

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 p. m., Thursday, February 28, 1974

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MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, in the few moments remaining to me, I won't attempt to recapitulate some of the arguments that I made earlier on this afternoon. But I did challenge the Minister of Agriculture on a pretty fundamental issue prior to our adjournment, insofar as the Minister of Agriculture has based his entire unwarranted, undemocratic attack on myself and on the Opposition in general on this question, and on one Don Cameron, a duly elected member of the Manitoba Hog Marketing Board, on the basis that he believes that we have set a course to destroy orderly marketing as far as hogs are concerned in the Province of Manitoba. I did ask him, you know, not to deal with innuendo. Mr. Chairman, that really should cause one to pause for a moment, because this was the Minister that during the Throne Speech, and even in the course of his Estimates that suggested that we in the Opposition should take stock of ourselves and not bring debate down to a level that he thought stank and deal with facts.

I have indeed attempted to take his admonition seriously. I have quoted his words, I have asked him to repeat those words in this House, and that alone. That was that he believes in elections, he believes in having the hog producers of this province have the control of the destiny of their product only on the basis that if they elect the right people. Now those are his words, Mr. Chairman, words that he did not refute in this House; in fact, Mr. Chairman, words that he repeated in this House. Now I ask him, considering that he spent most of his time in chastising members of the Opposition on the basis that we were about to destroy the Wheat Board, that we were about to destroy orderly marketing of hogs in this province, I ask him that he surely must have, and his staff, at least during the supper hour, surely must have been able to pinpoint, at least refer to one speech, one speech that I made in this Chamber, in this House, that would give some basis of fact to that allegation. Mr. Chairman, I know that he cannot, and that really underlines the monstrosity of the position that the Minister of Agriculture takes in this position.

Mr. Chairman, let me tell the Minister that we intend to stay with this point for awhile, and we intend to stay with this point for quite awhile. You know, because having been told by the First Minister of this province that he does not intend to carry on the reins of responsibility of this government for too much longer, among the responsibilities of the Opposition are to look at those who are going to carry it on after he has left. Also having been told by none other than the First Minister of this province that nobody in the front bench, which includes the Minister of Finance, the Minister of Mines and Natural Resources, the Minister of Labour, who at one time was the Leader of the New Democratic Party, nobody is more eminently suited to carry on those reins other than the Minister of Agriculture, then it behooves us as in Opposition, Mr. Speaker, to spend some time, indeed Mr. Chairman, inordinate time to attempt to fathom the mind and the understanding, the grasp of this heir apparent, this crown prince, this potato grower that's going to be the next Premier of this province.

MR. CHAIRMAN: The member's time has expired.

MR. ENNS: Mr. Chairman, if we . . .

MR. CHAIRMAN: Order please.

MR. ENNS: . . . if we thought that there was any doubt, then we had but to listen to the Member from Crescentwood.

MR. CHAIRMAN: Order please. The honourable member's allotted time has expired.

MR. ENNS: Well, Mr. Chairman, I'll just conclude by saying that I hope that we will not have just rhetoric in response, we will have answers to the questions, that we'll have answers to the questions. And I want him to show me, I want him to show me where he bases his particular response today on fact.

MR. USKIW: . . . to indicate to my honourable friend that I'm quite prepared to deal with his points.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): Thank you very much, Mr. Speaker. I would like to make a few comments on the Minister's Salary, because when we debate the Minister's Salary we have a little wider latitude than when we get into the different departments. And of course I'm not going to take the Member for Crescentwood's position that we should increase

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(MR. ADAM cont'd) . . . . or not increase the Minister's Salary because I know that the Member for Crescentwood is poles apart from the Opposition; while he the member, and I believe rightfully so, says that the Minister of Agriculture has done a very good job in the last four or five years in his administration as Minister of Agriculture, he is poles apart insofar as the Opposition is concerned because they will probably bring in a motion to reduce his salary to \$1.00. I fully expect that. The Member for Crescentwood is not in his seat tonight but I'm sure that if he was, he'll probably see that.

There are a few concerns. I agree the Minister of Agriculture has done a very very good job in the last four years and I would be the first one to say so, and I fully support the Minister's position on the feed grains question which I believe is detrimental to the grain producers of western Canada. I'm sure that the position that the Federal Government takes is similar to that of the oil energy crisis where they want the west to subsidize the east as they have on many other occasions.

Mr. Chairman, I see that the member who has just spoken before me again wants to speak and I will gladly yield the floor to him if the House - if he's allowed to speak further I will gladly . . .

MR. CHAIRMAN: Order please. Order please. Order! I have not recognized the Honourable Member from Lakeside. The Honourable Leader of the Liberal Party was the next one that I had . . . Order please.

MR. ADAM: Mr. Chairman, I believe I listened with interest to what the Honourable Member for Lakeside had to say, I appreciate what he had to say and I listened very intently and I would hope that he would allow me the same courtesy. I no sooner got into my introductory remarks than he was already starting to speak from the seat of his pants and I would hope in all due respect to the Member from Lakeside, I would hope that he would allow me . . .

MR. CHAIRMAN: Order please. Order. Would the honourable member state his point of . . .

MR. ENNS: Well on a question of privilege, the Member from Ste. Rose is now implying that I was not prepared to listen to him speak. I rose only at his invitation to speak.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: On the point of order. The Honourable Member for Lakeside must recall that he screamed at the top of his voice.--(Interjection)--Yes, he interrupted the honourable member on the question of the position of our Premier and the relation to Premiers Blakeney and Lougheed. And if he doesn't remember it, I can tell him it's still ringing in my ears. And as a result of that interruption the Honourable Member for Ste. Rose used his own way of attempting to quell - unsuccessfully - the enthusiasm of the Member for Lakeside.

A MEMBER: On the same point of order, Mr. Chairman.

MR. CHAIRMAN: Order, please. Order, please. There is no point of order or privilege in front of the House. The Honourable Member for Ste. Rose. I'll allow you two extra minutes for these interruptions.

MR. ADAM: Thank you very much, Mr. Chairman. I will try to continue if the honourable members opposite will try to contain themselves. I know that the debate on the Minister's Salary is one for the Opposition and I will try to make my remarks as brief and as short as possible and I'll try and come to the point, providing there is no undue interruption. As I was saying, I fully agree with the Minister's position on the feed grain question. I have said that all along. I have made statements on it in the past that this feed grain policy is detrimental to the western grain producers, and there are other concerns that I have, I believe probably concerns that also concern the members opposite, particularly those who are involved in the production of livestock.

I have long taken the position that the grain producers should not have to subsidize the livestock producers. I am a livestock producer myself and have been for perhaps longer than anyone on the opposite side of this House, nevertheless I want to say that even though I am a producer of livestock I do not feel that I should owe my living or be able to operate my livestock operation on the basis of some grain farmers subsidizing me. I have taken that position right along and I still maintain that position. However, as a livestock producer, and I know there are many like me in the province now who are facing very very serious problems insofar as the production of livestock--and of course not to mention the fact that there is a very very definite shortage of feed in the Province of Manitoba this winter. And I want to say a few words

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(MR. ADAM cont'd) . . . . about the feeding and fattening of cattle in the feedlot and I want to say that unless something happens to change the situation that exists at the present time that there's all likelihood there will be a very severe shortage of livestock in the province. I say this with great regret because we need a viable livestock industry in this province and what is happening now is certainly not conducive to expanding the livestock industry in Manitoba.

Now I know that the Minister has brought in many many programs to expand the livestock industry with incentives for producers to expand their cow-calf herds in the past, and we commend him for this. Nevertheless the feed situation, the international market that has increased the price of grain, which I am very pleased with, has caused hardship to those who are finishing cattle. Now I know what I'm speaking about. I have been fattening and feeding cattle, my own cattle, for many many years. I also have a cow-calf operation, and I would say, Mr. Chairman, that unless we can put some sort of order back into the beef industry that we're in trouble. We're going to be in trouble. And as I said before, I do not expect to have a viable livestock industry on the basis of having the grain producers subsidize us. I think that if the Government of Canada is interested in having a viable livestock industry in Canada, they will have to take a look at this, and if we have to subsidize the livestock industry, well, it should be from the federal level.

