

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, June 18, 1975

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Attorney-General.

TABLING OF REPORT

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I wish to file an amended Return to Order No. 2. I regret that the error that occurred in that the firm was not spelled out.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, I wonder if I could direct a question to the Minister of Industry and Commerce as the Minister in charge of the Bureau of Statistics. I wonder if he's in a position to now confirm that Statistics Canada in releasing the Cost of Living Index for the past month, and for the past twelve months, has confirmed that Winnipeg and Manitoba once again is in the lead and the cost of living has risen higher in Manitoba over the past twelve month's period - and this has been equalled in the last three months - than any other part of Canada.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, we have been attempting through the Bureau of Statistics and with the co-operation of Statistics Canada to analyze this phenomenon, the Consumer Price Index, to break it down into parts and components. It is very difficult to ascertain the degree to which this inflation is locally determined and the degree to which the inflation is imported into the Province of Manitoba from elsewhere. It's a very difficult procedure.

I would only make this point, Mr. Speaker, and that is that for a period preceding the past year or so the rate of inflation in Winnipeg was less than the national average and less than many other cities in Canada, and there seems to be perhaps somewhat of a catch-up process. But having said that, Mr. Speaker, when you compare Winnipeg on a spacial basis, that is, when you look at the total level, or the absolute level, of the cost of living in Winnipeg compared to other major cities in Canada, we're either the lowest or the second lowest. So we still compare quite favourably.

MR. SPIVAK: Mr. Speaker, I wonder if the Minister can explain why the increase in the last twelve months in Winnipeg was higher than the national average.

MR. EVANS: Well, Mr. Speaker, this is the very point that I was trying to make a minute ago. We are getting breakdowns of the CPI, with the co-operation of Statistics Canada, and we're attempting to analyze this, but it is a very difficult problem to analyze.

MR. SPIVAK: I wonder if the Minister's now in a position to admit that prices in Manitoba have risen higher than the rest of Canada.

MR. EVANS: Mr. Speaker, I only wish that the honourable member had listened carefully to what I said. There may have been perhaps a bit of a catch-up process in the past several months or so, but basically speaking, when you compare them geographically - or spacially, as Statistics Canada would say - people living in the City of Winnipeg can live cheaper than probably any other major city of the same size in Canada. --(Interjections)--

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

MR. SPIVAK: Mr. Speaker, to the Minister of Industry and Commerce. In his explanation, he indicated that it was possible that Manitoba has imported more inflation. Is he suggesting that Manitoba, among all the other provinces in Canada, imported more inflation than any other part of Canada?

MR. EVANS: Mr. Speaker, what I am suggesting is, this is a very complicated question and no elementary or simple assumptions or assertions made by the Leader of the Opposition is going to give us the answer.

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

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MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, in the absence of the First Minister, I direct my question to the Acting First Minister. Is the government giving any consideration to a reduction in the gas tax because of the proposed increase announced from Ottawa?

MR. SPEAKER: The Honourable Minister for Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I would take that as notice, Mr. Speaker, but offhand I would say that the subject matter is not one that is before us at the present time, because we haven't known exactly what Ottawa is doing in this regard.

MR. G. JOHNSTON: Thank you, Mr. Speaker. Then I would ask the Acting Premier if he's aware that one of his candidates in the by-elections is calling for the government to reduce gasoline tax.

MR. SPEAKER: Order please. Order please. I don't see what pertinence there is to what someone else is saying outside of this Chamber. The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture, and ask him if he can confirm that officials of his department are touring the province trying to promote an increase in the number of dairy cows in the province.

MR. SPEAKER: The Honourable Minister for Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, we have been attempting to do that for a very long time.

MR. EINARSON: Mr. Speaker, I wonder if the Minister could give information to this House as to what the projections are of his department in order that he may justify the Crocus Food plant in Selkirk.

MR. USKIW: Mr. Speaker, I want to draw to the attention of the Member for Rock Lake the fact that between the years 1965 and 1969 there was a dramatic loss of dairy production in this province which resulted in the Dairy Commission of Canada reallocating that production to eastern provinces. Subsequently we renegotiated an agreement with the Dairy Commission of Canada where we recaptured that loss, and we have now realized half of that loss in new production since we have recaptured that loss from the Federal Dairy Commission. --(Interjection)-- We still have another half-ways to go, Mr. Speaker, and we are actively promoting the increase in production pursuant to our agreement with the Federal Government.

MR. EINARSON: Mr. Speaker, I direct a third question to the Minister, and ask him whether or not his projections may create a surplus which would in turn create the same situation for many other farm commodities.

MR. USKIW: Mr. Speaker, obviously the Member for Rock Lake does not know the terms of the agreement, the Market-Share Agreement, wherein we have price guarantees and market guarantees for that production yet to be fulfilled.

MR. EINARSON: Mr. Speaker, I'm fully aware of the Market-Share Agreement. My question is, Mr. Speaker, I am wondering what is the projection, how many more cows does he want to see in production in the Province of Manitoba insofar as the dairy industry is concerned?

MR. USKIW: I couldn't give the Member for Rock Lake a specific figure, Mr. Speaker, but I know that it's going to take us a few more years to catch up.

MR. EINARSON: Mr. Speaker, I direct another question to the Minister. Are his projections in consort with the statement that he made in the land-use hearings here in Winnipeg last winter, about providing a cheap food policy to the consumers of this province?

MR. USKIW: Well, Mr. Speaker, I don't know what the Member for Rock Lake is alluding to. I don't believe that I had entertained anything of the sort.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Attorney-General, and it relates to the revised Order for Return that is forwarded. I just want to confirm the information that's now been presented in answer to the questions that were put. The amount of \$120,000 shown for Richardson and Company dealing with fees and expenses incurred by the Government of Manitoba for legal services in connection with the Commission of Inquiry on the Churchill Forest Industries project does not take into consideration . . .

MR. SPEAKER: Question please. Not a debate.

MR. SPIVAK: This is the question, Mr. Speaker. Does this figure include, or is the figure excluded, - the amount of money paid to the Richardson and Company dealing with the

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(MR. SPIVAK cont'd) . . . . Churchill Forest Industry project and the related fees paid by the Manitoba Development Corporation in a variety of different undertakings in which the courts were involved?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: No, that's only the commission fees, Mr. Speaker. The fees paid in respect to the Manitoba Development Corporation were not included.

MR. SPIVAK: By way of a supplementary question. Does the \$120,000 paid to Richardson and Company only involve the amount paid to them as solicitors for the representation of the government before the Commission?

MR. PAWLEY: I think the best answer really is, in specific answer to the question, and it relates to a payment of fees over a number of years pertaining to the Commission, appearing before the Commission.

MR. SPIVAK: Was there a specific amount - to the Attorney-General - was there a specific amount paid to Richardson and Company included in the general amount that has been shown specifically for the representation of the government before the Commission of Inquiry?

MR. PAWLEY: Mr. Speaker, I think that's the amount that's included in the answer to the question.

MR. SPIVAK: Then the Attorney-General is confirming that \$120,000 was paid to Richardson and Company to represent the government before the Commission of Inquiry?

MR. PAWLEY: Mr. Speaker, there was a large variety of work that was involved in respect to the firm acting for the government before the Commission of Inquiry.

MR. SPIVAK: I wonder if the Attorney-General can indicate whether it's the intention of the government to claim, or part of the money as a payback from the New Democratic Party.

MR. SPEAKER: Orders of the Day. The Honourable Member for Swan River. Order please. Order please. Order please. I don't need the help of the Honourable Member for Swan River to maintain order. The Honourable Member for Swan River. --(Interjection)-- Quiet please.

A MEMBER: Who's the speaker here?

MR. SPEAKER: I wonder if I can get the co-operation of the honourable members to maintain order. The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, having to do with the question of the Honourable Member for Rock Lake, my question is directed to the Minister of Agriculture. I can wait for the Minister.

MR. SPEAKER: Order. The Honourable Member for Swan River.

MR. BILTON: Thank you, Mr. Speaker. With the co-operation of the House I'd like to put my question, Mr. Speaker. Following on the question of the Honourable Member for Rock Lake regarding the Crocus Food plant in Selkirk, and directed to the Minister of Agriculture - Order please. (laughter) Mr. Minister, if I may have your attention for a moment. Failing all else, does the Minister have in mind the setting up of communal dairy farms around the Province of Manitoba.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I think I would have to take that question in the same vein as that put by the Leader of the Opposition a moment ago.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable Minister of Industry and Commerce. I wonder if the Minister of Industry and Commerce is prepared now to prepare a study, or to in fact study the impact of the three cents for Autopac plus the eight cents federal tax on the rural economy of our province and the business community of this city?

