development was reported in the Winnipeg Free Press as saying that at the request of Premier Howard Pawley, she made a speech at the protest over American intervention in Nicaragua. She said that she spoke at the protest at the request of Pawley and was acting as his spokesman. She said that she had consulted with the Premier and the protest had been discussed by caucus.

Mr. Speaker, my question to the Minister of Economic Development is very simply this: How does the statement made by the First Minister that she was naive and showed a lack of judgment, how does that stack up against her statement to the Winnipeg Free Press that she was there representing the First Minister and with his approval?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, it was this past Friday I responded to that question by the Leader of the Opposition.

HON. S. LYON: Mr. Speaker, the First Minister did no such thing. I gave notice at that question period that I intended to ask the Minister of Economic Development. I don't think the First Minister can continue to hide behind the skirts of the Minister of Economic Development. I want her to answer.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Yes, Mr. Speaker, the Premier and I are in agreement that I was in attendance with his knowledge, that the act of indiscretion and naivete had to do with the location of the demonstration and to no other aspect of it, and I repeat, again and again and again, that all of us on this side dissociate ourselves completely with the act of flag burning and do not accept responsibility.

Mr. Speaker, we do regret, on behalf of our very good neighbours to the south with whom we can have open talks about our differences of opinion as well as our areas of agreement, that their flag, for which we understand their affection and for which we feel much affection, should have received such treatment, but we dissociate ourselves from that aspect.

Mr. Speaker, the Premier and I are not ashamed of admitting on occasion that some of our actions may have an element of naivete. I think that naivete is not necessarily the worst quality in the world, Mr. Speaker. There are people who would have called Ghandi's march and all the rest naive and, in one aspect, they may be; on another important scale of values, Mr. Speaker, they are not.

HON. S. LYON: Mr. Speaker, just to continue the questioning then of the Minister of Economic Development, was she in fact at the protest at the request of the Premier and was she acting as his spokesman as she said to the Winnipeg Free Press?

HON. M. SMITH: Mr. Speaker, I accept responsibility for a misunderstanding. I was there with the knowledge,

but not at the request of, and if there's any misunderstanding, it was my responsibility.

HON. S. LYON: Mr. Speaker, can the Minister of Economic Development give us the further confirmation, as she apparently stated to the Winnipeg Free Press, that the protest had been discussed by the caucus of the New Democratic Party Government?

HON. M. SMITH: Mr. Speaker, I think all that needs to have been said on that issue has been said, and if the member opposite will consult Hansard, I'm sure he can find what I had to say on that matter.

HON. S. LYON: Mr. Speaker, then I think the final question that has to be put in respect is: Is the Minister of Economic Development saying that she was inaccurately reported by the Winnipeg Free Press?

MR. SPEAKER: The Honourable Attorney-General on a point of order.

HON. R. PENNER: Yes, with respect, it's highly improper to put words in the mouth of any member of this House, particularly if the Leader of the Opposition is trying his Crown Prosecutor tactics. The Minister of Economic Development has given an answer requesting or inviting the Leader of the Opposition to consult Hansard and that is the end of it; but for him then to try and convolute that answer into something he would like to believe is improper.

MR. SPEAKER: Order please. Does the Honourable Minister wish to answer the question?

The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, I think I have already said that there was a misunderstanding on my part of the nature of the discussion, that it was with the knowledge of, but not under the direction of, the Premier that I attended.

HON. S. LYON: Mr. Speaker, I can only, and I suppose everyone else, draw the conclusion that the Minister was correctly reported by the Winnipeg Free Press and that she is subsequently amending her statement. Is that the case?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, this is definitely out of order. The chapter that you sent to every member of the House is very clear, Chapter 9 of Question, Reports and Return - no questioner is supposed to enquire whether statements made in newspapers are true - or further down the line - impugn the accuracy of information conveyed to the House by a Minister - and I would suggest, Sir, that we stay within the rules if we're going to have any kind of orderly fashion in this House.

HON. S. LYON: Well, Mr. Speaker, I don't think there is any point of order, but if the Member for St. Boniface was presuming to say that it's all right for the First Minister to read from newspaper reports and make

some sort of a hopped-up answer to them, then I suggest, Sir, that it's equally right, notwithstanding Beauchesne, for the same rule to be applied to this side of the House and that's what will happen.

HON. L. DESJARDINS: Mr. Speaker, I think the record should show that the member of the opposition said, has threatened a member of the House and you, Mr. Speaker, and what I did say - if he'd shut up for a minute and listen - what I did say is enquire whether statements made in the newspapers are true, and that is exactly what is being done, and then later on impugn the accuracy of information conveyed to the House by a Minister. Then I could go on, because he's breaking every rule in the book . . . a substance, a question already answered or to which an answer has been refuted.

HON. S. LYON: You're a sandlot buffoon.

HON. L. DESJARDINS: He's talked about sandlot before, Mr. Speaker, but I mean if anybody wants to show who a buffoon is, I think if he stands up they will see one.

Bill No. 12 - distribution

MR. SPEAKER: The Member for Lakeside.

MR. H. ENNS: Mr. Speaker, a question to the Honourable Minister of Natural Resources. Bill No. 12, The Water Rights Act, has been on the Order Paper for some time. I wonder whether the Minister can indicate when he expects to proceed with second reading.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, it should be sometime later on this afternoon if we get through question period.

Loan Guarantee Program

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker, approximately two weeks ago, I asked a question of the Minister of Agriculture regarding the announced program of \$100 million Loan Guarantee Program provided through MACC to ensure that Manitoba farmers could arrange their operating loans. The Minister indicated he would provide the answer.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, to the honourable member, I can advise him that all financial institutions in the province have now signed agreements dealing with this program, and can advise him that at this point in time, there have only been several applications as yet received by MACC. We're following up on that with the financial institutions, but the process is in place.

We're advised that financial institutions have indicated that they intend to take full part in the program.

MR. D. ORCHARD: Well, Mr. Speaker, in view of the fact that there have only been several applications received to date and that we are fast approaching not just the planning time for spring seeding, but the actual spring seeding event, and credit must be in place now, would the Minister undertake to review the criteria that he has placed on this \$100 million Loan Guarantee Program and remove the upper limit of 20 percent equity and return it to the 10 percent that was proposed originally and make some of the changes that have been suggested by this side of the House to that program to make it more effective for the farming community that they may take advantage of his much-touted announcement?

HON. B. URUSKI: Mr. Speaker, once we have an idea as to how well the financial institutions are undertaking this program, we will be in a better position to review whether some changes into the criteria are necessary.

The honourable member speaks that 20 percent is a too-low amount of equity restriction on many producers, Mr. Speaker. He should be aware - and I'm sure he is - that it really depends on the financial institution as to how they determine that equity position as to how they evaluate those assets.

Mr. Speaker, this program, unlike the other program where there was a 10 percent equity limit on that program, was only taken part by one institutions to the tune, I believe, of something like \$7 million. No other institutions took part in it. The institutions presently under this program were consulted, discussed and negotiated in the formation of this program and we're hopeful that this program will be meaningful, provided, Mr. Speaker, that the institutions are prepared to live up to their word that they are prepared to co-operate as they have signed in terms of the agreements.

MR. D. ORCHARD: Mr. Speaker, I ask the Minister quite simply is he prepared to monitor and study this program for the next several weeks; have the seeding season be passed by by Manitoba farmers and have the program of absolutely no use to farmers who are looking forward in anticipation of qualifying under this program? Will he immediately change the criterion which is restricting access to this program by Manitoba farmers who are expecting help from this program?

HON. B. URUSKI: Mr. Speaker, we are indeed concerned that credit is available to farmers and we will exactly do that. We will make sure that if there is a bottleneck, that applications are not being approved and there is concern that the funds are not flowing, we will review our position then.

Mr. Speaker, the member should be aware, and he's leaving the impression that this is the only credit program available to farmers in this province. I believe he does realize that the lending credits of farmers far exceed what a provincial administration can provide to the farmers of Manitoba. We are but one component in the lending needs of farmers and we have moved ahead, I believe fairly boldly in this program.

MR. SPEAKER: Order please. The time for Oral Questions has expired.

**ORDERS OF THE DAY
COMMITTEE CHANGES**

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, I have several changes on committees.

The first one on the Law Amendments Committee; the Member for Emerson for the Member for Roblin-Russell. Mr. Speaker, on the Standing Committee on Agriculture; the Member for Minnedosa for the Member for Pembina.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Yes, Mr. Speaker, would you please call the adjourned debates on second reading in the following order:

Bill No. 15 standing in the name of the Minister of Transportation;

Bill No. 14 standing in the name of the Member for Lakeside;

Bill No. 16; Bill No. 2; Bill No. 27; Bill No. 33.

**ADJOURNED DEBATE ON SECOND
READING**

**BILL NO. 15 - AN ACT TO AMEND
THE HIGHWAY TRAFFIC ACT**

MR. SPEAKER: Order please. On the proposed motion of the Honourable Minister of Highways, Bill No. 15, standing in the name of the Honourable Minister of Highways.

The Honourable Minister of Highways.

HON. S. USKIW: Mr. Speaker, we have noted the observations that were made by the Member for Pembina with respect to Bill 15. We believe that probably the best way to deal with them would be in Committee of Law Amendments. It's my hope that is satisfactory to members opposite.

QUESTION put, MOTION carried.

**BILL NO. 14 - AN ACT TO AMEND
THE ELECTIONS ACT**

MR. SPEAKER: Order please. On the proposed motion of the Honourable Attorney-General, Bill No. 14 standing in the name of the Honourable Member for Lakeside.

The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Mr. Speaker.

The Honourable Member for St. Norbert has responded and essentially put out the concerns of the opposition to some of the changes proposed in this bill. Mr. Speaker, there is no basic opposition, I suppose, to continually review and to indeed make the changes necessary to a bill that is as fundamentally as important; a working bill, a piece of legislation that governs how

we run elections in this province, except, one really questions the need for unnecessary changes; changes that seem to be there for changes sake, or indeed, even for different reasons.

I list, under the category of that kind of change, the small change. It is not a big change, but why inscribe into law, bureaucratic convenience that says henceforth that all elections in this province will be cast on a Tuesday. I appreciate the fact that the advice from the electoral officers and others is that Tuesday is a nice day to have elections. There are mechanical reasons for having elections on Tuesday in terms of workload falls and day falls. But, Mr. Speaker, it happens to be a prerogative under the parliamentary system of the First Minister, of the government, to decide when that election day shall be. I am simply pointing out, and even if by practice as in fact I think it's been the case in the last number of elections that we've recognized that, taken that advice, successive governments have taken that advice from the same people and have essentially called the elections for Tuesday, although not always. It's a little matter that I just point out in reading the bill because it does alter just slightly the way parliamentary democracies call elections. They're called at the call of the presiding Premier, the presiding government, when they choose to call that election. It is not a prescribed date, as in American congressional systems, or indeed other countries that have fixed dates either by constitution or otherwise.

So, Mr. Speaker, I don't see the need for that change, but this government feels more comfortably being directed and having it in statute law, to take that little elbow room out of the selection of the future election date. That's their business I suppose.