Now I can say, for instance at the present time the livestock, those who are in the feeding of cattle are losing a lot of money at the present time. Myself, I am losing a considerable amount of money and of course in doing this I am also subsidizing the consumer and I have figures here which are available; I'd be glad to give the figures to the Minister, but I can tell you that on the last lot of cattle that we have sold since January 10th to February 16th, we've had a total of 442 heads were marketed between January 10th and February 16th, and on those 442 heads of cattle the net loss was something in the order of a little over \$26,000.00. The cost per pound gain was on one lot on two pens of 221 was \$56.21 - \$56.21 a hundred - and on the other two pens it was \$57.44 a pound. Now these cattle are finished cattle. The outgoing weight, the market weight, was 1,039 lbs. on the last two pens - that was the average weight - and on the first two pens the average weight was 975 lbs. and the cost of gain was on the gain that is put on when the cattle are in the feedlot which is 223 lbs. from the time the cattle get into the feedlot to the time they're marketed. The cost per day for feed and care of the cattle averaged out to \$1.20 per head on the first two pens and \$1.18 on the second two pens, that is the cost of feed and the cost of care.

But it's not difficult to see, Mr. Chairman, that if this situation continues there will not be any fat cattle to market. The feedlots are vacant, are empty in the United States, and I can assure you that the feedlots in Manitoba will be empty before too long. --(Interjection)--Well, Mr. Chairman, if you want to get into that kind of a debate, there are only two ways, there are only two ways that you can put order back, if that's what you want to know; there are two ways. You have to set the price of your product the same as everybody else. You set the price of your cattle based on the cost of production. The guy that produces it. The guy that produces it.

MR. CHAIRMAN: Order please. Would the member please address his remarks to the Chair. That way it seems to tone the heat of the debate down. I know we have an energy crisis but nevertheless let's try to keep the tone of debate down so I can hear what's happening. The Honourable Member for Ste. Rose.

MR. ADAM: Thank you, Mr. Chairman. I wasn't going to go into that because it would take quite a bit of time and I'd have to spend all my time just on livestock. But there are two ways, there are two ways that you can put the cost of production and that is by setting a price on your product the same as General Motors does or Frigidaire or anybody else. Of course the Member from--(Interjection)--There's another way that you could do it; it's the second best; and that is that you could contract your production to your bargaining agent and they would deal with the packers, the processors, and that is the second best, of course. But actually it's not difficult to figure the price, the cost of production, and I can assure you the hog producers, while there's much more stability and orderly market than there was in the past, no hog producer is going to stay in business at the price of hogs today, I can tell you that. --(Interjection)--That's true; that's true; that's true. But if it was on the open market the hogs would be 30 cents a lb., maybe 25 today. They have to get 60 cents a lb. today to operate. --(Interjection)--Well I'll tell you, if you're going to compete with your other countries, they're going to bury you. They'll bury you. If you're going to have a policy for industry, if you're going to have a

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(MR. ADAM cont'd) . . . . policy for oil, if you're going to have a policy for those things, for grain, you can have a policy for livestock just as well. There's no difference.

But I say in the last while there has been livestock moving to market which--it's really sad. There are brood cows going to market that are calving within a week or two after they're sold, and that is because of the shortage of feed back on the farm and people have to unload regardless of the price. And this does not denote good for the future, I can assure you. There is definitely a shortage of hay. Fortunately I have enough for myself and I probably have some to spare for some of my neighbours. We are feeding--and I see the Member for Lakeside has enough for his thousand head, he has enough for his thousand head of cattle and the Member for Gladstone probably has enough for his 600, 700 head, I'm sure. But, Mr. Chairman, last fall, last fall--and I think I brought this to the attention of the Minister, I don't know if his staff advised him of it - but last fall the feed from southern Manitoba was going out by the train load to British Columbia at a hundred dollars a ton or whatever the market would bear, and to me that indicated that we were going to have a shortage in Manitoba as well and we sure are having a shortage at the present time. I know that some of the ranches in my area, I know one in particular, one in particular went to one farmer who had a surplus. He had 12,000 bales and he bought the whole thing right in one shot, and I can tell you, well he paid \$1.00 a bale, \$1.00 a bale for 12,000 bales of hay and hay is now selling for \$2.00 a bale. Those who have it--(Interjection)--Well he owes you something, he owes you something. He owes you something so he's giving you hay. You know, I heard a story once about hay. You know, after the Right. Hon. Diefenbaker got elected in the landslide, they said that the hay had gone up tremendously the next week after he got elected and they wanted to know why hay had gone up so high. They said, well Mr. Diefenbaker was buying up all the hay to feed the jackasses that voted for him. --(Interjection)--No, I didn't. I didn't.

But seriously, Mr. Chairman, the situation of malnutrition in cattle does exist; it always exists to a certain extent and the high cost of grain certainly some of the feeders are cutting back on the feeding of grain. I know that I usually feed my last spring calves, my yearling calves, what we bring in in the fall, we generally give them all the grain they want. This year they're being hand fed, we're feeding them very sparingly and we're also hand feeding our cows and they're getting just a minimum of grain but they are getting all the roughage that they require. There is a problem in feeding, over-feeding grain of course, and I am sure the Ministers for Gladstone and Lakeside will agree with me, that if you feed a little bit too heavy on grains, especially to young heifers, you run into calving problems with the calves being over-size. Nevertheless there are a considerable number of calves who are dying right after birth and this is from malnutrition, I am sure. The quality of the hay is not what it should be.

So there is a problem insofar as livestock is concerned and I think also in the hog production, there's a problem there. I know that little piglets that were selling for \$18.00, \$20.00 a while back are now selling for \$6.00 in the auction mart and this is not a good sign. I know the Honourable Member for Lakeside was speaking--he speaks a lot about marketing boards and, you know, he says that he was challenging the Minister to find somewhere, some place where he had made some remarks in opposition to marketing boards. Well I can tell you, I can tell you, Mr. Chairman, that actions sometimes speak louder than words and that's all I can say to the member insofar as whether he made the remarks or not. I know the position of the members opposite insofar as orderly marketing is concerned.

You know, it's a funny thing; we often hear members opposite advising the government to keep out, keep out of the farmers' affairs. Keep out. Don't interfere, you know, and it reminds me of the Canadian Beef Growers Association when the Federal Government imposed a surcharge on imports of beef from the United States. I recall that the Canadian Beef Growers Association commended the Federal Government for imposing this four percent surcharge on imports from the United States. But two weeks before, two weeks before that they were telling the government, "Keep out of our affairs." So we can't have it both ways; we can't have it both ways. So, you know, try to be consistent at least. That's all we can ask for. We hear the members opposite saying, "Oh, keep out of the farmers' affairs, but I recall the member from, I think the Member from Pembina and I apologize if it isn't that member, but I'm almost sure that it was a year ago or two years ago that he was asking the government to make grain facilities, granaries available, abandoned elevators available for farmers. You know you can't have it both ways. I apologize if it's not the Member for Pembina, it could be the Member for Virden.

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(MR. ADAM cont'd) . . . . Now don't you raise your hand because I'm waiting for you. And I'm going to talk about you right now because you're--the Member for Minnedosa is the member that gets up and criticizes a small increase in the rates of automobile insurance in Manitoba, you know. I would suggest that he would do a greater service to Manitoba if he'd talk about the interest rates which he's so familiar with that have gone up double. Double. 100 percent. 100 percent in the last four or five years. Talk about that, Sir. Talk about that, Sir.

MR. DAVID BLAKE (Minnedosa): I wonder if the member would permit a question?

MR. ADAM: I'll--sit down. I would like to continue if you don't mind. That is where your costs are. That is where I have to pay interest charges on when I'm feeding cattle. And you should know, Sir, the Member for Minnedosa should know about these things. He's been in it quite a while. You know, the Member for Lakeside criticizes the supposed secrecy of the contracts with Japan and, you know, his curiosity may be--you know, he wants to know; he wants to know. You know, I have been selling flax and rapeseed for many many years. You know, I haven't got a clue . . .

A MEMBER: That's right.

MR. ADAM: I haven't got a clue what you sell it for and neither do you, neither do you, Sir. And, you know, I don't even have a clue and I know that the Member for Birtle-Russell has still less. He has still less. I will . . . --(Interjection)--

MR. CHAIRMAN: Order please. ORDER. Now let's just tone the tone of the temper of the debate down a bit. The honourable member has five minutes.