MR. SPEAKER: The Honourable Minister for Industry and Commerce.

MR. EVANS: Well if the honourable member would be more precise, but I think he's being over general in his question.

MR. McKENZIE: Mr. Speaker, with your permission I'll be more detailed. And I'll ask the Minister of Industry and Commerce if his department or his staff are now prepared to give the rural, especially the farm people of this province who are faced with the three cents on Autopac plus the eight federal tax - that's 11 cents a gallon - on gasoline and motive fuels, 11 cents on the business community of the city, is he prepared to now sit down and study and give

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(MR. McKENZIE cont'd) . . . . us in the opposition some kind of an idea of what impact that'll have on the economy of this province?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I'm not prepared to do that because it would be a very difficult matter to measure, and I'd also point out to the honourable member that one could go on ad infinitum examining price increases: steel that's imported from Ontario into Manitoba, the price of farm machinery, the price of chemicals, the price of canned foods that are brought into the province, do you want us to measure all of these items, because they're all going up? All of these items are going up.

MR. McKENZIE: Mr. Speaker, my only intent to the Minister again, and I raise the question, because either taxes . . .

MR. SPEAKER: Question please.

A MEMBER: Order.

MR. McKENZIE: Well, can the Minister advise me if he advised the farm community of this province, plus the business community of this province, since last year that they were going to pay these type of motive fuel taxes in the next ensuing year?

MR. EVANS: Well, Mr. Speaker, given the fact that we've got the lowest automotive insurance premiums in Canada, may I suggest they're operating very efficiently.

MR. SPEAKER: The Honourable Minister for Agriculture.

MR. USKIW: Mr. Speaker, I think the --(Interjection)--

MR. SPEAKER: Order please.

MR. USKIW: . . . the Member for Roblin ought to know, ought to know, that farm vehicles have always been exempt from motive fuel taxation, and therefore they have windfall benefits out of the present proposed measures. --(Interjection)--

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, can I ask the Honourable Minister of Agriculture, did the gas prices increase three cents due to Autopac this year?

A MEMBER: No.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY

HON. SIDNEY GREEN, Q. C. (House Leader) (Inkster): Mr. Speaker, I propose to move into Supply.

MR. SPEAKER: The Honourable Member for Radisson. Another change.

COMMITTEE SUBSTITUTIONS

MR. HARRY SHAFRANSKY (Radisson): Yes, Mr. Speaker. This I hope will be the last change for this Session. On Law Amendments Committee substitute Adam for Cherniack.

MR. SPEAKER: Agreed. The Honourable House Leader. Order please.

MR. GREEN: Mr. Speaker, I propose to move into Supply. I had thought of going to Law Amendments Committee first, but due to commitments of the Minister I would like to move into Supply. If there is a disposition to meet in both places, we could go into Law Amendments as well. If not, we will move into the Committee of Supply and then from there to the Committee of Law Amendments.

I throw that proposal out again, if it's acceptable to the members of the opposition.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, the difficulty that we face on this side of the House is that if you're going to go into Committee of Supply and Law Amendments at the same time, that requires at least 26 members to meet the quorum, and we're finding that the government seems to be reluctant to carry their share of the burden in maintaining that quorum. Unless they're prepared to do that, then we can't go into both committees because we do not have 26 members on this side of the House.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I'm quite prepared, you know, at this stage of the Session I don't wish to trade insults with my honourable friend. I would be quite prepared to say that there will be a quorum in both committees. Cabinet met this morning but we were prepared to have a quorum in both committees this morning.

(MR. GREEN cont'd)

Now there will be a quorum in both committees, and if that makes it agreeable then I would propose that we move into Law Amendments Committee in the Committee Room and Urban Affairs in the House, which means that I am going to now direct the whip to make sure that there are six members in the House and the balance in Law Amendments Committee.

Mr. Speaker, I move seconded by the Honourable . . .

MR. SPEAKER: Order please. The Honourable Member for Portage la Prairie, on a procedure.

MR. G. JOHNSTON: Yes, I wish to raise an objection at this time. --(Interjection)-- Well I'll give the reason. The Member for Fort Rouge is our Housing critic and he's a member of Law Amendments Committee, and we object.

MR. SPEAKER: The Honourable House Leader.

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

MOTION presented.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I rise before the motion is put . . .

MR. SPEAKER: Order please.

#### MATTER OF GRIEVANCE - MONEYS PAID OUT ON CFI INQUIRY

MR. SPIVAK: I rise to deal, Mr. Speaker, with probably the last opportunity for a grievance, or certainly the second last opportunity for grievance, and I rise, Mr. Speaker, simply because I would like to, and I think it's necessary, to respond to the information that was furnished by the government in connection with the Commission of Inquiry on Churchill Forest Industries project, and the representation by the government, that the sum of \$120,000 paid to Richardson and Company was an amount that was justified to be paid out of public moneys.

Mr. Speaker, the Commission of Inquiry dealing with Churchill Forest Industries project involved three political parties in this House, the government of the day, the previous government, and of course the Liberal Party who were in opposition in both periods of time.

The political parties involved retained their own counsel at their own expense, and one of the difficulties that I found, and I'm sure the difficulty that the Liberal Party found, was the enormous cost of having full-time legal representation during the Commission of Inquiry to be in a position to examine the witnesses, to be in a position to be able to receive the summary, which cost \$200 a day, if I'm correct, of the transcript of the proceedings to be able to have copies of all the documentation, and to be in a position, Mr. Speaker, to do the analysis of the evidence that was brought forward. It was literally impossible, Mr. Speaker, under the conditions in which it operated and the costs involved for the Conservative Party, and I'm quite sure for the Liberal Party, to be able to afford the representation that was required during an inquiry which was legal in nature, but was concerned in the atmosphere of a political matter of pretty fair and important significance.

Now I must say, Mr. Speaker, I had no idea that \$120,000 was paid out to Richardson and Company, and in this case to Mr. Justice Scott Wright who was the representative. Mr. Huband of the firm was not involved, as far as I know, in representing the government, and government before the Commission, although he was involved in connection with various matters for the government, and certainly in the claim with Commonwealth Construction, a claim which has a civil lawsuit which has cost the people of Manitoba dearly. One always wondered why this claim was being pursued in the courts when the justification for payment was obviously there, and when it would appear that the courts would ultimately award what they did in relation to the particular case, which I gather was the longest case ever heard in the courts in this province.

Now, Mr. Speaker, to understand now that the government had legal representation to the extent of \$120,000 representing it before the Commission of Inquiry is an incredible, an absolutely incredible amount.

Mr. Speaker, the representation before the committee was representing the New Democratic Party. It was not representing the government. The examination, cross-examination was on behalf of the New Democratic Party, not on behalf of the government. The Commission

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(MR. SPIVAK cont'd) . . . . of Inquiry had the opportunity, because it did have counsel hired to it, and it's interesting to note that one of the Liberal candidates who is running in Wolseley received \$154,000 to be . . . \$154,000 paid by the Commission as legal counsel - it is interesting to note, Mr. Speaker, that the Commission of Inquiry paid out \$265,000 in legal counsel, \$265,000 in legal counsel for its requirements, to understand now that the government paid out public money to defend the New Democratic Party before this Commission of Inquiry, I think is incredible and intolerable. (applause)

The examination by the solicitors representing the government was an examination of the witnesses who were called before the Commission of Inquiry dealing specifically with the periods of time, Mr. Speaker, and the witnesses dealing specifically, Mr. Speaker, with the period of time prior to and concerned with the Conservative administration, or at least eliciting from the witnesses a favourable explanation during the period of time that the present government was in power and during that review.

One of the concerns we've had right from the very beginning is that the Commission of Inquiry stopped realistically when the NDP took over, and that the kind of accounting that should have taken place with respect to the time of receivership was not undertaken in that Commission of Inquiry, and is not contained therein, and understanding the specific steps the justification for the costs involved have not in any way been reviewed and there is in sort of an assumption, Mr. Speaker, that everything that flowed, flowed correctly. But, Mr. Speaker, we have witnessed in one examination after another when we dealt with the management of the New Democratic Party in government that there has been waste, there has been mismanagement, there has been delay, there has not been good judgment, and I would suggest, Mr. Speaker, that if we were to examine the, literally, hundreds of millions of dollars that have been spent from the period of time of receivership to the present time, and that has not been examined, neither by the Commission of Inquiry nor by this House, if we were to examine the hundred million dollars that has been spent we would find the lack of good judgment, the waste in this mismanagement that has characterized every enterprise that the government has undertaken. Now, Mr. Speaker, every undertaking that they've ever been involved in, you know, the fact is that there's an assumption because the global figures were necessary to be spent that that was justified, because there are large figures, and that obviously a lot of things had to be done. But the review has not taken place nor did the Commission of Inquiry undertake that.