More important are some of the concerns that I have that change in my judgment tend to lessen the importance of election day. Perhaps using the word "denigrate" the importance of election day is too strong, but I referred to the sections that called for just about continuous advanced poll capacity being built into the bill. Mr. Speaker, it is my contention that, generally speaking, there is sufficient provision in the existing bill to allow all those electors to exercise their franchise as we surely wish them to do in the present provisions that are there in terms of advanced polling dates. Mr. Speaker, if they need to be somewhat expanded, I would not again voice any serious objection. But the suggestion that there be a continuous poll for the length of the election at the returning officer's place does several things, Mr. Speaker. First of all, one of the important functions that takes place at election time at polling booths is the scrutineers of the candidates being present. I suppose it's possible and there is nothing in this bill that prevents a scrutineer from being present for 35 days at a D.R.'s office, but it doesn't happen. — (Interjection) — Pardon? It doesn't matter, the member is quibbling with numbers, so it's after nomination.

The point of the matter is in my judgment it takes away the importance of the election day. It also takes away to some extent the very necessary safeguards that we have on election day; safeguards for all persons running to have their candidates, their scrutineers there, to have their own officers present on the polling station to ensure themselves that it is being run in a fair and open way. Well, Mr. Speaker, I make the point, that's all I am doing.

I think the question contained in Section 73 of the bill, Mr. Speaker - I appreciate the fact that we're not supposed to deal specifically with sections at second reading of the bill, but Bill 73 is one that concerns me as much if not more than anything else - that has to do with the change that is being proposed. The Act now indicates that it is called for to note the candidates in the same space as the name of each candidate, the occupation of that candidate and the name of the registered political party that has endorsed that candidate, if any, shall be inserted. The current Act calls for dropping the requirement to show one's vocation on the ballot and I take issue with that, Mr. Speaker.

Mr. Speaker, on another bill that's before us, the bill having to do with all of us as well, namely - I'm trying to remember the bill - the conflict of interest legislation, in that bill there is no end of information that candidates or successful elected members are being asked to or would find necessary to supply to a public body or to some central repository that goes far beyond such a minor thing as simply indicating one's vocation. I think we have to divulge the interests that my grandmother, or sister, or cousin, or you name it, has in all kinds of matters. I don't want to confuse the two bills, I just raise the issue, Mr. Speaker, that in a conflict of interest bill we want to be very specific. We want to know very much about the elected member. We want it written down. We obviously want to have that so that it will stand the test of light, and if need be, if it is challenged it will be used. Now, we come along and we want to do away with the practice of having the candidate identify what he does for a living in terms of properly identifying himself in front of the electorate. I can't really see the need for that, Mr. Speaker.

I think it's helpful to be identified as a farmer, as a mine worker, as a teacher, as a craftsman, as a railroad worker; I think it's helpful. Indeed, Mr. Speaker, how else can we make sure that aren't too many lawyers getting elected to this place if we don't make them put down their vocation? I knew that point would register with the Attorney-General. We have to worry about that, and I appeal to the backbenchers there for some support on this matter. — (Interjection) —

Well, look at it again, because I really think that in the process of allowing the public, the people of Manitoba, to have and be able to form as accurate and correct a picture of the person they're being asked to vote for, and goodness knows, there is enough flimflammy that goes along with the propaganda that every party and every candidate generates for himself or herself. Ours, of course, always being true and honest; the members opposite always not having those qualities, but that's the nature of politics. So I say that at least on such fundamental things, like what does your candidate do, is he a craftsman, is he a painter, is he a lawyer, is he a doctor, is he a farmer, is he a rancher, is he a union leader? I see absolutely no difficulty at all in including that in the bill. In fact, I see problems and, in fact, I don't want to read into the reasons for repealing this section of the Act any dark or dire motives. What I'm having trouble is finding any reasons for repealing it.

I would like the Attorney-General to tell me why one's vocation should be removed, why one should not want to put one's vocation on the ballot card when one seeks

to run for the office that, after all, among other things, we, this body of men and women probably do more in terms of determining how our fellow citizens will conduct themselves in the workplace and in the professional place in seeking a livelihood in this province and we should not be concerned about a matter such as that, particularly not at election time when the whole purpose of the exercise is to try to elect people that the electorate has a pretty good reading of. They know what they do, they know who they are in the community, one would like to think. They know what they stand for politically so that's why the ballot calls that the political affiliation should be right on the ballot box. They know they're voting for a Conservative, they know they're voting for a New Democrat or they know that they're voting for an Independent.

But Mr. Speaker, we insist that all that gets put on the ballot box and up to now we've said, on top of that we want to know whether he's a football referee or whether he's a grocer or whether he's a farmer or whether he's a lawyer and now you're saying that that's not important anymore. Mr. Speaker, I think not a change for the better and if you're not making changes for the better why make changes?

Mr. Speaker, the one other final item that I have saved for the last in my comments and those I have very serious concerns with and perhaps the one that I should indicate to the Honourable Members of the Government and to the Attorney-General, one that we would probably create the most serious objections for him on this bill, a bill that we would not otherwise want to unnecessarily hold up its due passage, and that is the changing of the vouching system, Mr. Speaker.

We are upset about that change that is being called for. Mr. Speaker, the practice that is now in place calls for two electors from the same constituency to vouch for a person whose name has been deleted or omitted from the voters' list and in that fashion can obtain a ballot for voting at election day. Mr. Speaker, that is now being changed so that the person, without offering any identification, without offering to do anything else simply says I'm Joe Smith, my name was left off the voters' list and I feel I have a right to vote in this election and all that the clerk does, my understanding is, he has to sign a form of some kind — (Interjection) — same polling division — (Interjection) — still the same I still want to see somebody vouching for them.

Now you can just go into that polling division and say I'm Joe Smith and I have the right to vote. — (Interjection) — All right, he swears to it but not being offered to show any identification not being asked to give the election officers to verify who they are dealing with.

Now, Mr. Speaker, I want to tell you something, in the country, by and large in rural Manitoba it's not a matter that we worry about because, believe it or not, even in those large constituencies and by force because of the size geographically of our constituencies we have small polls. Our polls are 30 or 40 voters, 90 voters, 100 voters is a big poll in rural Manitoba because we don't want to make people travel more than 40 or 50 miles or 10 miles to a poll, so people know each other. By and large, people know each other. But that is not the case in the city, Mr. Speaker.

I will say it, Mr. Speaker, I see a distinct reason for this change being put in this Election Act at this time

because, Mr. Speaker, if the honourable members want to do a little bit of research into it, in the last decade we've had several elections controverted. I believe the election in Crescentwood, election in St. Boniface, the election in Wolseley, Mr. Speaker, I'm told, maybe the Attorney-General knows better than I do, that in the case of where they were controverted it was on this very matter of properly identifying the voter or there is sufficient question in the mind of the judge hearing the case that caused the election results to be controverted.

So, Mr. Speaker, I do take serious exception to the loosening up of this section of the Act, and furthermore I pointed out - I'm not suggesting that the government is bound by the recommendations of its various groups and committees that it has to advise them from time to time but specifically the Law Reform Commission does not recommend this change, Mr. Speaker. The Law Reform Commission does not recommend this change, it says that the Act should remain as it stands. — (Interjection) — prepared by the office of the Chief Electoral Officer, that report having to do with this bill.

Mr. Speaker, obviously there was a wilful reason for this government to reject the recommendations of electoral officers in proposing this change. I would like the Attorney-General to know why the change because - is it because in more impersonal urban city surroundings it is possible, particularly for a highly organized political machine to move voters around? Well, Mr. Speaker, this is certainly making that easier and I would think the Attorney-General, our Chief Law Enforcement Officer, would want to be very careful about changing a law that makes subsequent contravention of the law easier.

I simply think, Mr. Speaker, that it cannot be considered an impediment to democracy to have somebody, to have a voter, who has in the final analysis, after having exhausted all other occasions, because there are other occasions to get his name on the voters' list. In the first instance to make it his business to see that he's enumerated, in the second instance to make sure that when there's a review of the Court of Revision of the voters' list and his name is missing to then exercise his prerogative and see that he gets on the list but, in fact, if he still misses out on all these things, he still has the option of coming down with his two neighbours or with anybody in that polling division to acknowledge that, yes, we'll vouch for him.

That seems to me, Mr. Speaker, and look, we know even that is done in a fairly organized way in some cases. I mean, our party will have a couple of people there, or something like that. We recognize people that aren't on the voters' list, that they will vouch for them, as will your party.

HON. R. PENNER: Only if we know them.

MR. H. ENNS: Well, of course if you know them, but that's the whole purpose of vouching, Mr. Speaker. So I ask the Honourable Attorney-General that he should look at that particular clause perhaps the hardest.

Mr. Speaker, I'm not going to take the Attorney-General to task too much about this question of British subjects voting or not. You see, Mr. Speaker, I've done my research and my homework over the past two or

three weeks and I've recognized something that obviously has escaped the attention of my colleague, the Member for St. Norbert, but the Honourable Attorney-General has no choice but putting the restriction, or ending the privilege, of British subjects to vote. It's a matter of the Constitution that we have changed the Charter of Rights that we now have accepted in this country, except perhaps - and I've asked the Attorney-General to advise us on that - he could of course exercise, or choose to exercise, the opt-out clause on the Charter in this particular instance.

But I'm not going to press the Attorney-General on that. I simply say to him that I recognize that he is probably drafting the law right in that particular instance. Mr. Speaker, I perhaps can say that easier than you, but that's simply perhaps because I'm not a British citizen. However, I'm so informed that the new Charter of Rights precludes the right of British subjects to continue voting in elections, and for that reason the Attorney-General had to include that clause in the bill.

Mr. Speaker, the vouching business should not be tampered with or changed, and I question seriously whether there's anything to be gained by leaving off the person's vocation, his profession, his occupation from the ballot box. I think that adds to the general knowledge of electors when they're being asked to elect people and certainly in this country, in this province, there is no stigmatization to various professions or jobs. I'm as proud to put on my ballot a farmer, or rancher, as the Member for The Pas is to put down on his ballot a railroad worker, or to be a — (Interjection) — or even the Member for La Verendrye as a used car dealer, Mr. Speaker, but more importantly, it's the lawyers that we're trying to get that aren't trying to keep within reasonable limits of numbers in this Chamber, and I would appeal to the Honourable Attorney-General on that final ground alone to rethink the question of whether or not one's occupation should not remain on the ballot.

MR. SPEAKER: The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: I move, seconded by the Member for Roblin-Russell, that debate be adjourned.

MOTION presented and carried.

BILL NO. 16 - THE OIL AND NATURAL GAS TAX ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Energy and Mines, Bill No. 16, standing in the name of the Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: I adjourned the debate on behalf of the Member for Arthur.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I'm pleased to rise to speak on Bill No. 16. I think that it's important to put one's thoughts on the record and specifically state their support for this amendment to Bill 16, or the

amendment which is expanding or increasing the term in which this incentive that was put in place by our term of office, or by the Lyon government in our term of office, Mr. Speaker.

I want to, as well, make reference to some of the activity that is taking place in the oil producing area of the province. To a large part, Mr. Speaker, the initiative that was put forward by particularly the private sector, but it all came about because of the equalization or the opportunity that was developed through the taxing regime in the oil industry.