MR. ADAM: Thank you, Mr. Speaker. I'd better carry on then. I have also mentioned the--I've heard mentioned the Rapeseed Growers Association, there was talk about this. I believe the Member for Lakeside mentioned the vote on the rapeseed. There was some controversy there between the Pools and the Rape Growers Association, and I would like--he probably knows but he'll never say anything about it but for those who don't know about it, you know, I would like them to know. I would like them to know how many producers, rapeseed producers, bona fide rapeseed producers, are directors on the Rapeseed Growers Association in Canada. There is about 20 - there's 20 directors. There are 20 directors on the Rapeseed Growers Association. There are three producers. There are three producers on that board, on the Rapeseed Growers. It is not representative of the rapeseed growers in Canada.

MR. CHAIRMAN: Order please. Order please.

MR. ADAM: I'm telling you that there are only three producers on the Rapeseed Growers Association. --(Interjection)--Well I'm not talking about Max Hofford. You are.

MR. CHAIRMAN: Would the honourable member direct his remarks to the Chair. That way you're not so liable to get into personal . . .

MR. ADAM: Are you going to allow me extra time for the interruptions?

MR. CHAIRMAN: No. The honourable member has two minutes.

MR. ADAM: Does that include all the interruptions?

MR. CHAIRMAN: . . . allow time for interruptions.

MR. ADAM: Well I will move right into the fertilizer. Well, Mr. Chairman, the fertilizer question is one that has been brought to our attention for many many years. I'm sure the Farmers Union have said it time and time again for many years that we were being ripped off by the fertilizer companies and it's finally come out in the open and it's true. Outfits like Simplot in Brandon where the people of Manitoba and the people of Canada have put up practically all the money to open up a factory in Brandon, and it turns out that in appreciation for the \$23 million loans that they get and possibly more from Manitoba, plus the five million that they get as a handout from Ottawa and . . .

A MEMBER: How much have they paid back?

MR. ADAM: And in appreciation for what Manitoba has done and what Canada has done to assist this company to establish a company in Manitoba, they turn around and they rip off the Canadian farmers to the benefit of the American farmers.

MR. CHAIRMAN: Order please. The member's time is up. The Honourable Member for Wolseley, the Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, in anticipation of the suggestion from the Member for Ste. Rose that members opposite would be moving to reduce the Minister's Salary, I can say that that will not be the position of the Liberal Party. We believe that his salary probably should be increased along with all Ministers. We think they're somewhat underpaid and perhaps if

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(MR. ASPER cont'd) . . . . they got a little more money they'd do a little more work.

Mr. Chairman, I was very much taken by the Minister's initial remarks when he introduced his Estimates, in which he indicated that having heard some criticism from opposition spokesmen, that in effect politics, and I believe the word he used was "stinks". Mr. Chairman, I--yes, he said that Manitoba politics - his reference was to Manitoba politics. Mr. Chairman, I wholly concur in what he said. I don't know what his particular cause is but we've had a few strained moments in this Chamber in the last few weeks over the issue of where we are going in our political institutions and how we conduct our political business, and, Mr. Chairman, just so that I don't have to put it on the record every time we go through an Estimate Department, I will again simply say in a sentence, that I would hope that some day soon some Minister will come to this Chamber when his Estimates come up, having two or three weeks earlier filed with the opposition and backbenchers of government the background material, the data, the complete explanations, so that these debates can really take some form of analysis of the government's spending, the government's programming in the department. As it is, we are confined to a tradition that requires us to deal with the Minister's Salary and speak only in effect on general policy because we don't have background data. And whether I agree with everything the Progressive-Conservative MLAs have said during this debate, I don't profess to have the technical expertise that many of them do, but the point is that they make a case and we who have goodwill toward the rural and farming communities and who want to understand this Minister's estimates, are unable to follow the programming of his department - not only his department; it will come up again tomorrow and the day after - because we don't have the data. So once again, Mr. Chairman, I record my profound disagreement with the way in which we conduct these debates, and within the framework of what I'm permitted to do let me say that my remarks will be concentrated not on a specific commodity, but on what I think the department that the Minister heads should be doing.

Mr. Chairman, there is only one department in this government that has a pervasive influence in that part of Manitoba which we call rural. Mr. Chairman, there are approximately one-third of our population that live in the regions that his department has responsibility or influence over. These 350,000 Manitobans, as the Guidelines for the Seventies will testify, the TED Commission Report before it, and as the COMEF Report before it, all categorically established, these people are disadvantaged in the main, they suffer the neglect and the injustice of a society which is becoming urbanized, and which has not developed policies aimed at at least arresting and preparing or preserving a kind of life which is important to 350,000 Manitobans. That's the kind of commitment we would look to the Department of Agriculture to provide. These people - and I invite members opposite to look at the green book, the Government of Canada publication on Comparative Incomes in Canada, look at the 1972 lineup, because these people live, 50 percent of them, below the poverty line still.

The gap for those 350,000 Manitobans widened last year and widened the year before, and but for perhaps a cash surplus this year or next year resulting from this year's sales, will widen continually. Their average income, if you look at the green book, will tell you that they're three-quarters of the national average. That includes the most poverty-stricken areas of Canada, the Gaspé, the Maritimes, our rural population in the small towns and on the farms included, and, Mr. Chairman, if we were to add to the figures I'm using the farm income position, those figures would become even more depressing. The average income, put in Manitoba terms, of the rural Manitoban is only 50 percent of the average income of the City of Winnipeg, and that's something I think the Department of Agriculture has to address itself to. The mortality rate of infant children is 20 percent worse in rural Manitoba last year than in Winnipeg. Reason: shortage of doctors, shortage of nurses, and the communities are folding. Only 50 percent of the homes in rural towns are hooked up to sewer and water. It's worse, Mr. Chairman, if we include the north in that statistic. And those are the programs--and by the way, I commend this government for its rural sewer and water program. I wish it would be a far more aggressive program but it is a good program. But we've got to do much more. The basic amenity of being able to take a shower or having sewage disposal facilities for pure sanitation purposes are denied to 50 percent of rural Manitobans.

Now, Mr. Chairman, those of the members who do not come from rural ridings would do well to take a drive through rural Manitoba. --(Interjection)--Well, my honourable friend from Souris says, "Don't downgrade us." Mr. Chairman, I speak with proud affection of rural

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(MR. ASPER cont'd) . . . . Manitoba. It's well-known that I've spent 50 percent of my life living in rural communities and, Mr. Chairman, I have a very deep affection and a commitment, a commitment to rural Manitoba because I believe that we cannot continue to be a one-city province. I think we have to decentralize this province, as members well know. But we can't do it, Mr. Chairman, until we get a department of government that is charged with that purpose.

Now the drive that I recommended through rural Manitoba will indicate that there are closed homes, boarded up homes, and I referred to this in the Speech from the Throne response, that there is at least \$100 million of housing - and those are not my figures, those are independently researched figures - \$100 million of viable, habitable housing that is boarded up in rural Manitoba. And you've heard my honourable colleague from Fort Rouge comment on the tragic shortage, the serious shortage of housing at low prices or attainable prices in Winnipeg, and yet we have \$100 million of housing vacant in rural Manitoba with no market. Until we come to grips with that, that's a \$100 million loss to the economy of this province. And that drive through rural Manitoba will tell you that not only are there closed houses, but of the 28,000 Manitobans who emigrated from this province in the past four years, the substantial majority, and I don't have the correct statistic but well over 50 percent - I believe it was closer to 78 percent - were from rural Manitoba. So, Mr. Chairman, I make no complaints to the Minister, I complain really to the government. But I ask this Minister, as the man who has the influence in rural Manitoba and he is the voice of rural Manitoba in the Cabinet, that he be pushing for policy which will not only sell hogs and sell turkeys and sell cattle, because that's important, that's pretty basic, but provide a different rural economic base, because rural Manitoba through large centralization of farming cannot continue to exist on the current economic structure that it's saddled with. They don't want any bribes, as my honourable friends in the Conservative Party will say, will tell you, who come from mainly rural Manitoba. The rural Manitoban is a very proud person, a very committed, dedicated person, and he doesn't want to be told: "Here, I'll give you a thousand dollars to move from Town A, which we're going to close up, to Town B." He doesn't want brain drain. And when you ask this man: "Why don't you get efficient and move the Town of Franklin and move the Town of Arden Ridge and put them in Neepawa?" he'll tell you, "Because my wife is buried in the churchyard across the street and I'm not leaving." He'll tell you that "my grandparents broke this ground" and he doesn't want to leave, and he should have the opportunity to stay.