Mr. Speaker, that's another issue, and it's been unfortunate I think in many respects that this House has not addressed itself properly to the discussion of CFI and its report. I think, Mr. Speaker, the concern that I have, and I think that the essential thing that has to be learned from the experience is that in these kind of undertakings, either there are rules which apply to everyone equally and fairly, or there are no rules which would provide that the government of the day be given the advantage that it had of being able to spend the people's money to in effect protect its political position, and in effect have someone acting on their behalf in a political way as opposed to the representation of the government itself. The government clearly had legal counsel to protect its position because the Commission of Inquiry had legal counsel. The government had appointed the Commission of Inquiry. The Commission of Inquiry appointed legal counsel, - there was \$265,000 that was spent by the Commission of Inquiry; the government was assured that the Commission therefore, through its legal counsel would see to it that what had to be done, was done and was done properly. The necessity for the government to have another legal counsel representing the New Democratic Party for the Commission was to protect the political party, not the government of the day. And it was necessary, Mr. Speaker . . . he was retained by the government, and he was retained to protect the New Democratic Party, Mr. Speaker, just as counsel was retained by ourselves and as counsel was retained by the Liberal Party. And, Mr. Speaker, I must say this to you, that what has been undertaken by the government is another demonstration of the kind of morality that the New Democratic Party applies when it spends public money.

You know, Mr. Speaker, they were not in government for many years. But, you know, like drunken sailors who have been able to come in and to raid a bar, they have looked at the public purse and have spent the public money in a variety of different ways which they have justified as being correct when in effect they have actually ripped off the public of this province by basically doing things that other administrations would not have done, and by a kind of morality, Mr. Speaker, by a kind of morality which reflects the opposite, reflects the opposite, ha, ha, reflects the opposite, Mr. Speaker, to . . .

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MR. SPEAKER: Order please.

MR. SPIVAK: . . . reflects the opposite to what has been said on this side. The Honourable Minister of Mines and Natural Resources says, why didn't we complain of opposite. Well you know, Mr. Speaker, we did not know that the New Democratic Party was using the government treasury to pay for this. We assumed that we had legal counsel representing ourselves. If the Liberal Party had legal counsel representing ourselves, that the New Democratic Party would not use --(Interjection)-- Yes, Mr. Speaker, to the extent of \$120,000 is incredible. It's absolutely incredible. I have some idea of the fees that we paid to our counsel, and I must admit that they were modest fees in a sense of the time that he put in. I have some general idea of what the Liberal Party paid, and they may want to acknowledge the amount of money. But again I'm quite sure that they were modest fees in relation to the time put by the counsel, I know, as I know in the case of our counsel, that it was impossible for him to be present because we could not afford for him to be present, to be in a position to examine all the witnesses, and to find that the government has put this amount of money out in effect to protect its political position, I think is a mistake. Mr. Speaker, the matter is one which requires some consideration, to this extent that there has to be a better format to be able to provide the kinds of protection that are required in relation to Commission's inquiries appointed by the government in the capacity that it is there for the government to appoint it, in which the overtones are so significant, and can be significant, in which the party of so appointing is now in a position to essentially place, representing them, someone who is paid by the public purse to the disadvantage of the others who are not in this same position.

I recognize as well the Commission of Inquiries will appoint counsel, and I'm not quarrelling with that, but the assumption, Mr. Speaker, is that the counsel himself who is appointed by the Commission, the Commission of Inquiry having been appointed by the government, will act properly and fairly and will in fact protect the government's interests. Not necessarily the political interests of the party, but the government interests. What we have here is a clear demonstration, Mr. Speaker, of a morality that is incorrect and, Mr. Speaker, of the kind of tactics that the government have used. Now they'll stand up in their sanctimonious way and try and justify what they've done. But to have spent \$120,000 of the public money, and to defend their own position when \$265,000 was already spent by the Commission of Inquiry appointed by them, and whose officials were then appointed by the Commission of Inquiry, is not justifiable. The actions by the government on that side, Mr. Speaker, are absolutely despicable.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, I want to speak on this point of privilege too. I think I have the same rights as any other . . .

MR. SPEAKER: It's a matter of grievance, not privilege.

MR. MILLER: A grievance, I'm sorry. You know, Mr. Speaker, I'm not going to deal with the details, the contents of this particular diatribe we've just listened to. I'm going to speak here as a member of the House, as an elected representative. I feel that I'm here, and chosen like all the other 57 members, because people feel when they voted for me that they were voting for somebody who had a sense of honesty and integrity. And I would like to believe that in this country today, and in this province, that is still the criteria by which people are chosen to office. What I listened to today was the kind of poison that is creeping into all of North America, perhaps because of the Watergate matters in the United States and now Watercress in Manitoba, but the kind of poison which will inevitably eat away at the roots of our democratic system.

The Leader of the Opposition, and I say leader now really with shame, because as Leader of the Opposition, he too is supposed to reflect the stature of this House, and I say it with shame that he's the Leader of the Opposition. He says it's incredible and intolerable. Mr. Speaker, it's incredible and intolerable that a man who is the Leader of the Opposition, who carries that high title, who is supposed to be a model for others to follow, it is incredible and intolerable that he would stoop so low, that he'd get into the mire to throw dirt of the nature that he is doing, and I would remind the honourable member, when you get into the muck and throw dirt, more remains with you than lands on your target.

Mr. Speaker, he talks about morality. If that man has morality he wouldn't have opened his mouth today. If that man had a sense of decency he wouldn't have said what he did. If that man was honest he would apologize to this House and to the public of Manitoba for this charade.

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(MR. MILLER cont'd)

Mr. Speaker, we have witnessed today an abuse, an abuse of position and title, the title of Leader of the Opposition, which is a title which one should be proud of. He has besmirched it. He is not entitled to it, and for the sake of this province I hope he isn't here next year in that position.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, on the same motion, I would like to address myself to the abuse of this House which the Honourable Minister of Urban Affairs raised here at this moment, and nobody as long as I've been a member of this Legislature has ever abused this House more than it was abused last night, whereby a bill was introduced here yesterday afternoon, Bill No. 65, at 3:00 o'clock, and I took the bill under adjournment and advisement, and, Mr. Speaker, last night at 11:00 o'clock through pressures from the government and the Minister, this ex-Liberal traitor that sits over at the end of that bench there, who was a Liberal and now is using big muscle pressure because he's in the hip pocket of the First Minister . . .

MR. SPEAKER: Order please. Order please. I would suggest that the members kind of reflect on what they are going to say, if we're going to maintain the dignity of this Chamber. I think some of the language is getting beyond the parliamentary sense, and I would hope that I would get the co-operation of the honourable members. I do not think they should reflect upon the character of anyone in this Chamber. The Honourable Member for Roblin may withdraw that last remark.

MR. McKENZIE: I will withdraw, Mr. Speaker . . .

MR. SPEAKER: Thank you.

MR. McKENZIE: . . . and apologize to you, Mr. Speaker, as to the Honourable Minister. But maybe I could phrase it another way, who, a man is not faithful to the Liberal Party which he belonged to, and through reasons that are well-known to the public of this province, that the First Minister got him over into that Caucus, and now who thinks through the muscle of the First Minister can abuse the rights of this House, and abuse the privileges of the people in this province, where we have to deal with a bill in a matter of a few hours and somehow come up with semblance of order and give the people of this province . . .

MR. SPEAKER: Order please. Order please. Order please. The Honourable Minister of Labour state his point of order, please.

MR. PAULLEY: Did not the proposition of consideration of that bill receive the unanimous consent of the member in accordance to the rule of this House?

A MEMBER: That's right.

MR. PAULLEY: It did, otherwise it could not have been proceeded with.

MR. SPEAKER: The Honourable House Leader, on the same point of order.

MR. GREEN: When the honourable member got up to speak yesterday he said one person brought pressure on him to proceed with the bill, that was the House Leader of the Conservative Party. The honourable member could have adjourned the bill, and the adjournment would have been accepted. --(Interjection)--

MR. PAULLEY: Or refused to accept it.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, my subject when I stood and raised, the Minister of Urban Affairs talked about abuse, I'm talking about abuse and the rights and the privileges of members of this House, and support my leader in his concept in his grievance today --(Interjection)-- He never mentioned those privileges at all. He raised facts on the . . . But it was the Minister of Urban Affairs that raised abusing the privileges and the members of this House, and I am going to prove before I sit down how this government are abusing the rights, not only of the people of this province, but the opposition, and barrelling us into a corner; we don't have time to deal with the legislation, nor do we have time to research it. I suggest that the Minister of Urban Affairs, he'd better go back in his Cabinet room and talk about abuse, where a certain Minister - surely the Minister of Health - he had that bill in his office a month ago. Why couldn't we have had it? Instead of here in the dying days of the session, ram it in here, and we have to deal with it in a very few hours. That's not fair to the people of this province, it's not fair to this Legislature, and if the Minister of Urban Affairs wants to talk about abuse, let him talk to his desk mate the Minister of Health.