I would like to start my comments today, Mr. Speaker, by saying to the government that it was a wise decision to carry on with this. Prior to the announcement that they were going to introduce this particular bill, there was a concern - I would say a pretty major concern - by one of the main producers in the newly developed Waskada field that if this particular bill was not introduced and made retroactive to the 1st of January of 1983, then it would restrict the drilling program for this coming year, and that one particular company that I'm aware of had some 100 holes that they were prepared to drill in the southwest area.

What do 100 oil wells mean in total dollars? One hundred oil wells mean approximately \$20 million in investment in the drilling, the bringing in of service crews, the bringing on of production of those wells. That, Mr. Speaker, is a lot of money to a community in Manitoba at a time when the rest of the province, particularly in the mining community, is seeing towns close down - we're seeing major layoffs of people - that we have now got an industry that is carrying part of the economic blow that the rest of the province is feeling.

My colleague for Turtle Mountain the other day put some figures on the record, but I want to add some further, Mr. Speaker, what has happened in the last few years. I would like to refer to the Budget Address that the present government have introduced and go to Page (b)19 where it points out precisely what has happened in the oil industry in the last year. We have seen the crude oil production increased by 7.2 percent in 1982 compared with 1981; the first increase recorded since 1968, Mr. Speaker.

Drilling activity primarily in the Waskada area, as measured by both the number of new wells drilled and the total metreage, tripled. In addition, 144 new oil wells were brought into production in 1982, compared with just 38 in 1981; an increase of some 278.9 percent. This high success rate has encouraged a sizable increase in drilling activity in Manitoba, as is evident in Chart 10, which is part of that page in the Budget Address. With scheduled price increases and new oil prices for this new production, the value of production exceeded \$100 million for the first time in 1982; an increase of some 57 percent over 1981.

That, Mr. Speaker, in my mind briefly points out what is happening in that particular region of the province. Since this document, Mr. Speaker, has been presented, there has been a new development that is taking place in an area which is west of the Waskada oil field, an area where I was raised in the province in the Coultervale district, where there has been one or two other companies that have now found, in the same oil producing zone as they have found in Waskada, some encouraging finds and have recently heard of some

drilling programs that will be taking place in that particular community.

So Bill No. 16, which gives those companies an incentive to produce oil in Manitoba, equalizing them with the Provinces of Saskatchewan and Alberta, I think augers well for a decision that this government has made, but even gives a lot more credit to the government that initially introduced this incentive. In fact, Mr. Speaker, this is probably, other than the legislation dealing with surface rights legislation, Bill No. 5, are one of the few pieces of legislation that the opposition are going to be able to agree with the current government on. I guess one of the reasons that we are is because it was in place; they didn't tinker with it, Mr. Speaker, and has very little, really, any input from the current government. I do compliment them for carrying on with it because, as I've indicated, there was severe concerns from those people who are producing the natural resources of the oil fields in western Manitoba.

Well, what does all this economic activity and what does all this mean to a small community in the southwest, Mr. Speaker? The Minister of Health said - I think I heard him say from his seat - not a hell of a lot.

HON. L. DESJARDINS: I wasn't even talking about this.

MR. J. DOWNEY: Mr. Speaker, I withdraw that. If he said that in regard to something else, then I will disregard what he had said.

MR. S. ASHTON: Nobody's listening to you James, don't worry.

MR. J. DOWNEY: Well, the Member for Thompson says that no one is listening to me. Well, I'll tell you, the people of Thompson will be listening to me because there are lots of job opportunities in the oil fields in the southwest area of the province. That's different than he can say about the people of Thompson; it's different than the Minister of Labour can say who has had a dismal record in the provision of job opportunities through her government's activities.

Mr. Speaker, what does it mean? We're seeing the mining towns go down; we're seeing massive layoffs and unemployment in the mining industry, and in the northern towns in Manitoba, but what are we seeing in towns like Waskada where a lot of this oil development is taking place? Mr. Speaker, we have seen all the unused lots, all the lots that are lying there vacant now having houses built on them; we've seen a new motel moved into the Town of Waskada just recently to provide more accommodation for those people living there. In fact, Mr. Speaker, we have seen an addition being built on the present hotel that's there; we've seen every vacant farm home in that whole southwest of Manitoba now being rented by families who have moved in, who are part of either the drilling or the servicing of those oil people; we have seen a new trucking industry set up in the Town of Waskada, or very close by - Rolling M Enterprises - to haul the oil and haul the salt water, providing many, many jobs for a lot of the young people in that area.

We proceed to look at a town where I came from, Mr. Speaker, which could be more referred as a wide spot on the road, a town called Coulter, where probably the population was down to about 10 people. Every available lot has been purchased in that small town. There are now mobile homes being moved into that community as well as companies that provide a fracking process to these oil wells that are being developed. We have seen a camp that will probably house some 25 to 30 men or women moved into that same town that are going to participate in a major drilling program this coming year. We are seeing the many farmers in that community that have been waiting for many years to lease their oil properties and to see oil development take place on their farms or in their community now showing an economic effect to that community, people who are getting a return for that resource that they have the rights to.

We're seeing the Town of Melita, which is another centre in that community, where recently every - and I say every - vacant building has either been leased for oil company office space, the storage of oil servicing equipment. We have seen all available, or most available, small parcels of land in the surrounding community being leased to trucking firms who want to service those communities with pipe yards, cement businesses that provide an input into the oil production business.

Yes, Mr. Speaker, we are seeing a development in southwest Manitoba that, unfortunately, the many people in this Chamber haven't availed themselves to the opportunity to see first hand. It's exciting, Mr. Speaker, because there is job opportunities not being created or provided through direct handouts or grants by the Provincial Government, or by the taxpayers, but by the sheer initiative, or the incentive, through a proper taxation mechanism that gives the private companies the ability, the incentive to go ahead and do that kind of work activity. I would say, Mr. Speaker, and I would recommend to a lot of young people, particularly the students of Manitoba who cannot find employment, that there are job opportunities in that oil field in the southwest area of Manitoba at this particular time.

As I've indicated, I know one company that has got 100-well program planned for this year. I know of several other smaller companies that have got some drilling programs planned for this year. That takes a lot of men; it take a lot of women; it takes a lot of servicing for all the work activity that takes place.

Mr. Speaker, let me go one step further and say this is just the beginning of the development of a resource in that area. The production from that oil field today is currently being trucked daily off of the Waskada oil fields, up 83 Highway to Cromer, to the Trans-Canada Pipeline where that oil is being dumped. I'm pleased that the Minister of Highways and Transportation is sitting here because it's important that he hear this; that because of the heavy amount of traffic that are going over the roads in the southwest, and because of the increased activity of the oil field industry, there has to be special attention paid to the road network that's in that area. I think the one particular firm that I'm aware of is hauling some 3,000 barrels of oil a day across 83 Highway to the Cromer Dump.

I appreciate the spring of the year isn't good time for roads, and they are cutting back to the weight

restrictions that are put in place by the government, but the roads are breaking up badly. They will continue to break up badly, even though it isn't the spring of the year, with that kind of weight exposure that is being carried, the excess tonnage. That is not going to decrease, Mr. Speaker, that will be increasing. I would think that the Minister of Highways, if he were to be a fair man, and I am sure he is, would ask for his department to provide him with a special program or a special report on the specific roads that are now carrying that weight.

HON. B. USKIW: We have to get the money from energy.

MR. J. DOWNEY: The Minister of Highways says, "We have to get the money from energy." I agree. What is happening with the taxation policies and the increase of oil production, is that general revenues are increasing. I am not saying that all that increase has to go to the road business, but at least there has to be some attention paid to the development of that network of roads that are carrying those resources.

The next step, Mr. Speaker, and I want to get onto this, the next step of what will happen is the oil production increases. There have been some projections made that there will be a need for a pipeline network established to take the oil out of that field and deliver it into the pipeline system at Cromer or wherever would be the most suitable place to hook up. The economic input, the economic expenditure that would take to provide, yes, Mr. Speaker, the pipes being manufactured or processed and built in Eastern Canada in the iron factories, the numbers of heavy equipment that would have to be bought and purchased, and the contractual work that would have to be put into place to put that into the ground and to do the kinds of work activities that are necessary; the provision of rooming network, the system of rooms, hotels, motels, restaurants, and all the things that have to be put into place to serve people are going to be part of that economic development that's taking place.

The total activity wasn't necessarily generated in total because we changed the tax laws on new oil, but it was a start, a major start, Mr. Speaker. A major start to develop a resource that not only the people of the southwest are going to get a benefit from, but those people who are building mobile homes in other parts of Manitoba have been part of that economic generation that has taken place through the oil industry. So it is the start of a major development that all Manitobans and all Canadians are going to participate in through, first of all, not just short term and make-work jobs, but really and truly meaningful work activities that each and everyone can feel is a need to society.

The providing of hard equipment, of heavy equipment for the oil industry as well, is something that is going to give jobs to the manufacturers of that equipment. Then we go to the hauling and the servicing of these oil wells after there in production, the development of a pipeline, is all part of what is good common-sense private initiative and government co-operation programming, and I think that in the long haul Manitobans will be better off for it.

It doesn't have all positive sides. There are some drawbacks, Mr. Speaker, and last week when we heard

the people from that particular area, who are farmers, speak to the Surface Rights Bill in committee, Bill No. 5, they did a very good job in pointing out some of the specific problems that they are having. Their representative, Mr. Kohaly, who is the legal council for them, who was a former member of the Legislature from Saskatchewan, as well a lawyer and as well a person who understands the farm community, made some excellent recommendations that I am sure this government will pay attention to when it comes to making amendments to the Act, Bill No. 5. There are people there - it is a matter of changing their livelihoods; it is a matter of changing a landscape. It is a matter of changing their production base from a straight grain farming operation to, in fact, a joint land use. It has to be kept in balance, Mr. Speaker, and that's the kind of thing that this kind of legislation can do.

Mr. Speaker, in concluding my remarks, I just want to further add that I speak specifically about the Waskada, the Melita, there's towns like Pearson who are seeing some oil development take place in their area. Towns like Tilston, who have had, for quite a few years a lot of oil activity in their community. We see, of course, the Town of Virden, which was really expanded and built many years ago or increased in size because of the activities of the oil field in the Virden community. We see towns across the border from us, cities or towns like Estevan, which are all part of growth centres which follow on the oil industry, and Manitoba has to compete with, not in a major way, but has to be able to compete with the taxing regime in Saskatchewan as has been recognized by this government when it put in place the border town incentive grants or the grants to equalize the taxes on purchasing of gas by consumers. That recognition is not unlike what we're talking about here, that we have to keep our energy taxation policy somewhat in line with our neighbouring provinces, and that's what is happening here.

I hope, Mr. Speaker, that this bill receives the support of all the Members of the Legislative Assembly, because it is important. I think the term that they have put in place that this will extend it to the year 1986, I believe, is something that I am not particularly prepared to address at this particular time, because one only has to see what has happened in the last two or three years, and possibly there could be further need to look at that date before this bill becomes ineffective and may want to be extended to a further date.