Now we'll talk about stay options, perhaps we won't have enough time this evening but, Mr. Chairman, I'm calling for the Department of Agriculture to change its authorities, change its programming and to expand them. I'm not talking about master plans but I think the first place to start is to ask the department to have its name changed to the Department of Agriculture and Rural Development so that the people who walk in the doors of that office and look at their stationery will know that rural development, not just the selling of agricultural produce, is the role of that department.

Mr. Chairman, there are a lot of specific questions that I, in the limited time I have tonight, would like to put to the Minister, and frankly I'd like as brief answers as possible but I really would like to know a few things and I'm going to be very narrow in these questions.

I would like an answer to the question I've been putting in this House as to why a certain document prepared at public expense has vanished. I'm speaking of the document on Rapeseed and Flax Futures. Now, Mr. Chairman, it's a simple question; I've put it for two weeks now. I've tabled the document. We know it has disappeared. Maybe there's a perfectly logical explanation but the Globe and Mail in Toronto is blazoning stories to all of Canaaa, using some very flowery language, I might say, Mr. Chairman, that I'm not proud of as a Manitoban. Those stories say that that document, among others, was unkind philosophically to the Minister's point of view, philosophically, and was therefore taken off the shelves having been produced, and then burned or destroyed or thrown away. Now, Mr. Chairman, there may be a perfectly logical explanation. I'd like to have it. I'd like to know what it cost to produce the document. --(Interjection)--Well, Mr. Chairman, the Minister of Finance suggested the answer that I suggested is a good enough answer, that it disagreed with his philosophy and therefore that would be grounds for destruction of the document. Well, Mr. Chairman, that's only half an answer because then somebody has to tell us who authorized its preparation only to be destroyed. Who is responsible for the taxpayers' money being wasted? It's a legitimate question. Mr. Chairman, I want to understand and I don't understand--(Interjection)--Well, Mr. Chairman,

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(MR. ASPER cont'd) . . . . again the Minister of Finance, assuming your facts are correct on the destruction of the document, I find a strange and deathly silence, having put the thing two weeks ago and having tabled the document several days ago, that I haven't had an answer, and it leads one to the natural suspicion or conclusion that perhaps there is substance--there is substance.

Mr. Chairman, I'd like to know, because it was raised in this House and no satisfactory answer was given, why butter is being imported into Manitoba. Because, Mr. Chairman, if I'm told that we who are not producing enough, in my opinion, are importing butter from as far as two and three thousand miles and five thousand miles away, Mr. Chairman, there is something awfully wrong, awfully wrong.

And, Mr. Chairman, I want to know, and I'm sure all Manitoba wants to know, where is Crocus Food Products - something that emerged with little fanfare, a new Crown corporation - where is it taking us? Are we going into another Crown corporation? Are we going to a structure which restricts production by licensing of industrial milk producers? Mr. Chairman, the Minister of Agriculture can put us all at ease if he tells us no, there will be no rationing of licenses; he can put us at ease if he tells us there will be no feudal system where "him that's good gets a license to produce, and him that ain't don't." Because, Mr. Chairman, I worry very much about political power, by any government, being used to dictate who will have a license to produce in this country. I don't believe in that kind of an economic rationing.

Mr. Chairman, I think this Minister also has some obligation to explain to Manitoba because the Minister of Consumer Affairs--sorry, I should say the Minister of Corporate Affairs because there is no Minister of Consumer Affairs in Manitoba, Mr. Chairman. There is a Minister who observes consumer activity but there is no Minister nor is there any ministry. So we ask this Minister to tell us where we're going in bread pricing, and Mr. Chairman, I want to know, as a layman to the agricultural community: if the price of bread goes up by two cents or three cents or four cents, what does that mean in cash flow to the farmer? Well, Mr. Chairman, is that . . .

A MEMBER: Nothing.

MR. ASPER: That's what I suspect. I suspect that it means nothing, and Mr. Chairman, if that's true, we'll want to know why and I'm sure that the Honourable Minister will want to know why. I'd like to have a statement on that.

Mr. Chairman, I appeal to the Minister, for whom I have a great regard, I appeal to him to go back to his colleagues because, Mr. Chairman, it is not he, unless he denies or refutes what I am about to impute to him, Mr. Chairman, I suspect it's his colleagues who are frustrating a rational, aggressive development policy for rural Manitoba. Mr. Chairman, I would like him to stand up in this House and tell me, does he believe, is it he or is it his colleagues that refuse to remove the education tax from farm buildings and farm land?--sorry, on farm land, Mr. Chairman. Mr. Chairman, I'd like to know where he stands because I have farmers writing me letters who tell me and show me their tax bills, and they show me that their property tax exceeds their income tax, and, Mr. Chairman, that is harmful to the farmer, that is the height of regressivity in taxation, as I'm sure the Minister of Finance used to say on every occasion he got when he was in opposition. Mr. Chairman--(Interjection)--Oh, well, Mr. Chairman, the Minister of Finance says, "Show me." Mr. Chairman, he has a moment coming where I will show him. I will read him his history.

Mr. Chairman, I would like to know, and I don't make this accusation but I have had a number of people come to me and say to me, members who work for this government in the Department of Agriculture, they have said to me--and, Mr. Chairman, I say what I'm about to say stressing that this is a report to me that the Minister can by the snap of his hand deny to-night and I'll yield the floor for the sake of him denying it--these people believe that there is some sort of conspiracy, some sort of veil around the Max Hofford file. Now, Mr. Chairman, it's a matter on which I have never commented yet. Mr. Chairman, I have never commented on this because I have not had any hard data with which to do it. But, Mr. Chairman, these people have come to me and said, "We tell you," and they are frightened people, "that the file is sequestered, that the file is quarantined, and that only a limited number of people have access to it and there exists some special dossier. Mr. Chairman, for the sake of those people, I'm asking the Minister to stand up--and I'm sure it's not true--I'm asking the Minister to stand up and say it isn't true. Now, Mr. Chairman, those same people--I give the Minister



## SUPPLY - AGRICULTURE

(MR. ASPER cont'd) . . . . this opportunity, I give this Minister the same opportunity to assure those people that there is no kind of surveillance going on in his department in the agricultural Credit Division. Mr. Chairman, again it is something that has been brought to me as an expression of fear or concern and I would invite the Minister to repudiate it so we can get it out of the way. --(Interjection)--Mr. Chairman, the Minister says to explain. I'm telling the Minister that I have had a number of people who work for his department come to me and tell me--(Interjections)--I'm not going to name--don't be . . .

MR. CHAIRMAN: Order please.

MR. ASPER: Mr. Chairman, I don't know whether anybody opposite was being serious as they hooted, "Name the people", but, Mr. Chairman, I wouldn't name anyone who came and complained about the government. Mr. Chairman, I wouldn't name the name of a person who criticized about the government who worked for a government because they would have a very strange way of being no longer employees of the government. --(Interjection)--Well, Mr. Chairman, the Minister is asking, what's the issue? Two issues, that files relative to one Max Hofford have been quarantined and are not readily available to all but a few people. --(Interjections)--Well, Mr. Chairman, I become very apprehensive when I hear the Minister of Finance's comments from his seat that there may be some truth in this. Well then, don't say those things.

Well, Mr. Chairman, the second, so that the Minister of Agriculture understands, the second charge that these people, or concern that they expressed, is that there is a form of surveillance going on on employees in the Manitoba Agricultural Credit Division to--(Interjection)--Well, Mr. Chairman, we have a volunteer culprit. The Minister responsible for Autopac says he is experienced in that field of electronic surveillance and, Mr. Chairman, that explains a lot of other possibilities around here too. Mr. Chairman, I simply ask the Minister to comment on that and if it's a scurrilous, fearful thing that somebody's saying, by all means let's put that on the record too.