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MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I think that one cannot be too annoyed by the statements that have been made this afternoon by the Leader of the Opposition. Repeatedly we have seen instances during this session where the Leader of the Opposition persistently and constantly pursues eloquence with butterfly nets. This is another instance of that.

Mr. Speaker, I wonder what would have happened if legal counsel had not been chosen by the Government of Manitoba in order to prepare the presentation to the Commission, in order to make the necessary preliminary examinations, in order to study all of the voluminous files that had to be examined in order to be presented to the Commission by way of exhibits, I wonder what would have happened if we had not appointed legal counsel? We would have been accused of recklessly and deliberately hoping to scuttle the end result of obtaining the truth from the Commission of Inquiry itself. That's what we would have been accused of doing if we had failed or ignored, the very basic need to appoint legal counsel in order to represent the Government of Manitoba at those Commissions.

And when, Mr. Speaker, it's the Grand Rapids Inquiry, when it's a Canada Packers Inquiry --(Interjection)-- the Brandon Packers Inquiry, then it's okay for the Government of the day to hire legal counsel to represent the Manitoba Government. It's not representing the Progressive Conservative Party before the commissions of those days, it's representation of the government of those days. And I don't expect, Mr. Speaker, that innuendo was made by the New Democratic Party of that day about the appointment of legal counsel by the government of that day, to make presentations before the Commissions of Inquiry. Mr. Speaker, it's obvious why this deliberate attempt during the final days of two by-elections to raise this issue.

The Leader of the Opposition has the gall to say in this House that two years ago he was not aware that the fees of legal counsel for the government were being paid by the Government of Manitoba. He has the gall. But repeatedly on the record, and in the newspapers, and before the Commission, legal counsel for the government indicated he was representing the Government of the Province of Manitoba, not the New Democratic Party. And the Leader of the Opposition fools nobody when he suggests that legal counsel for the government was representing the New Democratic Party, or that he thought legal counsel was representing the New Democratic Party, and was being paid by the New Democratic Party. He knows better, and he knows that we all know that he was well aware of those facts from two years ago to the present time. If he was not aware of those facts then he was obviously ignoring everything that was taking place before that Commission of Inquiry.

A MEMBER: He's trying to black it out.

MR. PAWLEY: I'm afraid, Mr. Speaker, that the real purpose behind this representation this afternoon is a continued sensitivity on the part of the Leader of the Opposition to the findings of the Commission of Inquiry, and to the facts that were exposed by the hearings before the Commission of Inquiry, and the findings themselves. He is hoping to detract from the conclusions arrived at by the Commission of Inquiry by an attempt to character assassinate certain individuals that were involved in doing their professional responsibility before the Commission of Inquiry itself, and I think that is most unforgivable in any circumstance.

Mr. Speaker, all that I have to say about the costs - if the Leader of the Opposition feels that the cost of the legal fees are too high, then I encourage him, I welcome him, I will cooperate with him to have those costs taxed by the Law Society of Manitoba. Legal Counsel has nothing to fear, and neither has the Government of the Province of Manitoba anything to fear by having those costs taxed. They're legitimate legal costs that were pursued in a responsible and legitimate way during a period of several years before the Commission of Inquiry.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. Mr. Speaker, when it comes to the matter of a grievance in the House of this Chamber, it has been very seldom that I have used that opportunity. And quite frankly, sir, I would not have used it today had it not been for the actions of the Attorney-General of this province who, to my mind, sir, epitomizes the very essence of the double standard that this government has used, and continues to use, and I suggest, sir, will always use in that what they say in one sense is not the same as what they do in another sense.

Mr. Speaker, it was only last night when we were dealing with the Statute Law Amendment, and the question of the legal fees of the Province of Manitoba when it comes to affairs

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MR. GRAHAM cont'd) . . . . in which the province is involved, and, sir, if you'll give me the opportunity to just quickly leap through the various sections of a 71 section bill. I refer, sir, to Section 8 of the Statute Law Amendments, and it seems somewhat ironical that the Attorney-General talks one way and then by very statute of this House proposes something different. And, sir, when that happens I can only ask the question, why, why would the Attorney-General want to do one thing one day and another thing the next? And I can only come to one logical conclusion, and that is, that the Attorney-General is desperately trying with any means possible to put himself in the good graces of the people of Manitoba because he feels that he has the best chance of any member on that side of succeeding the present Leader of the NDP Party.

A MEMBER: Oh, that's his game.

MR. GRAHAM: And I don't hold that against him. Any member that comes into this Legislature is doing so because he feels that he can make a contribution, and if he feels that he is the best man qualified to make a contribution, and offer his name in leadership in the NDP Party, God bless him, but at the same time let him be somewhat consistent in his standards. If he wants leadership, and he wants to place himself as the man who is the calm, rational approach, the man who wants to protect the rights of the individual, make sure that society is protected, then let him be consistent in what he says and what he does, because this Minister does not do that. In the CFI inquiry he's urgent, he wants every bit of legal assistance that he can get, he wants to make sure that everything is prosecuted to the nth degree, but when there is something else that's brought to his attention, he can shrug his shoulders, oh, no, no, no, we can't have a judicial inquiry, we cannot look at this. We cannot look at this. But we will quietly proceed in our own way because I am the Attorney-General, I have control, I will do it this way, I will do it that way.

I say to the people of Manitoba, and I say it to the Attorney-General, if you're going to make yourself presentable to the people you have to be consistent. And if you want to appear to protect the rules of this country and protect the rights of the individual you have to be consistent. And I say to the Attorney-General if you want to appear that way, then proceed with judicial inquiries when they're called for, make sure that the rights of individuals are protected, and be consistent in everything you do.

A MEMBER: We're looking into that one.

MR. GRAHAM: Now the Attorney-General maybe got his fingers burnt a little bit on the Planning Act.

A MEMBER: Right up to the wrist.

MR. GRAHAM: He doesn't really care what the people of Manitoba want, he's going to put it through anyway. And he says to the municipal people - and he's holding hearings at the present time. In every area of Manitoba there are hearings going on right today on municipal affairs, and he says, "Well, we'll talk about these things later." But he will not hold back the Planning Act until everything is heard. Oh, no, he wouldn't do that. There is nothing, sir, that prevents a fall sitting of the Legislature to deal with the Planning Act at that time. We could hold a fall session. He could hold his hearings during the summer months. He could have a dialogue and a discussion with the municipal people, and that bill still could be changed.

MR. SHERMAN: If he had a fall session we'd all get another grievance.

MR. GRAHAM: And at that time we would probably have a better Planning Act for the people of Manitoba, and that is what members on this side want. I don't think there is a person in this House that does not want a Planning Act which will set out for the people of Manitoba the direction that we're going. But the Minister wants to ram it down the throats of people now and discuss it later. And I say to the Minister again, if you want to appear to be responsive to the needs of people, then you have to be consistent. I say to him now that if he proceeds in a course of consistency that people will understand and respect, he could well win the next leadership of the NDP Party and well become the next Premier of this province.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, very briefly, I'd like to rise on this debate of grievance raised by the Leader of the Opposition. I think his remarks, his attitude are indeed unfortunate. I'm afraid that it's a result of an ever-increasing amount of distorted thinking on the part of the Leader of the Opposition. I think that it is becoming typical of the Leader of Her Majesty's Loyal Opposition to engage in innuendo type of statements. And, Mr. Speaker, obviously he is embarrassed. Obviously the Conservative Party is embarrassed.

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A MEMBER: Oh, no they can't be embarrassed.

MR. EVANS: Obviously Conservatives all over Manitoba are embarrassed . . .

A MEMBER: No way.

MR. EVANS: . . . at the absolutely terrible record with regard to the MDF vis-a-vis The Pas Forestry Complex, is something that the people of Manitoba will not forget. And the people of Manitoba will remember that they could not ask any questions of the MDF when the Conservatives were the government of this province.

But, Mr. Speaker, very precisely, speaking to the matter of grievance, I would remind the Leader of the Opposition that Richardson and Company law firm did all the original investigations for this government along with Stothert Engineering to find out that, aha, this was not the great private investment coming over the Alps from the country of Switzerland. This was not that great private entrepreneur who had that \$100 million handshake with former Premier Duff Roblin. This was not private enterprise money.

A MEMBER: You gave them the money.