Mr. Speaker, I again feel that it's important that all Members of this Assembly support Bill 16, because it not only has an economic impact for the southwest area of the province, but has a major impact on the economy of all of Manitoba. I am sure that it is one of the, if not the only bright spot that this provincial economy has. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER, P. EYLER: The Member for Pembina.

MR. D. ORCHARD: Mr. Speaker, I move, seconded by the Member for La Verendrye, that debate be adjourned.

MOTION presented and carried.

BILL NO. 3 THE FARM LANDS OWNERSHIP ACT

HON. R. PENNER: Mr. Speaker, would you please call now the adjourned debate on Bill No. 3?

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, standing in the name of the Member for Rhineland.

The Honourable Member for Morris.

MR. C. MANNES: Mr. Deputy Speaker, I would like to speak on this and leave it standing in the name of the Member for Rhineland, if I could.

Thank you, Mr. Speaker, it's a pleasure to enter into the debate on Bill 3 for the first of many times I would expect. I'd like to begin by reading a letter, if I may, that the Minister of Agriculture received April 6th or 8th, I imagine, because it's dated April 4th and I have a copy of it. That's how I happen to know the Minister of Agriculture received it. It's sent to Minister Uruski and it comes from the Manitoba Farm Society, Brunkild, Manitoba, and it says: Our farm society opposes your Farmlands Ownership Act or Bill 3 as being too restrictive. We feel that the existing farmland ownership legislation is sufficient, and it's signed, sincerely, Klaus Wolf, Secretary of the Manitoba Farm Society.

First of all, Mr. Speaker, I'd like to tell you a little bit about this farm society. It was originally made up of farmers from the villages of Brunkild, Oak Bluff, Starbuck, Sanford, La Salle and Domain, which are the six towns that make up the Municipality of MacDonald, and the name MacDonald may be of some significance because of course it's used by many as one of the example municipalities that we want to talk about when we're discussing this whole land ownership question. It formerly was the MacDonald Farm Society; it's sort of spread outside of our municipality now and therefore has taken on the name "Manitoba Farm Society." Basically, the members that belong to this group are farmers that are in tune not only with modern production techniques of farming, but they are also knowledgeable as to the whole grain marketing systems and politics within the grain industry.

Mr. Speaker, I can tell you that if you have any understanding whatsoever of the grain industry, you'll fully understand that there are many small-type politics within that sector. So they're certainly not a political group and there are not a large majority of the members of this organization over three-section farmers. In other words, I think they are average farmers size wise. I'd like also to make specific mention of the individual who signed this, one Klaus Wolf, and if that gives one the feeling that this is somebody of German ancestry, you're correct on that. So much so that this particular individual bought land in Canada in 1973; he landed as an immigrant, had landed immigrant status. He came to this country in 1975 at which time he began to farm in the Brunkild area and has farmed there now for eight years and as of this date is not a Canadian citizen. He lives completely year-round within the municipality; he contributes fully to the well-being of the community and, I might say, to modern agriculture in general. He takes pride in his newly-adopted community and also his newly-adopted agriculture. I only give you this background to attempt to bring some perspective into this debate that there are real people that we're talking about when we talk about non-residents, when we talk

about non-Canadians, when we talk about non-Manitobans. We're talking about people that certainly in many cases I can identify with.

By way of introduction then, Mr. Deputy Speaker, I would tell you that I will be dwelling specifically on the Municipality of MacDonald, the one that borders the south and west of the City of Winnipeg. Secondly, I will question the supposedly negative impact to foreign ownership and absentee ownership that has been mentioned so often by members opposite. Indeed, my only regret today is that the Minister doesn't have an opportunity to listen first-hand. Mr. Speaker, I made some comments the other day when I was speaking to the Minister's Salary in Agriculture Estimates and I related to the Minister my original concern as to foreign ownership. I thought it had some negative effects, too, and I'd like to relate my brief history as a farmer.

At a time when we went from relative, I would say, stability within land tenure systems within our area to a time when we appeared to have great numbers of transactions and I want to tell you my personal experience going through this particular decade of the '70s and into the '80s. I can tell you, Sir, that I bid on my first piece of land in 1970 and I offered the owner of that particular parcel some \$95 an acre. I was turned down, he sold it for \$103 an acre. Also, in that year I bought some land from my uncle for \$70 an acre, and of course the reason it was discounted, it had a large area of bush on it, bush that caused us to not be able to farm these fields in a square fashion and also bush that one had to pay taxation on.

Of course, you may want to draw this into your resolution or the comments you, yourself, made the other day regarding woodlots and why indeed some farmers wanted to knock down woodlots within their areas. I can tell you as an owner of a woodlot, even though it's not used for wood, it's just a 20-acre site of forest. Every time I have to turn five extra corners and because of it I curse it. I haven't removed it and I have no intention to do so and it is being populated by wildlife, but it's a real cost to me for its existence.

Anyway, moving on, I'd like to say also that the girl that I happen to have married comes from the Brunkild area. Now, you may say what relevance is that? Well, only in the sense that the Brunkild area, if there's any one region within this province that has sort of led the way, been the barometer of all the influx of so-called foreign ownership, that has been the specific area that one looks because I know of no other single location within this province that measures so accurately the pressures from outside so I feel I've had a very close understanding and a close perception as to what's happening within not only that particular small district, but as it relates to my municipality and therefore the province as a whole.

Something happened within that region, within that small district in 1970 or 1972. A particular piece of land was sold for some \$150 an acre to a foreigner by the name of Richter. This individual came to farm the year afterwards and met a tragic death, I might add, in 1974 or 1975. But that, as closely as I can identify, was the beginning of the new wave of immigration for this particular decade and it began in 1971 or 1972, and that individual paid \$150 an acre to a long-standing family within the Brunkild area. I remember the comment that came forward from that

individual. He said quite clearly, "\$150 an acre, that's a tremendous price," and he sort of chided his neighbours a little bit and said, "You people will never see that price again, because I was lucky, I found one buyer; it'll never exist again." Of course, remember why he said that, because we had just come through the period 1968-1971, when indeed you had the lowest prices in history. You could hardly sell land because there wasn't a farmer around that had the means to support the expenditure.

Anyway, that was 1971-72; \$150 an acre and he said it would never be surpassed. Well, it was surpassed, Mr. Speaker. In 1973 I know land was selling in that area for \$175 an acre. I say that area, because again I know of no other region within the province that has led the swelling of land values as has that Brunkild district.

In 1974, the price of land jumped in that area to \$250 an acre. In 1974 I purchased land at \$165 an acre. Now I don't give you that to say that land hasn't gone up since that time and our net value has increased. I tell you that because when I bid for land in 1970 at some \$98 an acre, and when we purchased in 1974 for \$165 an acre, and when we bid again for land in 1976 across the road, a section across the road, and were not successful in buying it, I might add, at \$550 an acre, the decision to purchase at \$98 was no easier than any other time.

Indeed, whenever you're making a major purchase of that nature, particularly related to land, something that has to pay itself back over many years forward, the decision is never easy. Obviously it isn't, because again, my first bid, you'd think I would have gone from \$98 to \$105; economically I couldn't justify it. It was a very difficult decision. I only say this to tell you that purchasing land at any price and in competition with anybody is never ever an easy decision, not that I'm aware of. I haven't found anybody that ever has found it an easy decision.

So I say to you, for sure there was no outside influence in my first offer but certainly there was when land was selling at \$550 an acre in 1976, or six years previously, and that may give you some idea as to the appreciation of land through the early 1970s. Anyway I lived in an area, and I still do I might add that was, in my view, leading the province in all sale activity and I'm not saying in values, but certainly in activity.

So I was very cognizant of foreign purchasing. I saw it in my backyard, and I was, I guess, no different than everybody else. I defined it as foreign because, in most cases, we were led to believe that immigrants would be coming to farm and if not, then that local individuals would rent through administrators or lawyers. But nevertheless, I was no different than most of the people. We assumed that this land that was being purchased during the first half of the 1970s was indeed foreign owned.

Frustration - did I feel any frustration? Yes, I can say that there was frustration. I didn't feel it personally but I can say that there were people in my area that felt it. I can tell you, Mr. Speaker, that in 1970 very few sons wanted to farm and certainly no daughters. Of course, the rationale was there was no economics and there was a hard way to bring forward a living; there was no doubt about that. But by 1975 when flax had hit \$15 a bushel and Durham wheat had hit \$7 and

hard wheat had hit \$6-plus, and when machinery became more fully modernized and more fully powered and certainly much more comfortable, all of a sudden farming became a much more appealing livelihood to many people, and sons and daughters said that this was the way to live and therefore, let's not only farm what we have but let's attempt to attain more.

But in their minds, something was standing in their way in some cases and of course the presence of this new type of buyer, the one that we hadn't seen, I would say, certainly in Western Canada and Manitoba for some 25 or 30 or 40 years was, in the minds of some young people, standing in their way and yes, they did feel frustrated. Some would say that it was only those farms which were large and yet wanted to be larger so that all the family members could farm, that they were the ones that felt the most frustrated in this whole affair, as if every individual that's born on the farm has the God-given right to farm. Certainly, let's not fall into that general belief because that is not true at all.

Mr. Speaker, this led to the same frustration as people in my area felt, I might add, when the NDP brought forward the Land Lease Program. I can tell you that there were cases in my area where individuals had arranged a deal to purchase land at some \$85 an acre but found that they were bidding against somebody else. In that time, in the early 1970s, it happened to be the Provincial Government who was bidding up the price and I can document two or three cases, again within my backyard, where individuals found themselves paying \$25-\$30 an acre more because the competitor at the time wasn't some foreign speculator, but was nobody more than the Government of Manitoba.

The frustration in those years was no different than it was in the mid-1970s, so frustration comes about through many respects when one is buying land and he feels he doesn't have an equal opportunity or somebody else is playing by different rules. Many of my constituents at the time were concerned with the fact that the German marks had such a high value and that individuals from Germany were selling small pieces of property and therefore, with this tremendous value, were able to come to this country and purchase large tracts of land. So, Mr. Speaker, I spent most of my 20s and early 30s, when I was growing up, seeing this happen right around me and I, too, wondered where would end, whether it was proper and whether something should be done. Also, I can tell you I was concerned about the tenure and whether proper management would be shown to rented lands.

Today I can tell you, though, I am glad I never advocated restrictions to foreigners, to other Canadians, or anybody else for that matter because my constituents and huge majority, and I underline that and hopefully the members opposite will take cognizant of it in huge majority, do not want restrictions placed upon other Canadians. Many see nothing wrong with foreign restriction if indeed it can be applied towards foreign speculators. But I can tell you on the other hand, those same people would rather see speculation in its small quantity, and I'll document that a little later on, than see restrictions placed against other Canadians.

Now, why would this be? Why would it be that people from my area who have seen this, why would they be opposed to these strict regulations and restrictions that are coming down by way of Bill 3? I think part of it

has to do with history, Mr. Speaker. In the 1920s and 1930s, roughly one-half to one-third of all the land that falls between the Red River and indeed the Pembina hills from the American border to Winnipeg, was indeed once owned by Americans. I can tell you the very land I own was once American owned. Speculators, of course, drawn in by rich looking land and the zeal for huge monetary gain, and of course that is always the case with speculators but history has told us many times it was lost and it was lost in this case, too. What it provided, of course, was a base for the late Mennonite immigration that happened through the 1920s and I'm wondering, can anyone argue and say that it did not turn out for the best for southern Manitoba.