Mr. Chairman, again there are serious questions that we put to the Minister of Agriculture. --(Interjection)--I hope not. The Minister says he hopes we don't count the last two as serious. I hope he doesn't. I hope he can say they're not serious. Mr. Chairman, I ask the Minister to go to his colleagues and start a genuine policy for his department that will have some long-term effect. I ask him to go to the Minister responsible for the Manitoba Telephone System and appeal to him to begin a program of phasing out long distance telephone charge costs, because those costs are a major component of the cost of doing business for rural Manitobans in ordering supplies or in selling their goods. Mr. Chairman, I want to say to the Minister, would he, does he wish to take a minute to respond?

MR. CHAIRMAN: Order please. The hour of 9 o'clock being reached, the last hour of every day being Private Members' Hour. Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has considered a certain resolution, has directed me to report same and asks leave to sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Flin Flon, that the report of the Committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR - PUBLIC BILLS - NO. 23

MR. SPEAKER: The first item is public bills. Bill No. 23. The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): May I have the matter stand, Mr. Speaker? (Agreed)

BILL NO. 22

MR. SPEAKER: Bill No. 22. The Honourable Member for Emerson.

MR. STEVE DEREWIANCHUK (Emerson) presented Bill No. 22, an Act to amend The Law Society Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Emerson.

## BILL 22

MR. DEREWIANCHUK: Thank you, Mr. Speaker. I wish to propose some amendments to The Law Society Act, but first I should like to briefly review the background, history of amendments to The Law Society Act.

In 1969, the benchers established a special constitution committee with wide terms of reference to examine the constitution and procedures of the Law Society under the Law Society Act. It was asked to make recommendations for such changes that the committee felt were needed to ensure that the Law Society's organizational structures and practices were in keeping with the current requirements of the public and the members. At about the same time there were taking place in other parts of Canada an evaluation of the role of the self-governing profession and the public interest. Developments in the field included: The report of the Ontario Royal Commission inquiring into the civil rights. The McClure Report No. 1, 1968. No. 2, The Report of the Quebec Commission of Inquiry on Health and Social Welfare. The Castonguay Napier Report 1970; The establishment of committees of the Legislature in Manitoba and Alberta to investigate the provincial laws relating to the profession.

The Law Society prepared a brief for submission to the special committee of the Manitoba Legislature on professional associations, dated February 19, 1972. Also the Federation of Law Societies of Canada appointed a special committee under the independence of the legal profession, which submitted a report in August 1972. The Law Society special constitution committee submitted its report to the benchers in January 1973.

The amendments are to implement the major recommendations contained in the report.

No. 1: Do away with the present requirements of seven year practice for election of a bencher.

No. 2: Provide for an election of benchers every two years instead of every three years.

No. 3: Increase the number of elected benchers from 21 to 34 as follows:

3 (a) Increase the number of benchers elected from the eastern judicial district from 14 to 20.

3 (b) Provide for the appointment of 4 lay persons as benchers.

3 (c) Provide for a representative of the law students at the university to be appointed a bencher.

3 (d) Provide for a representative of the students in the bar admission course to be appointed a bencher.

3 (e) Provide for a representative of the staff of the Faculty of Law to be appointed a bencher.

No. 4: Change the titles of the officers of the society.

No. 5: Provide for enquiries by the disciplinary committee to be in camera with the rights of a member whose conduct is being enquired into to request an open hearing, protect the confidentiality of information disclosed in disciplined proceedings. On this point the recommendation of the McClure Report was: disciplinary hearings should not be held in public unless the member involved so requests. The recommendation of the Castonguay Report was that the code of disciplinary procedures contain provision aimed at assuring that (a) the hearing be in camera unless this be lifted by the tribunal in the public interest. The provision in Bill 250 of the National Assembly of Quebec as assented to on July 6th, 1973, provides: Section 137 - Every hearing should be held in camera unless the committee at the request of the respondent considers that it is in the public interest that it not be held in this manner.

In conclusion I ask the House to give these amendments careful consideration and ultimately their full support. Thank you.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, if nobody else wishes to speak at this time I wish to move, seconded by the Honourable Member for Brandon West, that debate be adjourned.

MOTION presented and carried.

RESOLUTION NO. 6

MR. SPEAKER: Private Members' No. 6. The Honourable Member for Fort Rouge. I'm informed the last speaker was the Honourable Minister of Industry and Commerce. The subject is now open therefore if no one wishes to speak I'll put it to a vote. The Honourable Member for Lakeside.

## RESOLUTION NO. 6

MR. ENNS: Well, Mr. Chairman, we can't let this matter come to a vote just that quickly, not that the resolution doesn't merit the eventual conclusion to be arrived at by this House and by this Chamber, however, Mr. Speaker, I rise without a great deal of preparation to speak on this resolution but nonetheless aroused by the contents of the resolution to make a few comments.

And they are namely these: that I recognize in the authorship of this resolution some degree of conflict, as somebody that has had expressed considerable interest, and indeed some responsibility, or accepted some responsibility in the environmental matters concerning this province; at the same time speaking about the interests of solving the energy problems in this province, which of course hinge to a large degree on our capacity and our ability, and our willingness, as often expressed by the First Minister of this province, to harness the hydro powers, the hydro energy potential of this province.

Mr. Chairman, if one would but put aside a few years one could indeed say that the present First Minister of this province and a First Minister of some years ago indeed speak in harmony in the recognition of the need to do this, and the priority in doing this. It's unfortunate, Mr. Speaker, that there has been, you know, a few elections intervene, a bit of hot and heavy politics intervene, and all this has served to muddy the waters to some extent about recognizing, you know, this very straightforward fact that we in Manitoba have indeed a responsibility in realizing our potential and in charging not only our own citizens, our own governments, but indeed people of Canada if we assume as this resolution seems to apply, a role in the national energy position. A responsibility--charging to the people of Canada responsibility to assist us in this regard.

I think, Mr. Speaker, that I am not unfairly, maybe in a very few simple words, paraphrasing some of the arguments put forward by our First Minister at a recent conference dealing with this matter. My instincts as a political person of course do not permit me to just leave it at that. I have to pay some regard to from whence this resolution comes, who now tell us that we should be - among the whereas that is in the interest of the people of Manitoba that our energy position both short-term and long-term be safeguarded in the most effective means possible. This coming from a political party that but a few short years ago had as its approach to this very basic and fundamental problem, that very convenient do nothing, be gods to all sides of the argument, proposal, or approach to this problem of stop, look and listen. Don't develop our energy; don't get in conflict with any of the problems that are unfortunately associated with any progressive and forward, and hard decision-making that has to accompany these kind of, you know, these kind of policy decisions.

The author and the party from whence this resolution has its sponsorship comes from that convenient group of people in our political midst who have for so long chosen, chosen to be on the fence, in the middle of the road of things. Mr. Speaker, knowing that you will allow me that little bit of latitude. that I think that you will allow me, I suspect, Mr. Speaker, that it is precisely that kind of a situation that will unfortunately, not having heard last minute results, bring about a very severe and difficult situation in the United Kingdom, namely, in the elections being held in Britain tonight, that the people who sit on either side of the fence, the people who find some pride in riding that fence, the centre line, the white line - well, Mr. Speaker, it can be called the yellow line from time to time, it depends on what provincial jurisdiction you're in what you colour your centre line on the highway. But for people who find, you know, some noble reason for holding to that position, they all too often will serve no other purpose but to blur and to confuse and to create the kind of paralysis, paralysis that has all too often beset democratic governments of the western world.

Now, Mr. Speaker, coming from the Chairman of the Environmental Board of some kind or other this resolution has some particular, you know, reasons for me to spend some time on it. Mr. Speaker, they say for instance that we should consider holding of public hearings on item (d) of the resolution on the application for any export of Manitoba-produced energy, with the power to restrict both such export if the board is not satisfied that it is in the long-term interest of this province. Mr. Chairman, I choose only on this one particular section to again you know - and it hurts me to have to - it hurts me to have to find myself in concurrence with an expression that has sometimes, with a position taken by members of the current government when they accept the full responsibility that is duly theirs when they are in that position, a position that has been expressed from time to time in this House by the present Minister of Mines and Natural Resources.