MR. EVANS: This, Mr. Speaker, we discovered was an arrangement made by former Premier Duff Roblin and Sterling Lyon and a few other Conservative members of the day. We discovered . . .

MR. SPEAKER: Order please.

MR. EVANS: The Commission of Inquiry discovered, and it's documented, that this agreement was signed by a Cabinet committee, not by Rex Grose, but by a Cabinet committee. The decision was made by a Cabinet Committee, chaired by Duff Roblin, Gurney Evans, who's no relation of mine . . . (laughter)

MR. SPEAKER: Order please.

MR. EVANS: . . . Sterling Lyon, a would be aspirant to the leadership of the Conservative Party of Manitoba. I understand he's very active at the moment. And one or two others. But the fact is, Mr. Speaker, through the efforts of Richardson and Company and Stothert Engineering we discovered that this, after all, was the people of Manitoba's money that was being put to work. And furthermore, that there were very very many bad features of this arrangement, this deal that was signed and sealed by the Conservative Government of the day. And it would be completely irresponsible on the part of this government if we did not have that same law firm prepare the material and the data that was gathered as part of that investigation before the CFI Commission of Inquiry. It would be totally irresponsible to the taxpayers of Manitoba . . .

MR. SPEAKER: Order please.

MR. EVANS: . . . if we did not use that same law firm to present the data, the material that we collected, to uncover the crooks that the Conservative Government had been dealing with. Because that's exactly what they were and are, International crooks, that we discovered with the Richardson law firm, we discovered, and it would be entirely irresponsible on our part - it would be entirely irresponsible on our part if we did not use . . .

MR. SPEAKER: Order please. Order please.

MR. EVANS: . . . if we did not use this company to present this as material evidence before the Commission of Inquiry. And you know, the Leader of the Opposition says, well, why don't you stop it, etc. etc. Well, without going into all of the legalities --(Interjection)-- okay, I'll tell the Leader of the Opposition something and I hope he listens this time.

I would submit three facts to the people of Manitoba, to the people of this province. Fact No. 1: When this deal was made by the government - not by the MDF but by the government according to the Commission of Inquiry - it was entirely veiled in secrecy. Nobody from the opposition of the day could ask questions or at least receive answers, because it was against the law of the Province of Manitoba to give out information about MDF dealings. Not only that, Mr. Speaker, there was a matter of the House being misled by a particular Minister of the Crown at that time with regard to the MDF involvement.

But a second factor, Mr. Speaker, is the Leader of the Opposition's own ignorance of this matter, because he himself was Minister of Industry and Commerce, Minister responsible for the MDF for at least 2-1/2 years before the change of government, and he told the Commission of Inquiry that, in so many words, he didn't know what this was all about. He didn't know who Mr. Kasser was. He didn't know who Dr. Reiser was. He didn't know that this was a bad deal. He didn't know we were being led down the garden path. He didn't know that this was the taxpayers' money that was being used.

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MR. SPEAKER: Order please.

MR. EVANS: Mr. Speaker, I refer you to the Commission of Inquiry because the Leader of the Opposition said time and time again to the Rhodes Smith Inquiry, he did not know - and he was Minister for 2-1/2 years - he did not know the details of this agreement.

A MEMBER: He didn't even know that Richardson was representing the government.

MR. EVANS: And the third factor . . .

MR. SPEAKER: Order please. Order please. I'm going to ask for the co-operation of all the honourable members. I don't know what you people think can be done, but miracles cannot be pulled off. If everyone is going to talk those girls that have to transcribe will not get a word of what is being said. So I ask for the co-operation of the honourable members. The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I said the people of Manitoba should beware of three factors. No. 1: The secrecy provision surrounding MDF dealings. No. 2: The ignorance of the then Minister of Industry and Commerce, the now Leader of the Opposition. And No. 3: I would refer the people of Manitoba to the debates of this House, to Hansard, in March of 1971, when the Leader of the Opposition got up in his seat and said this was one of the finest investments in industry in the history of this province, or words to that effect. He said that in 1971 in this House in March. --(Interjection)-- At that rate, even Saunders is making a profit at your calculations.

Mr. Speaker, the Leader of the Opposition and one or two other members on that side got up in their seats and said that this Minister should resign because we were losing the Bobby Hull of the industrial development world. That's the time when Rex Grose resigned - or the Gordie Howe, Gordie Howe. So it's obvious that as late as 1971 that the Conservative Party did not realize, did not understand what a rotten deal they made for the people of Manitoba.

Two and a half years as Minister - at least two and a half, maybe three, I don't want to shortchange him - as Minister of Industry, Minister responsible for the MDF, so he gets up in front of the Inquiry, he doesn't know, he doesn't know anything. He doesn't know what the details were. He doesn't know who Dr. Kasser was. He didn't know who Dr. Reiser was and so on. And in 1971 he didn't know. And he told us this was the finest . . . and, Mr. Speaker, I repeat - with the services of Richardson and Company, these lawyers, who incidentally I had never met previously, who I did not know before coming to government - actually helped us, along with Stothert Engineering, in uncovering some of the rather unsavoury elements of the deal that was signed by the Conservative Cabinet committee of the day, the deal that was made by the Cabinet committee. And I submit, therefore, Mr. Speaker, the only reason we have this motion of grievance by the Leader of the Opposition, is that he virtually, perhaps unconsciously, is ashamed of the record of the previous Conservative government, and he is embarrassed. But I say this, Mr. Speaker, again, it would be utterly irresponsible on the part of this government if we had not used Richardson and Company to present the needed evidence, the required material and to document how we uncovered the rotten deal that was made. And in 1969 if the people of this province did not have the wisdom to change the government of the day, The Pas Forestry Complex would be owned by a certain Dr. Alex Kasser and nobody would know anything about it.

MR. SPEAKER: Order please.

MR. EVANS: It would be purported as a wonderful private investment and look what private investment has done under the Conservative government. Who knows maybe Rex Grose may have ended up as the General Manager or what-have-you. --(Interjection)--

MR. SPEAKER: Order please. Order please.

MR. EVANS: But, Mr. Speaker, one thing is sure, there would be no debate as we're having today because there would have been no Commission of Inquiry if the Conservatives had been re-elected in 1969. There would have been a complex up at The Pas owned by Dr. Alex Kasser and company. And thank God for the people of Manitoba to have the wisdom to turf those guys out of office.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, one thing that has been concerning me in the dying moments of the session, and that was that . . . and what seemed to be a possibility, that the session would just peter out without any excitement, without anything to remember it by. I am now reassured that that is not going to occur.

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(MR. JORGENSEN cont'd)

You know, Mr. Speaker, the Leader of the Opposition need not have created all this furor, because he should have known better. He should have known that the kind of double standard that was indicated by the Member for Birtle-Russell is not just a passing fancy on the part of this government, is a policy on the part of this government. And we've had illustrations of that sort of thing on a number of occasions, particularly coming from the Minister of Agriculture. You know, using taxpayers' money to promote the government is not an unusual thing on the part of this government. The Minister of Agriculture has done it on at least a couple of occasions, and he's doing it now in the promotion of a pet project that he has up in Selkirk.

A MEMBER: Eight million bucks.

MR. JORGENSEN: What about the rape people? It was the taxpayers that paid the cost of advertising to promote the government's point of view on that particular issue. So what's so unusual? What's so surprising about the government using moneys to promote their own interests in this particular instance? None whatsoever. It's a standard practice on the part of the honourable gentlemen opposite.

But, sir, there is something ludicrous about the spectacle of the Minister of Industry and Commerce standing up and waving his arms in righteous indignation, in a flurry of windmill activity trying to defend the government's position. And he harps back, he continues to harp back to the same old argument that they have, unsuccessfully I might add, attempted to present in front of the people of this province, presented what he called a number of facts in relation to the CFI Inquiry or into the CFI situation. But what he fails to point out is that this government shortly after taking office, did stand up in this House and say, "We've negotiated a new deal for Manitoba, now everything is all right."

A MEMBER: They met Mr. Kasser.

MR. JORGENSEN: They met Mr. Kasser . . .

A MEMBER: Face to face.

MR. JORGENSEN: . . . and said how we have now brought that culprit to heel. Now everything is going to be fine in the Province of Manitoba. This arrangement up in The Pas is going to function now.

A MEMBER: Right.

MR. JORGENSEN: So they proceeded. They proceeded to change the pay-out procedures which this government are responsible for making, to the tune of over \$100 million. Up to the time this government took office, there was only \$14 million had been paid out. The Minister of Industry and Commerce very conveniently tries to forget that. Let it be known that insofar as the payment of moneys in the CFI complex, this government has the responsibility, and they can't avoid it.