My constituents say to me, in large numbers, don't move quickly on this. They are saying five years from now we can be looking at a completely different situation. Indeed, some are saying right today, things have changed drastically from what they were a year or two ago. So, they're saying all these considerations, when one looks at them, would have to be looked at in a cyclical sense and, therefore, don't chop off the focus period that indeed over time everything will balance out.

Well, Mr. Speaker, I guess I concur with the government in one respect when they say they are attempting to support the family farm. Well, I want them to know right here that there is no stronger supporter of the family farm in this Legislature than myself because I always believed that it will be the most efficient manner by which to farm.

I can tell you, Mr. Speaker, it's survival. That is, the survival of the family farm is guaranteed, not by artificially protecting and hiding it from the marketplace, that will not protect the family farm, and whoever believes that is really making an unfair conclusion to themselves and to anybody they may support. The family farm will always survive because it will be the healthiest through the most difficult times. I can tell you, Mr. Speaker, if you take away the difficult times economically and you cater to those who want sure return with no risk, all you do is bring the large business interests - and I can tell you it happens in every aspect of life - you take away the uncertainty and all you will replace it with are those that see an opportunity to make large return with no risk.

So, I say to you, Mr. Speaker, and hopefully the members opposite will realize that if you take away the other side of land increasing in value, that is land falling, you simply deny the family farm its opportunities to acquire more and, therefore, to be more efficient. To me its very elementary that land restrictions provide no protection in the long run. I will keep harping on this scene every time I speak on this particular item, Mr. Speaker, and hopefully members opposite will realize that you do not protect the family farm in all its efficiencies, by attempting to protect it during the most difficult times.

Mr. Speaker, I have probably philosophized enough but the points I have tried to make through the introduction of my presentation are, that I have been very close to this unfolding drama, and I call it a drama in this regard. Secondly, I believe that in the market if we disturb the counteracting adjustments that are going to occur in land tenure and land ownership that we will cause something to happen that we will regret;

and thirdly, that the family farm is and will remain the base of Manitoba Agriculture. As long as unwarranted government action - I know it's meant to be helpful, Mr. Speaker, I fully realize that - but as long as this supposed help does not interfere I can tell you, Mr. Speaker, and if the Minister of Agriculture is here I could spend one-half hour on my views as to what the supply management system, those areas within agriculture, that have that particular so-called protection, what it has done to those people that produce within that area.

It's funny, I see a lot of profit interests very very protective of that particular industry. I see the feed mills and I see the lending institutions who are the largest supporters of those farmers who are in a supply management area and, of course, it begs the question, why? I can tell you the answer to that question is because there is no uncertainty, there is no risk there. Indeed, there is guaranteed return. So, Mr. Speaker, my fourth point is that the stability of tenure is the most important and that ownership is always, of course, more acceptable than renting, even though the economics of owning are not always positive.

Well, Mr. Speaker, let's discuss specifically Bill 3 and move into the press release. How much time do I have left, Mr. Speaker, if you could tell me?

MR. SPEAKER. Hon. J. Walding: The honourable member has almost 20 minutes remaining.

MR. C. MANNESS: Thank you, Mr. Speaker. I would like to make reference to the news service release dated December 14th, where the Minister of Agriculture introduces Bill 3. I would just like to pick on a couple of comments if I can, Mr. Speaker.

He says in paragraph 2, and he's talking about Bill 3, "It is intended to strengthen the position of the owner-operated family farms and ensure the future viability of rural communities." I hope, Mr. Speaker, that I have made my comment on that, that it's understood by members opposite that bringing in this type of legislation does nothing, nothing to support that whatsoever. If the members opposite don't believe that, if they honestly believe it I am more concerned than I ever was. I mean, to window dress an introduction of a policy by putting it there I can accept because we all play homage to that type of statement. But if they honestly believe it, that they're going to help my industry by that, then I am worried.

Moving on, they say they include provisions for transfer of farm land to close relatives whether or not they live in Manitoba. Of course, that begs the question and I've never seen the answer to it. The Minister says that if you farm for 10 years, you can go anywhere and you then can confer the right of the ownership of that land on your heirs, your children, or any close relative. But, the Minister himself has never answered the question whether that right is ended after one generation. He's never told us whether that is just acceptable and can only work for the moving down one generation. Can my son, for example, who may be resident in Vancouver, can he 20 years or 30 years hence, transfer that land again to his son who may be living in Paris? That question has never been answered because if it's closed off after the first generation

transfer, then you've done nothing. The Minister opposite has done nothing whatsoever to guarantee that the property will be maintained. I would hope he would address that particular concern of ours some time in the near future.

Well, Mr. Speaker, he says between 1978 and the present time, nearly 500,000 acres of land were purchased by non-residents of Manitoba. I'm questioning how many acres were sold, because my sources tell me that this is very selective information, that he hasn't taken the opportunity to tell us how many acres have been sold from non-residents.

Then, we move onto that large area of figure dispute and figure disagreement. The Minister would like to say, and I quote, "Absentee ownership has been shown to be directly responsible for inflating land prices as much as 12 to 25 percent in municipalities with significant non-resident purchases."

What I've done to check that out, Mr. Speaker, I've gone to the author of that particular report, one Dr. Kraft and I've attempted to get a better idea as to the analysis that he developed, the assumptions made in the methodology behind it to determine the accuracy of some of the figures presented. I can tell you, there were some very interesting figures and comments and conclusions that I'll be offering within the next couple of minutes regarding the comments made by one Dr. Kraft.

Finishing up on this news release, Mr. Speaker, the Minister said that the new Farmlands Ownership Act would prohibit speculators residing outside of Manitoba and a non-farm corporation firm requiring in excess of 10 acres of farmland in the province. Well, Mr. Speaker, I'd like to put away the belief that you can ever stop speculators from coming anywhere or doing anything. There hasn't been a law found that can do it and I'd like to tell you why.

Mr. Speaker, if I know somebody in Germany or Austria who wants to own farmland, all I have to do is take all my financing from them. There's not a law against that unless the members opposite say that there's a law coming. Indeed, I'm shown as the owner of a piece of property, a farm. Yet, if I take all my financing from that individual and his collateral is the land itself, I'm wondering how the members could say that speculation can be stopped, because who is the owner of that land? I'm the owner in name, but certainly he's the owner. He's the one that's put up all the money. What are the terms of pay-back? Or is the government saying that they want to find out the very details of that too? They want to move into the back doors to the extent that they know when my term payments for my land are due and what the rates of interest are, and what are the terms and conditions of those sales. I think you can move into a whole area of discussion there.

Mr. Speaker, I'd like to move now into some of the specific detail associated with the argument that has been provided by the Minister. By my calculation, there are some 12-million-plus acres of agriculture-improved land in Manitoba. The Minister indicated that 14 percent or 1.8 million acres, as of 1977, were absentee-owned. If you're not quite sure what that terminology means - absenteeism - your first reaction is to feel that it's all foreign-owned, that 14 percent of our farmland is foreign-owned. Of course, this is not true. I can tell

you that this led me into asking Dr. Kraft specifically what his figures, related to some of the various municipalities, were based upon.

I can tell you that in the R.M. of Macdonald, my home municipality, some 20 percent of the land that was deemed absentee land. In other words, individuals are not present in the municipality. I'll tell you how that was determined.

Dr. Kraft told me the following. He told me that all of the land transactions between 1973 and 1977 - that five year period - were reviewed and that all the 1978 tax notices sent out by the municipalities were reviewed. All the addresses of the tax notices that were sent outside of the municipality were flagged. What the researchers did, they looked at all those addresses, all those tax notices, and then they sent back to the municipality that total listing asking the R.M.s to do two things; asking them to pull out of that group the individuals who were resident in the R.M. and had tax notices sent to their accountants or their lawyers in Winnipeg. They were living there, but for some reason they had tax notices sent not to their own person, but to lawyers or accountants. Of course, that number was removed; also, the farmers who lived in the Winnipeg or the Carman areas, but actively farmed in the summer within the municipality; people who lived outside, but actively farmed and they were removed.

Everybody else, of course, that had a residence outside of the municipality was not excluded. Who did this include? Well, it included all the retired farmers and uncles and aunts and all the people who had farmed for many years who were now renting their land to nephews, to sons, to daughters, and who were just one or two years removed from the farm, that were living outside. Of course, in the municipalities around Winnipeg and larger centres, you would have a large number of people moving to Winnipeg, for instance, where the amenities of life were much greater. So those people then were included in that number.

Also, there were people like I referred to earlier, like my constituents, one Klaus Wolf, who was a landed immigrant who farmed here all year, who lived here all year, but because his land may have been shown as having an address elsewhere, he was not considered a Canadian. Well, Mr. Speaker, those type of people were not at all included. So on that basis the researcher came up with the fact that 21 percent of the Municipality of Macdonald was land that was absentee owned.

Of course, the basis for the whole argument, Mr. Speaker, became this listing of municipalities, Macdonald at 20 percent, Franklin 21, Portage la Prairie 21 and there's a list of 10 of them, all of them leading the person who isn't too involved in this discussion to believe that it was foreign owned. Why is 20 percent such an important figure, Mr. Speaker? — (Interjection)

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

HON. R. PENNER: Yes. I can't hear the member speaking because of the heckling from his own colleagues.

MR. SPEAKER: Order please. I hope that all members would give the Member for Morris the same courtesy of a hearing that they would expect for themselves.

The Honourable Member for Morris.

MR. C. MANNES: Thank you, Mr. Speaker, hopefully you won't deduct that from my time because I'll need every minute of it. Mr. Speaker, why is this 20 percent figure so valuable? Well, I'll tell you why. The study done by Dr. Kraft indicated that under 20 percent absentee ownership - but the effect of absentee owners had absolutely no influence, whatsoever, on land prices, none at all, none in the least and that was the basis for the research but we never hear that from the Minister - that was the intent and the reason for the research to find out at what level absentee ownership had an impact on land values, under 20 percent, none.

To rush along, Mr. Speaker, I want to tell you that's the reason the 20 percent figure was so important. Now, most of the municipalities are under 20, of course, but really what are the true figures of foreign ownership? The Minister doesn't know but Dr. Kraft, and he says he'll be quoted on this, did some detailed analysis as to what the foreign ownership aspect was within my municipality and he came to 5.2 percent. I asked him, why didn't you make that public? He said, because I had to make some assumptions that I couldn't live with. One is, I didn't know for sure where to put the numbered companies; I didn't know where to put the companies that had lawyer fronts and I would not assume that they were foreign owned. Well, Mr. Speaker, the Member for Lakeside in his address the other day, made the bold decision to assume that they were foreign owned. We assume that all the numbered companies and all the lawyer addresses and companies were foreign owned and I came to 7 percent for the Municipality of Macdonald, 7 percent, and I'm on the high side and Dr. Kraft came to 5.2. So now we see why the Minister opposite chose to use the 20 percent figure rather than the 5.2.