## RESOLUTION NO. 6

(MR. ENNS cont'd)

Mr. Chairman, I cannot buy the concept that a government that has been duly elected, democratically elected, that is responsible for the husbandry of our resources, whether they are agricultural or energy or otherwise, that we then somehow through a non-defined, or ill defined is perhaps a better term, that they should give up that responsibility to an ill defined board, public board, or at public hearings, at which I have had some experience with you know, that they should decide on what the best course is, or what action the government should take on such a vital matter as energy and its future use, its export, its return, whatever export of power is used for returning a fair measure to the home province.

I see that the Liberal Party to this date still refuses to recognize that kind of responsibility that in my judgment has to be inherent in any political party if they assume ever to hold the reins of responsible government again. And by the very nature of it being here it has some encouragement to me that deep down they really never expect to have the responsibility, Mr. Speaker. So they are the first ones to in so many instances, so many instances are prepared to delegate their responsibilities, you know, to some other non-elected, some other people within the community. And thus negating their real and serious responsibility should they ever have that responsibility.

Mr. Speaker, they talk about the necessity--in this resolution--to promote and direct research aimed at determining which form of energy is best suited for each consumption purposes and for the developing of techniques whereby existing methods of using energy can be converted where it is thought fit to the alternate energy consumption techniques, so as to promote the greatest efficiency from the use of these important resources. Well, Mr. Speaker, we have on record perhaps not fully extended the research into various alternative forms of energy that are available to this province, but we have, Mr. Speaker, which this government has belatedly come to an awareness of, and which this First Minister in a dramatic way at one particular time, I think it was about two sessions ago, piled up reports on reports that totalled some 15 - I don't know but it was in the billions of dollars of research work done that showed inconclusively a fact that we now all have come to accept, that the development of our hydro resources are indeed the particular resource field that Manitoba is best suited for.

The Liberal Party has never fully accepted that fact. In doing so, Mr. Speaker, I would have to say of course they've turned their back on one of their finer leaders, one of their most successful leaders - I'm referring to the late D. L. Campbell--(Interjection)--the late Premier. Mr. D. L. Campbell is very well, very well and healthy. But I can understand, I can appreciate the fact that even, you know, the present members of the Liberal Party would have some difficulty in associating themselves too closely with the position of their former Leader and the Premier of this province when they're speaking about energy, when they're speaking about energy particularly, when they're speaking about hydro, because, Mr. Speaker, that if there was a position that the Liberal Party once held in this province, and somewhere for the sake of political expediency lost, and they lost it, they lost it in recent years with the advent of the present Leader and the search for instant success, and instant popularity, in grappling to whatever, you know, situation arose, was that at one time the Liberal Party did understand what the succeeding Conservative Party understood and developed under the leadership of Duff Roblin, that we are singularly blessed in this province in our ability to produce hydro. Singularly blessed. Mr. Speaker, I am satisfied, I am satisfied from having listened to the First Minister that the First Minister concurs with that. All he has done of course has had to in between saddle the Manitoba taxpayer with an unconscionable amount of dollars wastefully expended to extradite--to pull himself out of a rather tight political position.

Now, Mr. Speaker, it's worthwhile to recall that, and at least to acknowledge the difference between the two positions of the then opposition parties. And I am the first one prepared to acknowledge that. While the Liberal Party blindly opposed any development of any energy resources in those days, blindly. In fact, Mr. Chairman, they even refused to vote on issues, they changed seats in a game of popinjay's merry-go-round. At least the New Democratic Party throughout the debate in this Chamber - and I make that distinction because I suspect that in the debate in the hustings it was quite different - but in the debate in the Chamber insofar as Hansard records it, they did put forward a reasonable responsible position of accusing us of not giving them the facts and therefore they were not in a position of making a judgment on something which I was asked in the House, or the government of the day was asking them to make judgment on.

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(MR. ENNS cont'd)

Now, Mr. Speaker, I am convinced, Mr. Speaker, that to this day deep down in the bosom of the First Minister, of the Minister of Finance, of those who know what dollars and cents are all about, and what energy can do, and what hydro can do for this province, that to this day they regret having boxed themselves in to a situation where for the want of three or four feet of water they have asked the Manitoba taxpayer to pay an extra two hundred, three hundred million dollars a year - or every ten-year span. And that is a fact, Mr. Speaker, in terms of the difference between the diversion, the fuller diversion utilization of the Churchill diversion and to the course that they have acceded to. Mr. Speaker, it has kept their skirts clean in the sense that they have not flooded out a house or a dwelling at South Indian Lake, but it has not prevented them from doing 85 or 90 percent of the ecological damage and this, Sir, coming from their own Chairman of Manitoba Hydro at that time, Mr. Cass-Beggs, who under questioning at the Utilities Committee admitted that 85, up to 75 to 85 percent of the ecological damage was done with the first five feet of flooding in terms of shoreline erosion, in terms of disruption to the fisheries, in terms of the change that that kind of a flooding situation brought about in the ecology of South Indian Lake. But, Mr. Chairman, because, and this really is a tragedy, because of the politics of the day this government and this First Minister have had to find an expedient route to travel which, not only in my judgment but in the judgment of the former long-time Premier of this province, the former Leader of the Liberal Party, in the judgment of the former Assistant Manager of Manitoba Hydro, a well-respected man, supports me in my contention that it is one of the most costly decisions ever made by a government in the Province of Manitoba. But, Mr. Speaker, that's past, and I only have one or two minutes left.

I only say to the author of this resolution that this is not a new resolution. My colleague the Member from - Don Craik - proposed a similar resolution two years ago. Of course at that time it was not vogue to talk about energy, and particularly the Liberal Party did not want to talk about energy at that time. They were too busy to stop, look and listen, at that particular time. Anything that even touched on the question of energy and hydro development, they thought was taboo, their political posters told them it was taboo, so there was no resolution and no support for this same kind of resolution coming forward at that time from the Member from Riel. Now, Mr. Chairman, I realize that the, you know, that - and I don't complain - you know the Liberal Party has its media. I recognize that this resolution will be hailed in the media of the day as a bright new idea of that bright new young member from Fort Rouge; it will be given its due notice, as it already has, and, Mr. Chairman, I suggest, and suspect, that we will all support, at least on this side, this same resolution, because we recognize its inherent importance, we recognize its importance. I just could not help, Mr. Speaker, from bringing to the attention of my honourable friends to my left who so expediently choose their time as to when something becomes important.

It wasn't important, Mr. Speaker, to worry about hydro development and its urgency to plan, and its need for the most effective means possible to develop it as stated in this resolution. No, Mr. Speaker, you see two years ago it was far more important to worry about the ecological matters concern. Mr. Speaker, they are just as important today as they were then. They'll be just as important tomorrow. But, Mr. Speaker, in running true to form my friends of the Liberal Party they have no policy of their own. They stop, look and listen, and when they hear something that they think sounds just about right at any given moment, then that is their policy. I just wanted to get up on my feet and indicate that this is a resolution, word for word in meaning, that was put forward to this House two years ago by the Honourable Member for Riel and for that reason, if no other reason, and indeed reasons for the resolution itself as the remarks that they contain, we will undoubtedly support the resolution.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I would begin my contribution to the debate on this resolution by using an expression often heard in this House, simply that I hadn't intended to speak on this debate but remarks of the last speaker prompted me to do so.

I must say, Mr. Speaker, that for the most part the speech that was just delivered by the Honourable the Member for Lakeside was a rather accurate and faithful accounting of the thinking and the decision-making that has gone on in this province over a decade or more with respect to the harnessing, the developing of hydro electric resources. All the more pity

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(MR. SCHREYER cont'd) . . . . therefore, Mr. Speaker, that he had to spoil what was otherwise a rather good speech by making two or three glaringly inaccurate references, and I'll come to those in a few minutes.

I would certainly like to join with the Honourable Member for Lakeside in emphasizing and dispelling any doubt, in case there is any, that insofar as Manitoba's interests are concerned that while we are not blessed as some other sister provinces in Canada are blessed with abundant deposits of fossil fuel, liquid hydrocarbons, oil and gas in particular, which are worth a king's ransom today, or practically so--(Interjection)--not even a sheik's ransom, not even coal, Mr. Speaker, but we are at least endowed with an abundance of water power potential, some significant amount of which has already been harnessed on the Winnipeg River historically over several decades, at Grand Rapids on the Saskatchewan in the early 1960s, and then beginning with Kettle Rapids on the Nelson River.