A MEMBER: Always got a way out.

MR. JORGENSEN: There is a section in the Development Corporation Act which very clearly indicates that this government - and I'm not even going to read that section into the record because it has been done on a number of occasions - this government had the authority, they had the right and indeed they had the obligation to observe the conditions provided for in the Manitoba Development Corporation Act. They failed to do so.

They are the ones that paid out the bulk of the money under that complex. But that's not the issue here today. The issue here today is one that is characteristic of this government - the use of public moneys to benefit the government's position. As I've indicated earlier, that is not surprising. The Minister of Agriculture continues to do it with impunity, and then has the stupid audacity to stand up in this House and try to defend it by saying that it is right, because he believes it is right. But in this particular instance the Minister of Industry and Commerce tries to make the case that the money that was paid out to Richardson and Company was paid out to establish a position which could be brought before the courts in the CFI Inquiry. But what he obviously fails to notice was that the Commission of Inquiry was set up, if not before, but at the same time that the moneys were being paid out to Richardson and Company.

In other words, what is happening, something that I pointed out to the Minister of Agriculture some time ago, that if you were to take his position with respect to the rapeseed vote as an example, it would mean that the government could use taxpayers' money to convince the voters of the Province of Manitoba the next election, that they should vote NDP. The taxpayers

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(MR. JORGENSON cont'd) . . . . would pay that money. But other political parties would have to raise their own funds in order to promote their particular campaigns in order to run their elections. This is what's happening here. This is what's happening here, Mr. Speaker. The governments are using taxpayers' money to defend their position while other political parties that were involved in that particular Court of Inquiry had to raise the money on their own.

It's not, sir, as the Leader of the Opposition pointed out, an unusual situation. It is characteristic of a government, that insofar as political morality is concerned, is bankrupt; and insofar as an attitude towards government is concerned, is demoralizing. This government have no respect, absolutely no respect for the proprieties of government, for the ethics of government and for the morality of government, and they continue to demonstrate that time after time. This sir, is just one other example of that immorality.

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (3t. Boniface): Mr. Speaker, I must rise and say a few words because I can't believe the audacity and the hypocrisy of some of the members across from us. The darned hypocrisy - starting by the Leader of the Opposition - starting by the Leader of the Opposition, who was the Minister responsible when all this happened and then who told the people of Manitoba - "I didn't know what was going on. I didn't know what was going on." And now he's panicked. Even his own people can see through him now and they want to get rid of him and he's dragging this session. Everybody in this House wants to quit. This is not, you know - sure, my friend the name calling idiot from the other side out there can say what we want, that we're bringing things at the last minute of the session. I was here for close to over 17 years and this happened every time. And it happened when my friends were sitting across here. So what is he doing now, as he said when he stood up - "This is my last chance". Well it probably is his last chance and maybe we shouldn't have been sucked in at losing the afternoon. But just to let them know that if they want to go on tomorrow and the next day and another two weeks, as far as I'm concerned I'm ready to stay.

And I'm going to challenge a certain member on the other side who made a statement apparently that I brought in a bill yesterday that I had a few weeks ago. This is not true. I'm a little fed up with members of this side and some of the members of the news media seeing something sinister in everything we bring in, in the bill that you have in front of you. And I challenge my honourable friend, because if he tells me that he wants us to wait, not to do anything this year, not to forgive or not to cancel the 20 percent equity on construction of hospitals and personal care homes. I won't bring this bill this year. I won't bring this bill. But you, you stand . . . if you want that responsibility on your shoulders, fine. This is all that bill does, and all of a sudden there's another sneaky way, another sneaky way to take over, I don't know, maybe the proprietary nursing homes, and it doesn't deal with them at all.

My honourable friend from Morris also all of a sudden stands up and oh no, this is . . . we're bankrupt of any ideas or any morality. And what was he doing when he was sitting here? He was very quiet in those days and he used to tell us when we asked for information, "I'm sorry. I'm sorry. This is the government." And he pointed at the Cabinet Minister - "this is the government. I don't know what's going on but they know and in our system they're the government and we must accept that." And this government has opened up more, is trying to give you the information. He's talking about this business now of the North. CFI. They'd be the first one to complain, Mr. Speaker. This government came into power, there was a contract, the other Mr. Evans stood here and he said "We are committed." I don't know exactly the amount but it was many million dollars. And he was committed to that and then this government took over, they cancelled some of the acreage that was going to these people. Now my honourable friend, I don't know where the hell he is but he was sitting there awhile ago, stood up and he said, "Bring that back, planning is a terrific thing, but wait between sessions." He was very sincere, Mr. Speaker. Because the last chance they had, they were ready to floor half the North, give the other half away and they left 62 bills on the table. But we're not going to do that. We're not going to do that. We accept these responsibilities. And they say these bills are coming in late.

There was a famous bill for a pension, it was mostly for the Cabinet Ministers mind you, but it was for the pension. The bill wasn't even on our desk that we had a set of amendments. And before the bill received second reading we had about 36 or 38 amendments.

A MEMBER: And it was withdrawn.

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MR. DESJARDINS: Oh no, it was . . . it was withdrawn. Why was it withdrawn? Why was it withdrawn? Because we forced it, and you can do the same thing. You can do the same thing. Because we talked against it and finally after how many days . . . no you were sleeping in that chair, you wouldn't know the difference anyway. You know it's okay to lecture people. It's okay to lecture people . . .

MR. SPEAKER: Order please.

MR. DESJARDINS: It's okay to lecture people around but remember what a few years it would make when you were sitting in this seat. What information did we get? Now they're saying you're stuck with it. Of course it took us a while to find out. You don't come in when you change government and throw everybody out. You remember what was said about Rex Grose—that's a real . . . it is a real joke, we should have thrown out Rex Grose immediately. Not wait. It is a real joke.

And you know from the law and order people across there an attack like this, a sneaky attack on Scott Wright who is now a member of the bar, and coming from you and those people, is pretty damn low, pretty low.

MR. SPEAKER: Order please. The Honourable Leader of the Opposition state his point of order.

MR. SPIVAK: Mr. Speaker, the point is the reference to a sneaky attack on Mr. Justice Scott Wright. Mr. Speaker, there is nothing that has been said on this side that I'm aware of and certainly nothing that I've said that would in any way suggest a sneaky attack on Mr. Justice Scott Wright. Mr. Speaker, on the point of privilege there is nothing. I ask the Minister to withdraw that. There is an attack on the government, there is no . . . Mr. Speaker, I am on the point of privilege, there has been no personal attack whatsoever, no personal remark has been made about Mr. Justice Scott Wright and I defy, Mr. Speaker, any member on the opposite side to indicate that. Mr. Speaker, this is one of the most deliberate and dirty tactics used by the Minister of Health. There is nothing. And I ask him to withdraw that.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, on a point of privilege. The honourable member said that Mr. Scott Wright was working for the New Democratic Party and taking money from the Government of Manitoba. That is his charge. Mr. Speaker. And I suggest to you, Mr. Speaker. . .

MR. SPEAKER: Order please.

MR. GREEN: . . . that a charge that a practicing lawyer in Winnipeg would take money from the government and represent a political party is a charge of impropriety on that person's conduct. And I defy the honourable member to say anything to the contrary.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, this is not a debating point, Mr. Speaker, there was no reference whatsoever to Mr. Justice Scott Wright at all, nor was there any suggestion. The implications that the Honourable Minister wants to make are his. If he wants to debate that that's fine, but no remark was made that way. And if, Mr. Speaker, you allow this, then I must say that you're going to allow anything. Because, Mr. Speaker, with reference. . .

MR. SPEAKER: Order please. Order please. ORDER PLEASE. I would suggest that all honourable members reconsider their position. Now the Chair has been maligned once or twice already this afternoon for no reason at all and I'm trying to be fair to all of you. The last remark by the Honourable Leader of the Opposition places the Chair in the position of not having a chance to adjudicate because I'm already prejudged if I go one way. I think that's very unfair. I'm going to say this in regard to the debate that's going on on the matter of privilege. That there was inference by the Honourable Leader of the Opposition in respect to the Honourable Judge Scott Wright. The interpretation is open as to whether it was malicious or not. I'm not going to rule on that particular item. Each member in here will have to adjudicate on his own.

I have allowed a very great latitude in this debate in respect to grievance because I think it's a private member's individual right to at least once air himself and let steam out. But I do think that members do occasionally forget the propriety of parliamentary procedure and go off the deep end. And I'm again going to request of those who are going to continue on grievance to consider what they are going to say and to remain within the decorum of the parliamentary privilege. The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, in a spirit of brotherly love, I'm ready to withdraw—the minute that my honourable friend, the Leader of the Opposition would withdraw his remarks.