Mr. Speaker, in closing it should also be mentioned that Dr. Kraft in his analysis found that there were many municipalities along the southern border where absenteeism was on the decrease. That many American people were selling their lands and the percentage that was being owned locally was increasing.

Well, what do I want to see, Mr. Speaker? I tell you I want to see restriction on foreign speculation but I do not want to see restriction on non-Manitobans owning farmlands. Canadians must be allowed to own farmland and furthermore if it's a decision of foreign speculation and Canadians owning farmland versus trying to clamp down on the 1 or 2 percent of speculation that's there and non-Canadians, the decision is easy. My constituents tell me, let's leave it the way it is as long as Canadians are allowed the right to own farmland.

How do we accomplish the goals? Well, Bill 3 isn't the proper technique at all to attack that, Mr. Speaker. I would suppose in my last - how much time do I have, one minute - the best alternative is that the Minister heed strongly and spend some time with the Manitoba Farm Bureau and review in detail their proposals in attempting to find the proper balance in this whole question, the proper technique to go around to attempt to eliminate foreign speculation but to guarantee Canadians and all corporations an opportunity to own farmland. Thank you very much.

MR. SPEAKER: Is it the intent of the House to leave the adjournment in the name of the Honourable Member for Rhineland? (Agreed)

The Honourable Government House Leader.

HON. R. PENNER: Thank you, Mr. Speaker. Would you please call Bills 27 and 33, in that order.

BILL NO. 27 - THE SOCIAL SERVICES ADMINISTRATION ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Community Services, Bill No. 27, standing in the name of the Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, it's not my intention to delay passage or action on Bill 27. I appreciate the opportunity that we have had to look at it and examine the contents of the bill. We have no difficulty with the principle of the bill and, of course, that's the subject matter at issue at this stage of its procedure through the House. In terms of the housekeeping amendment that has to do with the easing of the requirements for the holding of welfare appeals, I think the action proposed by the bill is probably somewhat overdue in time, Mr. Speaker.

I understand that the amendment proposed in the bill will make it easier for appeal panels to be convened and to meet in various parts of the province by removing some of the restrictive requirements that made it necessary for certain specified officers of the Social Services Advisory Board to be in place and present before any such appeals could be heard.

The second measure proposed is one that perhaps gives us a little more concern. It has to do with the provision of a penalty, a fine, for those operators of residential care facilities, guest homes, group homes, residential care facilities, and their requirement to meet certain conditions under the licensing regulations.

Certainly we support the thrust of ensuring that regulations for licensing are addressed and responsibly addressed. We do just remind the government at this stage however, Mr. Speaker, that considerable work, renovation and overhaul has been necessary in connection with many of these residential facilities to bring them up to the standards required and, hopefully, there will not be a draconian imposition of those regulations and of the fine for failure to meet those regulations within an unreasonable period of time. The requirement still remains for housing and accommodation for innumerable people who are maintained in that residential care spectrum. If residential care facilities are closed, for whatever reason, it means that those persons who were accommodated within them must then seek other accommodation or be turned out on the street, and that's not always an easy or a fortuitous choice. So with that one caveat, that there will be reasonable time provided for standards to be met and for operators to live up to the requirements of the legislation, then we have no difficulty with the concept of bringing in a provision to impose a fine for violation of those regulations or contravention of those regulations.

We will want to look at this aspect of the legislation more fully at committee stage, Mr. Speaker. At this point, we're prepared to move it through second reading and into that stage of consideration.

QUESTION put, MOTION carried.

BILL NO. 33 - THE PHARMACEUTICAL ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Health, Bill No. 33, standing in the name of the Honourable Member for Rhineland.

The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my colleague, the Honourable Member for Rhineland, stood the bill for me, so it is my intention to proceed at this point with your approval, Sir. Thank you.

Once again we've had an opportunity in the Progressive Conservative Caucus to look at Bill 33, An Act to amend The Pharmaceutical Act and refer it to the consideration of professionals in the pharmaceutical field and are prepared, Sir, to pass it through second reading, move it into the committee stage and examine it in detail there.

We have no difficulty with the proposed amendment provided it is not impacting against consumers. I think that the Minister has offered the assurance that it will not work to the advantage of consumers, users of the Pharmacare Program, purchasers of prescription drugs. That's really the main consideration that we have in addressing the proposals in this legislation, Sir.

The bill proposed changes the conditions of therapeutical equivalents, and certainly some professionals, some pharmacists have some difficulty with that. In effect, what the bill does, is change the whole concept of interchangeable pharmaceutical products from the same amounts, or the same active ingredients, or the same form as other products listed in the Manitoba Drug Formulary, to similar products, or similar amounts, or similar ingredients, to those that are listed in the Formulary. Some persons to whom we have referred the bill, in the field, have some concerns with that change because they believe that the base that carries the active ingredient and the method of coating a tablet, various factors of that nature, all could influence the efficacy of a drug product, and therefore, there can be some question as to whether sameness and similarity are really one and the same thing when you're talking about interchangeability of drug products.

There can, perhaps, be some question as to whether, in fact, the drug product being substituted, under the kinds of provisions provided here, would provide precisely the same ingredients and the same base and the same protection to the purchaser, to the recipient of the prescription, as would be the case under the legislation as it exists at the present time.

However, this different procedure for determining equivalency does exist in Saskatchewan and Ontario. I am aware of that and the Minister, I think, made reference to that in his introductory remarks, with respect to the bill, so we're prepared to accept it at face value at this juncture, and explore those possible questions with the Minister at committee stage. So

saying, Sir, we are prepared to pass it for second reading.

MR. SPEAKER: Would the Acting Opposition House Leader give his assurance that the Honourable Member for Rhineland does not wish to speak to the bill.

MR. G. MERCIER: I most certainly will, Mr. Speaker.

QUESTION put, MOTION carried

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: 4:30, Mr. Speaker?

MR. SPEAKER: Is that agreed? (Agreed)

PRIVATE MEMBERS' HOUR RES. NO. 5 - FARM FUEL TAX

MR. SPEAKER: The time being 4:30, Private Members' Hour, the first resolution to come before the House is Resolution No. 5, the proposed motion of the Honourable Member for Pembina, and the proposed amendment thereto by the Honourable Member for River East.

The Honourable Member for Thompson has six minutes remaining.

MR. S. ASHTON: Thank you, Mr. Speaker. When I spoke last time on this amendment, I pointed out the many inconsistencies that members opposite have indicated on the question of the pricing of oil and gas products in Canada. I pointed out that on the one hand that they've often supported movement towards the world price. I pointed to the example of their brief term in office at the federal level as a particular example of that.

Since that time, Mr. Speaker, I have been able to determine further evidence of that. In Hansard of Wednesday, 4 March, 1981, the then First Minister, presently the Leader of the Opposition, told the Legislature, and I quote, "The position adopted by the Government of the Manitoba is precisely the same position that was endorsed by the six major nations of the world meeting at the Tokyo Conference, all of whom agreed that the price of energy in each of these countries had to move towards the world price. That has been the consistent policy of this government," stated the then First Minister.

So, on the one hand they suggested that there be a movement towards the world price. At various other junctures, the members opposite and their colleagues elsewhere in Canada, try to suggest that they are somehow in favour of lower prices for oil and gas. I know a number of their members have attempted to suggest that in recent months here in Manitoba.

Well, nothing could be further from the truth, Mr. Speaker. They are consistently in favour of moving towards the world price of oil and gas and I think Manitobans know that. But as I indicated, Mr. Speaker, when I spoke last time, that inconsistency, that deliberate attempt to use this issue for political

advantage has shown its head again in this particular Assembly in regard to other matters related to the price of oil in gas. I pointed out quite clearly how members opposite had remained silent or else supported the fact that the people of the northern part of the province were paying far too much for gasoline at the present time. I pointed out that, despite the fact that we're paying between 9 cents a litre and 26 cents a litre more for gasoline in the North, despite the fact that transportation accounts for only 2 or 3 cents a litre, they've been largely silent. And as I pointed out last time, Mr. Speaker, one of their members actually got up in this House and stated that he felt that the price differential was justified because of some abstract concept he had of northern differentials.

Well, Mr. Speaker, as I said last time, I totally reject any suggestion that people in the northern part of the province should be paying so much more for their gasoline or for that matter for any oil products. There's no reason that we should be paying two and three times the transportation differential; there's no reason for that, Mr. Speaker. When I spoke last, I suggested that perhaps the reason for the inconsistency on this particular issue is the reluctance of members opposite to criticize their friends, the oil companies. Well, perhaps that's not the case, Mr. Speaker, perhaps later in the debate they will screw up the courage to address these very important issues. I very much doubt it though. I've seen them talking on this issue in the past and I've very rarely seen anything remotely resembling any criticism of the oil companies on this or other issues.

So in speaking to the amendment, Mr. Speaker, I'm totally in support of the concept endorsed in it of supporting the 75 percent of the world price that we have as part of our agreement at the present time in Canada, in terms of oil and gas pricing. I support it because it is another aspect of the overall price level of oil and gas products, and it will certainly make a difference to my constituents if that agreement is upheld. At the present time, upholding that agreement would mean that rather than move higher in terms of gasoline prices, Mr. Speaker, we'd be moving lower and that would certainly be appreciated by them.

What surprises me perhaps the most, Mr. Speaker, in view of the fact that this particular resolution was addressed towards farm fuels, was addressed specifically in regard to the price of oil and gasoline products facing farmers, is the fact that those members opposite have been so reluctant to come forward and say that, yes, they support a 75 percent world price.

Let's look at it, Mr. Speaker, in terms of that specific group of the province. From my calculations, if we move to 75 percent of the world price at the present time, it could save farmers, on average, approximately \$1,000 a year, because that move to 75 percent of the world price would move toward, I believe, a \$3 a barrel reduction in the price of oil in Canada and that, when translated into the amount of consumption used by the average farmer, would save them, on average, about \$1,000 a year. So why are those members opposite so silent on this particular question? Well, with very good reason, Mr. Speaker. That is exactly why they are silent.

On some specific issues they attempt to say, well, we're in favour of lower prices of oil and gasoline. They're trying basically to ape the example of the Saskatchewan Tories who did rather well on an election

giveaway, based on reducing the gasoline tax. But that, Mr. Speaker, doesn't wash when one analyzes their entire stand on the issue. Despite the inconsistencies, it is clear to me and it is clear, I believe, to members on this side that those members opposite are not in favour of the agreement, the 75 percent agreement, that they would prefer that the price of oil and gas moved towards 100 percent of the world level and that this, even though it would cost farmers, it would cost northerners hundreds of dollars extra in the amount of cost of gasoline purchases. Well, they really don't care about that, Mr. Speaker, because it would keep their Tory friends in Alberta happy, it would keep their friends in the oil companies happy, and well, that's good enough for them because those are the only people that matter in their particular political equation.

I say, Mr. Speaker, the people that really count are the average people out there, the average farmers, the average northerners who are concerned about the price of oil and gas products at the present time, who have been hit with increase after increase after increase in that price. I say that they would like to see us, in this Legislature, commit ourselves to supporting the policy of having the price of oil and gas set at 75 percent of the world level.