The Honourable Member for Lakeside, if it's of any interest to him, should know that at no time did I as a member of the Opposition ever speak in opposition to the decision to harness the waters of the Nelson River. And when as a federal member of parliament I had the occasion to speak, and I spoke in positive terms, about the decision taken in this province to take the bold step and proceed with the development of the hydro electric energy that was there on the Nelson, there was just never any question of mine, Sir, that that was the, yes bold, but the right decision to take, and of course I rather suspected that there would be those in this province who would try to confuse the public into believing that this was somehow a drastic and foolish step.

I have to admit that harnessing hydro electric energy unfortunately unlike the use of oil and gas is a capital expensive proposition, and the main beneficiaries of hydro electric power are the next and subsequent generations much more than this generation. But, Sir, for too long in the past the industrial world has followed a blind policy with respect to the utilization of energy resources. We have followed a policy of using the cheapest form of energy even if, and it was obvious knowledge, it was a depleting non-renewable resource, but it was always in many cases a little cheaper so it was used, and it was used in a prolific way. And I have no doubt in my mind, Sir, and I'm sure that my honourable friend the Member for Lakeside senses it as well, that some future generations will pay and pay dearly for the fact that we have not managed to so organize our affairs and our policies as to put the emphasis on the development of renewable energy. Well Manitoba need not plead guilty because over the years it has partly because of geography and the natural lie of the land and the fact that we are a drainage basin for so large a part of the continent, for that reason obviously, but also because, to give them credit, preceding governments did take the decision to step boldly ahead with respect to hydro electric development, despite the efforts of those who in recent years with high levels of education either failed to understand the significance of this or if they did deliberately tried to obfuscate the issue.

But having said that, Sir, I want to say to the Honourable the Member for Lakeside that if it is a difference, it's a difference of degree, I admit an important degree, but degree nevertheless, the fact that when we were elected to office we took the decision to reinvestigate the engineering, in an engineering sense, the relative merits of proceeding with a high level diversion, high level flooding at South Indian Lake as opposed to a low level flooding in combination with regulation of Lake Winnipeg, which two projects when taken together would provide the necessary augmented flow and storage that would remove the necessity of high level flooding and diversion.

Now my honourable friend the Member for Lakeside says that that decision has still resulted, he says 80 to 85 percent of the ecological damage, and some \$250 million extra to the taxpayer. Mr. Speaker, that statement, those two statements are just not correct. For many reasons, one of them being that it is not the taxpayer that is putting money into the development of the Nelson River and related engineering works. It will be those who are users of hydro electric energy both domestic, extra-provincial, and any that we export to other jurisdictions.

Well, Mr. Speaker, my honourable friends opposite would like to be able to say, but they can't because it wouldn't be true, but maybe that won't stop them anyway, I'm not sure, but they would like to be able to say that as a result of following a particular course of action that now hydro electric rates will have to increase in Manitoba. Well if they want to say that they

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(MR. SCHREYER cont'd) . . . . will have to be oblivious to the fact that in Ontario, Saskatchewan, Quebec, Alberta, New Brunswick, British Columbia, or in any way in which you want to look at the other provinces in Canada, the rates that are being charged for hydro electric energy certainly are in excess of those being charged here in our province, with possibly one exception. And there's been no Churchill River Diversion in the Province of Ontario but Ontario Hydro, Sir, in the last three years has had to increase their rates 10 percent per year, 30 percent in the last three years, and it has already been confirmed that in the next three years another 10 percent per year, confirmed. Therefore it would have to be only a magician that could make a promise that having kept hydro electric rates constant in Manitoba for the past four years that we'll be able to do indefinitely into the future. It just isn't possible.

And one other point that certainly my honourable friend simply must be reminded of because they seem to want to forget, is that in the very initial decision to harness the Nelson River, starting with Kettle Rapids, that the former premier, Duff Roblin, made a statement in this House in which it was stated without equivocation, confirmed later by an engineering study report, that in the essential elements that were involved in the harnessing of the Nelson River, that two of them involved a diversion of the Churchill River and regulation of Lake Winnipeg.

A MEMBER: No argument.

MR. SCHREYER: My honourable friend wants to preserve accuracy at least to the extent of confirming that that part of my statement is true.

A MEMBER: Yes, but later studies show that that will take place in 1990.

MR. SCHREYER: Later studies show that it should take place in 1990 and I say, Sir, that later studies show that it would have to take place before 1980 - 1978, 1979 to be more precise - in which case it cannot be said by anyone opposite that if only we had been willing to go another four feet higher on South Indian Lake that we could have postponed forever the cost of Lake Winnipeg regulations.

A MEMBER: I'll take that.

MR. SCHREYER: Okay, then I give my honourable friend credit for being forthright and frank in so affirming. In other words, Sir, what we are down to now is not a dispute as to whether we could have saved the \$250 million expenditure now as opposed to never having to make that kind of expenditure, we are down to a nuance as to whether spending it in 1973-74-75 is better or worse than having to spend it in 1979, 1980, 1981. And who knows, Sir, what the capital costs of construction would be in those years down the road.

So that it is not a simple, it is not a simple mathematical exercise and I, at the risk of sounding overly in praise of my honourable opponent, I say that at least he is contributing towards some confirmation of the facts and a better public appreciation of the different complexities that enter into it, and as such he is doing a far greater service to the public than those who went around for two years pretending, either pretending or arguing in ignorance that in our day and age, in the decade of the 1970s, going into a future in which dependency on fossil fuel becomes increasingly foolish, that somehow we had some alternatives. Well, Mr. Speaker, all possible alternatives were closely studied over a period of many years, computer runs were made, close calculations were made, and the decision was taken, and I am satisfied that, particularly events of the last six months, although it wasn't necessary, it's not necessary to rely on the hindsight of the last six months, but the last six months certainly prove that in those parts of the world that have been forced by circumstances to develop renewable energy, even at somewhat higher marginal cost, will be able within a very short period of time to count themselves fortunate as opposed to those jurisdictions whose utilities took the easy cheap way and built electric generating capacity dependent on fossil fuel. Mr. Speaker, they're going to be paying and paying dearly for that kind of shortsighted decision in the not too distant future, in fact it's already under way.

I know of one utility in this country - I don't want to name the province - in which the electric generating utility because it was so heavily dependent on fossil fuel, and oil in particular, has had a rate increase, a series of rate increases in the past six months amounting to 56 percent. Mr. Speaker, we were getting advice a year and a half, two years ago, to build oil plants, to build gas turbine plants. I can say that we gave those suggestions short shrift, and thank God we did.

We do have in this province the blessings, the endowment of renewable energy, and I don't know why but there are some people who still want to pretend that somehow there is

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(MR. SCHREYER cont'd) . . . . something better than renewable energy, that renewable energy is ecology-disturbing, completely oblivious to the fact that when we become dependent - and we have, Sir, become over-dependent on oil and natural gas; the western world, the industrial countries of the world have built up such an over-dependency on non-renewable energy, Sir, that fossil fuel constitutes 75 to 80 percent of their total energy use, and it's non-renewable. And with each passing year and with each additional million barrels of crude oil that is consumed by a world that is exponentially increasing its consumption of fossil fuel energy, we are simply making things that much more difficult for a generation, not some futuristic century away from now, but we are making things more difficult for the children of those who are already living on this earth, and that is scarcely an exaggeration.

So certainly, certainly it behooves all governments, and all governments I believe in all the democracies are already starting with additional funding with respective science councils, etc. into ways and means of (a) conserving energy; (b) making better use of existing rates of consumption; thirdly, ways and means of converting from over-dependency on non-renewable energy to the more practical utilization of renewable energy.

One of the frustrations, I suppose, of the hydro-electric form of energy is that while it is renewable - which is a very great feature - it is on the other hand non-storable. One cannot store hydro-electric or hydro energy except from one season to another. It does not lend itself to storage from one year to another or from one generation to another. Therefore it makes every sense, in terms of logic, to harness it sooner rather than later because it is not storable, and to export it if there is a market. Better to do that than to let the spill gates be opened and let the water run unused to the sea. And in doing that, Sir, it is possible, at least to some modest amount, to substitute the domestic use and the export sale of a renewable but not storable energy, to substitute that for the ability to produce, hopefully as much as possible reduce the sale of a very precious commodity, namely the depleting oil and natural gas commodities that we have, which we have been willing as a country to license the export of in vast quantities for a generation and more. But it doesn't make sense, Sir, it just doesn't make sense, and yet that has been the historical pattern. If anything, our energy policy should want to see a transposing of the forms of energy that we are prepared to export.