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(MR. DESJARDINS cont'd) . . . . I will withdraw mine. I'd have to, would have to tell him, that fine, he was sorry that he said it and I'm sorry that I said that he said it, or something like that.

Mr. Speaker, this is backfiring on my honourable friend. He got everybody excited here. He ran here. he's been going in, and this is his business. campaigning. And he's coming here. he makes a speech - we held everything back. He's got certain things that he adjourned - that's his right. He runs out and he runs in and all of a sudden this was his last chance and he was going to make a big play because everybody wants to go and everybody is co-operating. There was a few remarks, that's par for the course. you take advantage of the situation. And it's been done no matter who's been sitting on this side in the past. And I appreciate what the other members did. But my honourable friend here is using the time of the House, the time of the members. and talking about money - the money of the taxpayers, to prolong the agony and to keep us here because this is his best chance. Because here he is campaigning for himself and for the others. And he came here and made these statements about Scott Wright, who knows that he couldn't defend himself. He made other statements, and especially from him, especially from him because I remember the day in this House that he came here and he stood up with a terrific announcement - from now on, from now on the Manitoba Development Corporation would have to give certain information to the Cabinet. It was secret, just for the Cabinet members. That was a terrific, terrific announcement. Then he went out and he made speeches and he was telling the people of Manitoba, it doesn't matter which government is there. you know, free enterprise is going to go. It doesn't matter, it's not a government that will hurt you. And then he came in this House and he lectured us. With tears in his eyes he told us - make sure, don't hurt Manitoba. Don't ask us to give the names of these companies that are defaulting. Please don't do that. Who will borrow . . . and after all, do you doubt the people that are on this board? And that was the Newman and the Cam Maclean and all these people you know that. . . and so on.

So I say to my honourable friend if he doesn't like these remarks he can say that he's responsible for it. He's trying to use this last day and I think it's backfired on him. There is no doubt --(Interjection)-- no it won't be a last day now. We could wait another week, another two weeks, that's fine. And I say, Mr. Speaker, that you know this is so ridiculous to think that a government cannot have lawyers to represent them. Now they did it. They're talking about double standard. What double standard? Did they or didn't they have a lawyer during the Brandon Packers investigation? And then did that lawyer, or didn't he, go to court and present the case of the government when my honourable friend was representing the labour and was being paid by labour? Who paid him? Moffat I think it was at the time. Who paid him? And about Grand Rapids, Grand Rapids, when we had an investigation here. Didn't the government have a lawyer? You know, so, so . . . okay let's talk about double standard, let's talk about double standard but tell us, tell us what we're supposed to do and tell us what you've done in the past. --(Interjection)-- I beg your pardon.

A MEMBER: Were the Liberals on trial at that time?

MR. DESJARDINS: I don't think anybody was on trial. I think it was an investigation. I think it just came out. I don't think anybody was on trial. But I think it is your guilty conscience that tells you how can 12 or 14 grown intelligent people not know what the heck is going on, when you give half the North away, half the acreage away and you commit yourself to . . .

MR. SPEAKER: Order please. Order please.

MR. DESJARDINS: . . . millions of dollars. I think that's the difference. I think that's the difference. And now all of a sudden, who has paid these people, who is . . . trying to make a big thing. Why I suggest, Mr. Speaker, because he's trying - you know, when you're weak, you attack. When you're weak, you attack, in order that people can forget this thing, especially the position of my friend, the Leader of the Opposition, who was the Minister responsible at the end, who told us then that he didn't know what the hell was going on. He still doesn't know what's going on, but in the meantime he doesn't want us to hire lawyers to work for the government. And that's been done every year by every government. And I challenge my honourable friend to find out, to tell us that this wasn't done during the days of Duff Roblin.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. It's a very



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(MR. J. FRANK JOHNSTON cont'd) . . . strange thing, there's something happening in the House today that seems to happen, or has happened for the last six years that I've been here. Mr. Speaker, I'm sure you'll remember too that when we hear the honourable members on both sides of the House when the session is coming to an end saying "Do what you like fellows, I'll stay for another two weeks," that is the clear indication, Mr. Speaker, that the session is nearly over because we're all puffing our chests and getting very tough.

Mr. Speaker, that's quite true, and the Honourable Minister knows that same statement is usually made a day or half a day before the House closes every time. --(Interjection)-- Well, Mr. Speaker, he says as long as we like and I'm just relating to him that he's . . . you know when he says that, "we'll stay as long as we like", I'm sure that we could be working very late tonight and I would say that it will wind up pretty fast. As you know, Mr. Speaker, this House can wind up just like that. And it usually winds up just like that after we've all stood across the House and said "we'll stay as long as you like". That's usually what happens.

Mr. Speaker, the last speaker who . . . I wouldn't bring it up. I was in the coffee shop earlier just before the debate was, and I quite frankly will say that I was a little disappointed that there was a grievance going on and I was very concerned that we . . . because of the nearness of the end of the House and because of by-elections going on, that I didn't want to see this thing get political within this Chamber or anything of that nature. And I said to the honourable member sitting over there, I hope that's not happening. So when I came into the House I listened very carefully and I found out that my leader went on a grievance based on an Order for Return. Based on an Order for Return which we requested and, Mr. Speaker, they had the courtesy to give us. And so we have the opportunity to speak on an Order for Return.

Mr. Speaker, the Order for Return basically says that the government, there's no accounting procedure that says NDP or anything else like that but, you know, quite frankly we had a commission that stopped, basically stopped investigation when the government took over. So we have reason to believe that the legal people that were involved, as hired by the government, really does. does defend the government of the day against the government that was here before.

So, Mr. Speaker, we have reason to say that, you know, the Honourable Member for Morris he has the main Act there. I carry this little thing in my wallet, and I won't read it all either. Carried it for years. I've pulled it out in this House before when I've had it in my wallet. You know, where money, misimplied, if at any time in the opinion of the board the money loaned under this Act has been, and so and so and so and so. And there was only \$14 million spent when this government took over, and they did receive advice from legal counsel that they had to carry on, but to me this Act says they don't. This Act says they could have packed it up if they wanted to. And it's a very very strange thing when I sit in this House, Mr. Speaker, when we get talking about the debate of Order for Return and moneys spent on legal for CFI and the government doesn't want to stay with the subject but opened the subject of CFI generally, and the Minister of Urban Affairs, who I have far more respect for than most, tries to cover the subject by using some characterization against the leader. Then when the Minister of Health and Social Services gets up and talks hypocrisy, and he is the man that is the reason for the NDP government and Autopac and everything else that goes with it, and when he turns across the House and says "name calling idiot" - "name calling idiot" - I didn't hear my colleagues say name calling idiot. I wonder what really happens. And when the Minister of Industry and Commerce - and I don't like to use this - gets up "hypocrisy," uses hypocrisy, and says that we have the worst deal that was ever in Manitoba, and the Minister of Mines and Natural Resources said, "I have never criticized it, I think it's a good thing for the North; I would have done it myself but I would have done it by government." So we base ourselves down to the philosophy, they would have done it. We would have tried to do it by private industry, and if you want to argue the philosophy in the House we've done that a lot before too. So the Minister of Industry and Commerce - hypocrisy - who says that CFI is a good thing, yet on the other side of the House we hear all the time that they would have done it themselves anyway, and I hate to hit my hand on the desk. Mr. Speaker, that is really the habit of the First Minister's . . . My goodness. I've got to get my speech ready to take that out of there. Mr. Speaker, you know, I'm older than that. I really am not that young that I have to keep hitting desks.

Mr. Speaker, let me say this on CFI: There was only \$14 million spent. I can remember

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(MR. F. JOHNSTON cont d) . . . . in 1970 travelling through CFI when there was no building there at all, and we weren't even the government. --(Interjections)-- Now, Mr. Speaker, we have the yahoos I've always thought were on that side of the House. You know, I made a logical statement. I said I went up to The Pas in 1970, walked over the Complex, and there were next to no buildings there, and there shouldn't have been any buildings there because there was only \$14 million spent to that point.

Now, Mr. Speaker, this government comes into power and takes over and says, this is the worst thing they've ever done and proceeds to spend all the rest of the money. Hypocrisy, Mr. Speaker, I would like to refer again to where the money is misplaced, Section 8(3). If at any time in the opinion of the Board and money loaned under this Act - you could have cancelled it. But I'll tell you why they didn't, Mr. Speaker, and I'm going to tell you why they didn't, and it's the truest thing that ever happened in this House and all the members, I think most of them were in the House at the time --(Interjection)-- Most of that press gallery was here at the time when this was said, and here's what was said when the Member from Crescentwood, Mr. Gonick, was speaking on CFI. And he was saying, and he was taking us over the coals on CFI. The worst deal we ever made, any government ever made, and it's in Hansard and the Minister of Mines and Resources - and we used to record at that time. Mr. Speaker, you recall when we spoke into the microphone, when we didn't have the floor, it was recorded, and the Minister of Mines and Natural Resources at that time turned to the Member from Crescentwood and he said, "Shall we nationalize it, Cy"?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I did not say that. Somebody said to the Member for Crescentwood from that side of the House, "Would you nationalize it"? And the Member for Crescentwood said into the mike, and I think you will find it in Hansard, "I agree with the Minister of Mines - not yet."