When a lot of this oil and gas is being produced at far lower than the price that is being charged right now, as members opposite often point out, why can't we give ourselves a break? Why can't we give the average guy on the street a bit of a break in this regard, Mr. Speaker?

I really say then, in concluding, in summarizing my comments, that I wholeheartedly support this amendment to the resolution. I believe that it's important that we stay clear, that we do support the 75 percent of the world price here in Canada, that we do indicate our concern about the price of oil and gas products in this particular province at this time and I place a challenge to members opposite. I place a challenge to them to clarify first their position on this issue, to give some consistency to it and then to come down and come in support of this particular amendment and the average people of Manitoba who are concerned about the price of oil and gas.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. It's a particularly rewarding time to join this debate, following the MLA for Thompson. One must remember the MLA for Thompson has been raising an issue with his Minister of Consumer and Corporate Affairs about the price of gasoline in Thompson for the home-town consumption of the residents of Thompson, and then not four weeks ago that same MLA from Thompson voted for a 5 cent increase in the provincial gasoline tax to be charged to each and every consumer in his City of Thompson. To some members in this House, Mr. Speaker, talk is very, very cheap and we have just heard one member do a lot of cheap talking.

Mr. Speaker, it's interesting that the Member for Thompson talks about world price and he lays out his usual, uninformed allegation that we on this side of the House support world prices, etc., etc., that he's constantly bringing in, and he finds that we are in

somewhat of an unusual position in saying that and in this resolution. I suggest there's no inconsistency whatsoever. What we are talking about in this resolution is not the cost of gasoline and diesel fuel as consumed by farmers as well as all other Canadians, caused by the initial price of a barrel of oil, whether it be world market price, 75 percent of that or something less. What we are talking about is the incredible escalation of cost of fuel, gasoline and diesel fuel, caused by taxation by the Federal Government of this country. There is a great deal of difference and what the Member for Thompson is trying to portray as a legitimate argument is simply uninformed, phony baloney, Mr. Speaker, and that is the problem with the Member for Thompson.

The Member for Thompson is yattering from his seat and I will deal with that little issue and I will deal with it very shortly. I am pleased to see, Mr. Speaker, other than the uninformed Member for Thompson, that there has been a progression in sympathy for this resolution by members opposite who have addressed it, and I want to thank them for a more enlightened view to this resolution than what they had last year. It seems as if they are beginning to get the message in rural Manitoba that federal taxation is costing the farm community an incredible amount of money and I want to thank them for coming part way to agreement with my original resolution. But unfortunately, Mr. Speaker, the NDP chose or the government chose to amend it again and to really distort the original intention and focus of this resolution. They got into a couple of areas which were not intended to be addressed by this resolution; namely, they got into the usual of corporate profits. They had to add in the fact that the cost of petroleum was increased in their estimation by corporate profits.

Mr. Speaker, that has very little impact on the cost of fuel on the farm or at the gasoline pump in the Province of Manitoba, very very little. What has the greatest impact is Federal Government taxation. The Member for Thompson knows it, but he will not admit to it. You know, if the Member for Thompson and his colleagues, who proposed the amendment complaining about corporate profits, if they were so concerned about that, I would like to know how they rationalize in their own minds the fact that you can pull up to a Texaco, a Gulf or an Imperial Oil Station in Winnipeg and you will buy gasoline at 47.4 cents per litre right now for unleaded gasoline. You can go across the road to a Petro-Canada Station and buy it at 47.4 cents per litre. Now, if the profits of Texaco, Gulf and Imperial Oil are so incredibly high when they sell at that price, then that means that Petro Canada also is making incredibly high profits.

In the socialist world and in this pattern of socialist thought, I can only detect from that, that it is perfectly legitimate for a Crown corporation to rip off the consumer, but ideologically it is terrible for a private company to rip off the consumer. To me if their argument is legitimate that corporate profits are high and causing inordinate increases in price of gasoline, it makes no difference whether it's a Crown corp. that is allegedly ripping off the consumer or a private sector corporation. To me it makes no difference; to the socialist, to the ND Party it does. If Petro-Canada rips us off, it's good; if the private sector rips us off, it's bad. That is a dichotomy that they consistently have to live with and

it's some of the confusion that they hold and they cannot justify to the average Manitoban. They can't justify that kind of a silly and an incredible position.

MR. J. DOWNEY: If you're a communist, you're good; if you're a capitalist, you're bad.

MR. D. ORCHARD: Mr. Speaker, my colleague, yes, I would have to agree with that, and I trust that you will have an opportunity to put that on the record, my colleague for Arthur because he's quite right.

Now, the amendment to this resolution, Mr. Speaker, try to roll in a little bit of fuss about provincial taxation. I want to make it clear from the start, when I introduced this resolution last year and again this year I referred in no way, shape or form to the revenues derived from oil and natural gas taxation by the producing provinces. I did it for one reason and one reason only, and even the Minister of Finance will appreciate this one. The producing provinces have a great deal of costs involved in providing the infrastructure to service the oil industry in their provinces. For instance, the Province of Alberta, their road system receives constant pounding and is constantly in need of maintenance and upgrading to handle the very heavy traffic loads that have resulted from oil and natural gas exploration and production in that province. They need revenues to maintain that infrastructure in the province. I don't disagree with the province taking those revenues in order to provide that infrastructure and I don't think anybody over here will.

What the Minister of Finance is going to be faced with, as a request by his Minister of Highways over the next several years, is monies for substantial road upgrading in the constituency of my colleague, the MLA for Arthur. It was there when I was the Minister to get oil to the Cromer pumping substation. The provincial roads in that area needed upgrading and we were hoping to proceed with the upgrading of those roads in advance of further oil exploration activity and production. This government now is going to enjoy the revenues from oil production in Manitoba, but also they are going to have to meet and face head-on the additional costs of road maintenance and reconstruction in the southwest corner of Manitoba to service that oil industry. After they balance it off, they may well see that the production of oil is not the gravy train that the ill-informed members of that caucus believe is such the case in Alberta and Saskatchewan, where they derive substantial revenues from oil and natural gas production. There are costs involved and that's why this resolution from the start last year and this year never dealt with the issue of provincial revenues from oil and natural gas production.

Now, this resolution I introduced dealt with the taxation on natural gas and it did it for a very specific and important reason. Not only, from the standpoint that natural gas taxation adds \$20 plus per tonne to the cost of anhydrous ammonia in Canada, but it also raises naturally the cost of that nitrogen fertilizer product to the farmer. That's the main concern I have in this resolution. I want that taxation removed because it's an additional burden of cost to the farm community that they can ill afford and eventually ends up in the cost of food, Mr. Speaker.

Equally important, Mr. Speaker, and a fact that has been lost, ignored and completely forgotten about by

the ND Party, the government of this province, and that is particularly shameful when you consider that we have two MLAs from Brandon, a Minister of Agriculture and a Minister of Economic Development that claim they want to keep jobs in the Province of Manitoba, and what I'm getting to, Mr. Speaker, is that the largest industry in Brandon, Manitoba, happens to be Simplot Chemical. What they do is they take natural gas and they produce anhydrous ammonia and other nitrogen and phosphate fertilizer products from it. If you have a Federal Government that inordinately taxes natural gas, you are going to put them in a non-competitive position. When you do that and they cannot price their products on the market competitively, they will close down. This resolution dealt with the preservation of jobs in Brandon, Manitoba, at Simplot Chemical, by removing an uncompetitive taxation situation that they have to face every single day they sell a ton of fertilizer product in the open fertilizer market.

What will happen, Mr. Speaker, when the Member for Brandon East, whose constituency that plant is located in, whose workers live in the majority in this constituency, what he will be faced with, Mr. Speaker, in not addressing this resolution is the potential loss of jobs in his area. I can't understand why he is deaf and mute and ignorant on the subject. Why would he not be concerned about the preservation of that industry and those jobs and that investment in Brandon. I'm concerned about it, members on this side of the House are concerned about it, and that's why natural gas was part of the taxation problem we addressed in the original resolution.

The ND Party in government saw fit to delete it. Does that mean you don't care about the fertilizer manufacturing industry in Brandon, Manitoba, that you don't care about the jobs that are out there, that you don't care about the contribution to the provincial economy made by that plant? I hardly think that that can be factual, because surely this government that talks about a phony \$200 million job creation fund and other measures where they're holding the hand of the unemployed while they're doing nothing for them, surely they must be concerned about preserving the existing industries. Well, all I ask is demonstrate it; demonstrate it by not approving this amendment. But no, I know that you're hidebound and ideological and you will carry your amendment to the end, but you're wrong. The people of Brandon who rely on Simplot Chemicals as an industry, as an employment point, know you're wrong. If you were half-sized people you might admit you're wrong and recognize that industry out there and the taxation that's on it.

What'll happen, Mr. Speaker, is quite simple. There are no restrictions on the U.S. border to have anhydrous ammonia come into Canada, and when natural gas is priced cheaper in the United States, you will have American manufacturers selling anhydrous ammonia and fertilizer products in the Manitoba market cheaper than what our own manufacturers can produce them. You will kill jobs in Manitoba. I think it should be of concern that our farmers have the opportunity to use locally produced products, made-in-Manitoba products. Your amendment says no, that's not important to Manitoba; that the fertilizer plant in Brandon is not important to Manitoba. We repeat that it is important, and we want the members opposite in the government to recognize its importances.

Mr. Speaker, I want to deal with a couple of other — (Interjection) — well, the Minister of Finance is really a brilliant person. If the Minister of Finance would use some of his wit and brilliance in developing a proper Budget for the Province of Manitoba, and in the process, not use some wit and use some truth, we could listen to him from time to time, Mr. Speaker. But we have a great deal of trouble listening to the Minister of Finance from time to time who has problems with his facts and problems with his calculations. Last year he was "Tricky Vicky" - this year he's "Victor McFudge," because that's what he brought out in his Budget was pure fudge.

Mr. Speaker, I don't want to deal too much more on the Minister of Finance because I think maybe he appreciates what this resolution is doing. The one thing that once again this year we want to hear, Mr. Speaker, is the thoughts of the Minister of Agriculture on this issue of federal taxation on farm fuels. Last year he never spoke to it. He's the Minister of Agriculture, who should be in tune with the concerns of the farm community and he hasn't demonstrated that he has that in-tune knowledge of the farm community because he's avoided speaking to this resolution to date as he did last year.

Also, Mr. Speaker, we want to hear the Minister of Transportation speak on it, because his resolution on the Crow rate had a specific clause dedicated to the cost of fuels consumed by the farm community because of federal taxation. It was in your own resolution that you passed on the Crow rate, but yet we haven't heard the Minister of Agriculture or the Minister of Transportation say whether they agree with the premise that I'm making in this resolution and this side of the House supports.

We don't want silence over there. We want voices to speak out for the farm community. We want some action on this side of the House on behalf of the farm community, not the silent inaction that we've gotten to date and the inappropriate, ill-conceived programs that have been put out with a great deal of press release and flourish in the papers, but no substance and no benefit. We want substance not fluff from the ND Party and the government when it comes to dealing with rural issues. We're going to get more fudge, more fluff and more fanfare in the press and on the news and on the radio about what a wonderful bunch of programs they've got, but the farm community is still going to be left without any one of them benefiting them.