I can assure the sponsor of this resolution that there will be no export of energy, renewable or otherwise, certainly not of hydro-electric energy, without there being ample opportunity for bodies such as the National Energy Board to conduct close studies and hearings in which all those who wish to make their case, for and against, may do so in order to protect the Manitoba interest and the larger Canadian public interest, and in case there is any doubt about it let me reaffirm now, Mr. Speaker, that Manitoba's position has always been one, certainly under this administration and I am confident under past administrations as well, has been one of support for a meaningful federal presence in resource policy. And we do not resist the thought that we have to submit any application for hydro-electric exports to the National Energy Board. We don't resist it, Sir, we welcome it, and we are glad that that is part of the law of the land.

That being part of the law of the land, what is all this nonsense in here about the need for some kind of hearings? There will be hearings, Sir, properly conducted. --(Interjection)-- Well, if my honourable friends would persuade their federal counterparts to think a little bit of other parts of the country, then the National Energy Board might hold a meeting or two or ten or twenty in Winnipeg. But I know that the voices of the Liberal Party for Manitoba in Ottawa, with the exception of one Minister, the rest you might as well forget about. I don't know if my honourable friends want to invite a real partisan acrimony here. We readily admit that the National Energy Board is competent, has the expertise to conduct proper hearings, and we fully anticipate and are completely happy that the procedure is the way it is. If we are able to quantify a given amount that makes sense to put into export markets, hopefully in partial substitution for Canadian oil which can then be made available to eastern Canada, a diversion from export into eastern Canadian oil markets, this all ties together and makes sense. It is part of a comprehensive whole. The National Energy Board is the appropriate agency to conduct those hearings and I certainly would urge that the National Energy Board, from time to time at least, hold some hearings outside of that golden capital, Ottawa.

But before I take my seat, Mr. Speaker, I want to say that much of this resolution is redundant. The Honourable Member for Lakeside is quite right; it was his colleague that



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(MR. SCHREYER cont'd) . . . . introduced a resolution practically to identical effect two years ago, either one or two years ago. We certainly did not waste time in evaluating the concept and agreeing that it was a concept worthy of adoption, and we moved within a matter of just a few months - weeks I believe - to establish the beginnings of a Manitoba Energy Council. It is not, as the Member for Riel might think, an agency that simply is inward looking, does not have contact with the outside world. The Minister of Industry and Commerce, who chairs that council, is able to confirm that quite frequently they arrange their agenda so that representatives of the various utilities and the oil companies are able to appear before them to answer questions in detail and in increasing refinement of detail.

So I believe we are on the right track, Sir. This resolution is a redundancy and, what's more important, the thinking of that political party from which this resolution emanates now so belatedly, has in the past two or three years been one of hostility towards renewable energy resource development and the events of the last six months, if not sooner, of the last six months have shown them to be completely wrong in their analysis.

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

MR. GRAHAM: Thank you, Mr. Speaker. I listened with a great deal of interest to the comments of the First Minister in his almost impassioned plea for renewable resources and maximum utilization, and yet, Mr. Speaker, I can't help but be somewhat amused, recall the contributions that Manitoba has made in the past few years to the Saskatchewan-Nelson Basin Study and the way that Manitoba has almost capitulated in the assignment of waters of that entire river system to the effect that here we in Manitoba may actually not get sufficient water out of that system, and the fact that in Saskatchewan I understand there is now either an agreement signed or they are contemplating an agreement for the division of the waters of the Churchill River, and it just seems to me, Mr. Speaker, that at this time it's rather amusing to hear the First Minister talking this way and yet at the same time has possibly jeopardized the full utilization of waters for hydro generation.

I would like to ask him if there has been any attempt made at changing the classification for water usage, because it is my understanding that the usage of water for hydro-electric development is still at the bottom of the totem pole as far as priorities are concerned. I would like to know what efforts are being made at trying to raise the classification of water utilization for hydro-electric development in the whole concept of priority for water usage. In that respect, Mr. Speaker, I would hope that other members will contribute to the debate and give us the information that I think is necessary to make a full assessment of the province's position and the future that Manitoba can expect from the decisions that have been made in the past few years and are likely to be made at the present time.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: May I ask the honourable member who has just spoken a question? Did I hear him correctly to say that Manitoba has assigned low priority to hydro-electric development in the light of the agreement that we signed with respect to the prairie provinces' water agreement? Is that what he meant?

MR. GRAHAM: Mr. Speaker, what I said was I asked the government what efforts they have made to raise the category for hydro-electric usage. I understand that it is at the low level right now, and I want to know what efforts the government has made to increase the priority.

MR. SCHREYER: Mr. Speaker, would the honourable member be willing to forward any documentation he has with respect to this problem as he sees it, so that I might be more familiar with exactly what he is referring to?

MR. GRAHAM: Mr. Speaker, the documentation all lies in the Saskatchewan-Nelson Basin Study which was tabled in this House.

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

MR. ASPER: Mr. Speaker, we're obviously not now going to be able to conclude this debate tonight but I did want to, I did want to put on the record my regrets that the Member from Lakeside and the First Minister ignored completely a resolution in effect that was before us, and rather permitted the debate to I think degenerate into a respective defense of their positions on the hydro development on the Nelson River. Now, Mr. Speaker, that's not what the resolution deals with at all. And so we had to spend 40 minutes--and it's true, Mr. Speaker. I hear the First Minister from his seat. Scratch the First Minister and he comes up defending

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(MR. ASPER cont'd) . . . . the flooding of South Indian Lake. We know that. And, Mr. Speaker, I would like to leave this debate, I would like to leave this . . .

MR. SPEAKER: Order please. The Honourable First Minister state his matter of privilege.

MR. SCHREYER: Mr. Speaker, I did not refer to South Indian Lake. The remark I just made, Sir, was simply to the effect that the Liberal resolution was two years late. One year at least.

MR. ASPER: Well, Mr. Speaker, I would be very interested in hearing your ruling on the point of privilege inasmuch as the entire speech, or at least a third of the speech of the First Minister, dealt with a justification of the wonderful things his government has done in the way it has handled the South Indian Lake and the Churchill River diversion. And so, Mr. Speaker, it's quite in order for me to observe that it was a shame that the First Minister, with his paranoia, with his fear that he will--and by the way his justified fear--that future generations will say, "Didn't they in 1969 go to the electorate? Didn't they say"--and we've quoted the words of the spokesman for that party, the Honourable Mines Minister, "that we don't think we have to flood South Indian Lake." And it's been quoted, it's been quoted, Mr. Chairman.

MR. SPEAKER: Order please. Order please. ORDER. The Honourable First Minister state his matter of privilege.

MR. SCHREYER: Mr. Speaker, I deny emphatically and completely any suggestion that during the election campaign of 1969, or at any time subsequently, I ever suggested that the Nelson River Development was possible without some diversion of the Churchill River. I have always maintained that, Sir. Let there be no doubt about it.

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

MR. ASPER: Mr. Speaker, we have fought this point of order and this point of privilege two times before in this House, and we have always gone back to Hansard and we have always said that the people of Manitoba were led to believe, one way or the other, through the statements of the Mines Minister who acted as their spokesman in the debate preceding the general election of '69, that there was no necessity for the flooding of South Indian Lake. And whatever Mr. . . .

MR. SPEAKER: Order please. The Honourable Member for Riel state his matter of privilege.

MR. CRAIK: I think we really must straighten this out, Mr. Speaker. On a point of privilege, the government did not say before the 1969 election that "we must not flood South Indian Lake." The Minister that he is referring to said, "We keep our options open," and that was all that was said. The incredible part was after the election when the First Minister and the government said, "We will not flood . . .

MR. SPEAKER: Order please. Order please. Let me indicate--Order please--that the matters of privilege that have been raised have all been just differences of opinion. They have not been matters of privilege.

The hour is 10:00 o'clock. Adjournment having arrived, the House is now adjourned and stands adjourned until 10:00 a. m. tomorrow morning. (Friday)