So, Mr. Speaker, we want to hear from those people opposite. We want particularly to hear from the Minister of Agriculture and we want to hear from them in the near future. We want to know, the farm community wants to know what the Minister of Agriculture considers an appropriate level of federal taxation on farm fuels. We hope that we get the opportunity to hear that. We hope we don't get anymore of the misconstrued ideas from some of the lesser lights in the back bench such as the MLA for Thompson who can't decide whether he wants lower fuel prices or higher fuel prices, because on one hand he complains to the Minister of Consumer and Corporate Affairs about high gasoline prices in Thompson, and then within a week he votes for a Budget that raises the price of gasoline by 5 cents in Thompson. We don't know where the Member for Thompson stands on this issue. He likes to put out lots of press releases. He likes to talk about how he'd like to help his people

in Thompson. At the same time, he sticks it to them by supporting a Budget by the Minister of Finance to raise the price of gasoline further in Thompson. We don't want to hear that kind of a two-sided, two-faced position from the Member for Thompson anymore, Mr. Speaker.

The Minister of Natural Resources has come to life; he must have woken up, Mr. Speaker. I'd like to hear the Minister of Natural Resources, he tends to pride himself on being an expert in farming. He flies over the Red River Valley in the United States and deems there's too much summer fallow from an airplane. That obviously must make him an expert on agriculture. Maybe the Minister of Natural Resources could speak to the issue of federal taxation and the inordinate cost burden it's placed on the farm community by that taxation.

He might not have all of the facts, but he at least could give us the ones that he has because Americans think he's a true expert and they love him now. They love him even more after his participation in the demonstration in front of the United States Consulate.

HON. A. MACKLING: How would you know that?

MR. H. ENNS: Senator Mark Andrews told us.

MR. D. ORCHARD: The Minister of Natural Resources asks, how do I know that Americans love the Minister of Natural Resources more in Canada? I can tell him that Senator Mark Andrews loves him now. He said his comments and his participation in the flag-burning demonstration won't hurt him. We welcome Mr. Mackling to the States, he says. The other thing that Senator Mark Andrews doesn't tell us is that he's the main proponent for Garrison. He wants Garrison to go through and he knows that the Minister of Natural Resources when he comes down there will help his cause, not hinder it. That's why, Mr. Speaker, he is well-received by the likes of Senator Mark Andrews. But the Minister of Natural Resources will have to resolve that in his own mind before he goes down there to ruin all the efforts of 10 years of co-operation between both sides of the House and the Provincial Legislature and the Federal Government in stopping Garrison. He's going to jeopardize it in one fell act.

So, Mr. Speaker, in concluding my remarks I would like to move, seconded by my colleague, the MLA for Arthur, that the amendment to Resolution No. 5 be amended such that:

1. In the second "WHEREAS" delete the words "increased private sector end;"
2. In the third "WHEREAS" after the word "costs" add "of federal taxation;"
3. In the fourth "WHEREAS" after the word "cost" the words "of federal taxation;"
4. After the first "RESOLVED" clause the additional clause be added "BE IT FURTHER RESOLVED that federal taxation on natural gas used in the production of anhydrous ammonia be removed thereby assuring continued competitive production of anhydrous ammonia at Brandon;"
5. "BE IT FURTHER RESOLVED that the Canadian ownership charge and the petroleum gas revenue tax be removed from all farm fuels;"

6. And the second last "BE IT FURTHER RESOLVED" be amended by deleting all words after the word "to" and adding thereafter the words "adhere to the obligations contained within the signed agreements on oil pricing."

(English Translation of speech that appeared in Hansard Vol. No. 44A on April 12, 1983.)

MR. G. LUCUYER: I would also like to take this opportunity to comment briefly on this resolution. Regretfully, I must say at the outset, that I have never been to Churchill. My knowledge of that place, and more specifically of the Port of Churchill is based on films I have seen and on my own reading, particularly when I was a geography teacher.

I am also aware, as my colleague, the Member for the Pas has pointed out, that the role played by Churchill goes back to the early history of the Canadian West.

Now, before proceeding further, allow me to review several statistics from the 1982 Report on Manitoba Communities as published by the Department of Economic Development.

According to the 1971 census, Churchill's total population then was 1,604, of which 785 or 50 percent were under 20 years of age. Ten years later, in 1981, the total population is 1,304, of which only 515 are under 20 years of age. There has been a decrease therefore in the below 20 year age category of almost 20 percent over the last 10 years.

However in considering a town like that of Churchill with its population of 1,300 in 1981 - the type of town which, in the south of the province would have all of the conveniences - indeed the Town of Churchill and the Port of Churchill are reasonably well endowed with facilities. It has water and electricity, although not hydro-electric power. It has hospital and ambulance services, municipal halls, parish halls, churches of several denominations, fire protection services, hotels, motels, libraries, two museums, etc., as well as radio and television services. It has rail and air transport services.

Recreational facilities include a pool, skating rink, curling rink, gymnasium, health centre, billiard room, bowling alley, figure skating and so forth. The business sector includes eleven retail stores and eight centres for services.

With this in mind, I point out here that I have always held that Manitoba and the prairies held an enormous advantage by having direct access to the ocean routes. If the Port of Churchill did not in the past reach its potential development and if it hasn't to the present played a leading role in the Manitoba economy, that is due only to the lack of understanding and to the discrimination exercised by those with vested interests elsewhere and the lack of will and inaction of the Canadian Government, the Wheat Board, and the Canadian National Railway.

Those who spoke before me also mentioned the various eastern enterprises such as the Canadian Marine Association and companies attached to the pacific coast ports which lobby continuously in the Canadian Government to ensure that the latter does not give the Port of Churchill the necessary funding to develop and maximize its operations.

This is another example of narrow-mindedness. Their only concern is the protection of their own interests

and their profits, even if this should spell the demise of the Port of Churchill and consequent loss to Manitoba and the prairies. Even more regrettable is the fact that the Canadian Government allows itself to be influenced by this type of pressure. The Port of Churchill could have played an important role in Manitoba's economy in the past and it could yet play a vital role in the decades ahead of us.

It is urgent that the various levels of government in upcoming decisions do not close the door definitively on the Port of Churchill. The future of the entire North, and especially the North of this province are at stake. The same is true for places like Thompson, Flin Flon, Lynn Lake and many others which depend upon the development of a single non-renewable resource and which depend upon the future of Churchill. This port can contribute to the diversification of the Northern economy, and by its spill-over effects, to the progress of all of Manitoba.

This port offers numerous advantages over the other ports of our country. First, it is the closet port to a very large part of the prairie agricultural zone. Second, it offers to the Canadian West the shortest maritime route to Europe - one of our important and traditional markets. This advantage should allow the Prairie Provinces to transport their agricultural products, their forest and mining products, which are our chief export resources, at reduced cost. Moreover the port can accommodate ships of much greater tonnage than those ports on the St. Lawrence Seaway and the Great Lakes. My colleague, the Member for Thompson has reviewed several other advantages offered by the Port of Churchill.

While the Port of Churchill has some drawbacks as compared with the eastern and western ports relative to its short shipping season, this is a surmountable obstacle. Indeed the season can be doubled in length by using the methods of modern technology, specifically by the use of icebreakers.

However there is nothing preventing us from shipping grain to the Port of Churchill before the shipping season opens. When it does arrive, the grain storage facilities should already be full.

The problems which confront the viability of the Port of Churchill can be surmounted only if the various levels of government, especially the Federal Government, accept the challenge and without delay pursue the development of this port's potential.

Unfortunately, I am afraid that Churchill and all of Northern Manitoba will again be relegated to the shadows of forgetfulness. Last week, during the first hearing of the Agricultural Committee for consulting Manitobans relative to the proposed changes to the Crow rate, the representative of the Canadian National indicated that no repairs of the Churchill rail line were planned. The Federal Government seems determined to sound the death knell for several communities situated on secondary rail lines and for the Port of Churchill.

Changes and improvements to the Churchill rail line are essential for ensuring the future of the port. The alternative is clear. It will very soon become a ghost town. It is of utmost importance that our governments have the wisdom and vision to invest in the future. The time is ripe for a major undertaking of this kind, and it will allow for the achieving of a second objective: that of creating new jobs.

The Churchill region also offers a very sizeable and unique tourist development potential. First of all, it is the gateway to the Hudson Bay; the closest access route for the southern population, whether American or Canadian, particularly for the prairie region. The Churchill region offers some unique sites and animal and plant life which are not to be found in the southern regions. It also has marine life uniquely different from that of the Atlantic and Pacific coasts. This includes the white whale and the polar bear which are no doubt the chief attractions to tourists visiting Churchill.

A survey was carried out in November of 1982 which shows that approximately one-half of the visitors to Churchill were Canadian and the other half mainly from the United States. About 50 percent of these visitors to Churchill were over 55 years of age, and approximately 30 percent were students.

Respondents to the questionnaire indicated that the main reason for their visit to Churchill was purely tourist curiosity, the desire to visit an unexplored and desert-like region, and because Churchill in itself offered its own unique flavour. Most, that is 75 percent of the respondents, indicated that they went to Churchill strictly on a vacation or pleasure trip. Eighty-five percent of all visitors to Churchill in 1982 went there by train: a significant factor which governments should not fail to reckon with for future investment in Churchill and in the promotion of its tourist industry. There is also a potential to be developed here in job creation, especially for the people of the region, and a diversification to be achieved in the various sources of income for the region of Churchill.

Sixty percent of visitors to Churchill in 1982 stayed there two nights or more and 88 percent of the visitors were there for the first time. I believe therefore that a great tourist potential can be realized which, in turn, will have significant implications for local business and residents of the region.

Mr. Speaker, 100 years after confederation, the hour has come to think of developing the North, this great

expanse which enfolds wealth that is still awaiting routes of communication and transport and which will draw Manitobans and Canadians from all over to profitably develop these resources. These same developments would also contribute towards drawing thousands of tourists and thereby contribute towards diversifying the Northern economy.

More than 20 years ago men of foresight spoke of a Northern Corridor. The time has come to fulfill this vision and thereby give to the Canadian economy a new thrust. It is not merely a matter of improving the Port of Churchill by bringing in electricity. All this is for naught if the rail line is not upgraded with a consequent increase in the volume and variety of goods shipped there and if its tourism is not promoted. Manitoba as well as the other prairie provinces must make urgent representation to Ottawa, the Wheat Board and the C.N. for a strong and united commitment on behalf of the North and the Port of Churchill. Thank you.

(End of Translation)

HON. A. MACKLING: Mr. Speaker, a point of order.

MR. SPEAKER: The Honourable Minister of Natural Resources on a point of order.

HON. A. MACKLING: Mr. Speaker, it's obvious that the amendment to the amendment requires considerable study. Presumably you are taking time to ensure that it is in order. I think members on both sides of the House want to give you all the time you need, but in view of the fact that it will take some time, perhaps we can call it 5:30, I think there's agreement for that.

MR. SPEAKER: Since the proposed sub-amendment is somewhat complex, I will take the matter under advisement.

Is it the will of the House to call it 5:30? (Agreed) In that case the House is accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow (Thursday).