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: In Hansard it says "Interjection" - It says in Hansard "Interjection" "Would you nationalize it, Cy?" And he said, "Not yet." Not yet. You know, to the Minister of Mines, I will take the Minister's wording, to the Minister of Mines "not yet." So, you know, the Minister of Industry and Commerce says it was a bad thing, yet they were willing to let it be built and spend all the money and nationalize it. --(Interjection)-- That's right. So we boil down to the philosophy again. We boil down to the philosophy again that they believe that CFI and lumber and industry in Northern Manitoba is not a bad thing. Yet the Minister of Industry and Commerce says it's the worst thing that ever happened. So they agree to let it be built and then nationalize it.

So we come down, Mr. Speaker, to the philosophy again between the NDP and ourselves. Let's not have any fooling around about who built that plant because the government built it. The government of 1969 on in Manitoba built it, and they're proud they built it. They're proud they took it over and nationalized it. They believe sincerely that it's one of the best things that ever happened to Northern Manitoba. They believe that the plant is operating. They believe that it will create jobs in Northern Manitoba, and then to turn around and say it was the worst things that ever happened. One could argue philosophy in this House, Mr. Speaker, we've done that many times, but for the Minister of Industry and Commerce to stand up and say, "the worst thing that ever happened." Mr. Speaker, I would doubt that I could have any confidence in the deal the Minister of Industry and Commerce would make so he can't criticize ours.

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

MR. EVANS: The honourable member is misrepresenting my criticism. My criticism was in reference to the deal that was made by your government, the deal that was made, and let's not talk about nationalization because it was the people's money right from the beginning.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I did not argue with the member that it wasn't the people's money from the beginning. I don't think we've ever argued that. We say we would do it one way, they would do it another. I just finished saying that I don't think I could depend on the deal that the Minister of Industry and Commerce has made. If he's such a damn good dealer, why did they take the Fund out of his authority? Why would they take the Development Fund out of his ministry, the Minister of Industry and Commerce if he's such a damn good dealer? Mr. Speaker, if he talks about deals in this province, I'll tell you this, Mr. Speaker,

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(MR. F. JOHNSTON cont'd) . . . and I apologize, sir, I don't tell you anything. but I will tell the House this, I will tell the House this. CFI will still be operating as a pulp plant and it will still be operating and serving the North. . . When Saunders aircraft is down the drain, do you know what you'll have left? You will have two old used hangars from World War II, that's all you'll have. --(Interjection)-- Yes, you're bloody right. And so is the airplane. I'll tell you when CFI, if it ever closes tomorrow, you'll have at least \$65,000 to \$70,000 worth of equity and you will have - a million maybe - but you will have exactly two old hangars in Gimli when Saunders packs up.

Mr. Speaker, let us get back to the debate. You gentlemen on the other side, we can't say maybe that you had no right to hire lawyers to represent the government, but there was no question, no question that the day this government took power that they weren't going to have an inquiry into CFI, that they weren't going to try and nail the opposition or the previous government with everything they could possibly nail them for, and you've spent all the people's money and yet, yet it's still operating in the North, it's still operating in the North.

So. Mr. Speaker, let's not have the government get all excited because my leader stands up, and I would like to say this that all this stupid, damned childless inferences to my leader from that side is pure nonsense, pure nonsense. If you think, Mr. Speaker, if they think the leadership of the Conservative Party is the most important thing that happens in the Legislature, that's their mentality, yet they still drag up these inferences . . . all the time. Their party has a leadership convention every year; it's in our constitution that we have one, and so we get this childish nonsense. My leader is my leader until he isn't the leader of this party, and if you. . . Mr. Speaker, if those men on that side don't believe in what I just said regarding their leader, they're not very good politicians. Let me tell you, they're all maneuvering right now, there's about four of them over there maneuvering right now, so let's not have the childishness from them any more.

Mr. Speaker, I go back again . . . There was no way that they weren't going to hire, that they weren't going to try and nail somebody, have an inquiry. We'll build it, we'll run it, we believe in it, but let's have an inquiry that costs the people of Manitoba a fortune to try and blame somebody else.

MR. USKIW: Mr. Speaker, I wonder if the member would yield to a question?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I wonder if the Member for Sturgeon Creek would indicate to the House whether he agrees in retrospect, at least, that the inquiry was a worthwhile exercise on behalf of the people of Manitoba.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, the inquiry, yes, was a worthwhile exercise for the people of Manitoba. I would say any inquiry into that type of expenditure of money is a very good expenditure of money, but why do we only have inquiries when they think it will benefit them? We've asked for a few inquiries ourselves. I'd like to ask for an inquiry right now into the whey plant in Selkirk.

. . . . continued on next page

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MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, having listened to the debate this afternoon, I thought that I would like to take a few minutes in participating in what I think is a democratic exercise. You know, after my leader spoke on his grievance relating to an Order for Return which he received, and by using the grievance as he did, I think was very appropriate as a responsible Leader of the Opposition, a responsible Leader of the Opposition to make comment on what he received.

Mr. Speaker, I then listened to the Minister of Urban Affairs, and I can only describe it as the kind of characterization - and he was very brief and that's all we got from it. I was disappointed in the Minister of Urban Affairs, Mr. Speaker, because I've always had the greatest respect for him and I thought that he could add to the debate, and I think that as a responsible government that I was listening and wanting to hear some comments from him to either say to my leader that he was totally wrong, and proved that he was wrong, you know, Mr. Speaker, but all I heard was a form, an expression of characterization of my leader. Mr. Speaker, I want to register and compare to the days when the ex Minister of Highways was in this House, Mr. Borowski - and I hate to use his name because I think he's had publicity that wasn't deserving to him at all. But I can recall the days when he was on that side of the House and the name calling that he used to those of us on this side, and I listened to it for so long, I listened to it for so long, Mr. Speaker, until I, for one, on this side reached the point where I rose on a point of privilege and indicated to that gentleman that when he related to the kind of comments and called us the names he did, I think, Mr. Speaker, you will recall that I felt that I didn't mind the Minister calling me the names he did, but I wanted him to know that I represented between 15,000 and 16,000 people in the constituency of Rock Lake and that had a reflection on the people that I represented, and, Mr. Speaker, that was what I was concerned about. I feel somewhat similar today, Mr. Speaker, when the Minister of Urban Affairs in choosing the comments he used to relate to my leader, he did not only reflect on my leader but I felt, sir, that he reflected on all of those on this side of the House in the Conservative Party. And, Mr. Speaker, I want that to be known and those are my feelings insofar as this grievance is concerned. I feel, Mr. Speaker, that has an importance that I feel that should not be allowed to go unnoticed in all due respect to the debate on this side of the House.

I think he was referring to a project in the Province of Manitoba that while we were responsible, and I want to say, and I remember the Minister of Mines and Resources saying in this House, and I admired him for it, that if I am responsible for something I will stand up and I will admit and take responsibility for it. And I say myself, Mr. Speaker, I'm in that position today.

And, you know, Mr. Speaker, I've gone through two campaigns, and we've been confronted with the CFI Complex in The Pas and I have yet to take any time where I apologized for it. I'm one who is prepared to admit that if we've made a mistake, I will admit that was so. And I relate myself to the Minister of Mines and Resources on this particular aspect. Who is going to - and if you want to go into The Pas and into that particular part of the province, ask those people out there, do they regret that there's approximately a thousand people employed in that project, that there's approximately \$14 million on the payroll of that particular project? And also that it's not doing too badly, Mr. Speaker.

Mr. Speaker, I want to relate a few comments to the Minister of Health and Social Development. You know, he talked about a double standard, and I recall in the days when we were debating Autopac and the Minister of Health was elected, not as he sits in his present seat today, and I can say, Mr. Speaker, if I were in his shoes and he represented the area I represent, I wouldn't be sitting there today. Do you know, Mr. Speaker, he talked about - who was it? - somebody on this side almost using the crying towel, he's in tears, and I can remember, Mr. Speaker, in the days when he was debating the Autopac issue, and we were going on for about two months, and the performance that the Honourable Minister portrayed in this House - I haven't forgotten that, I wonder if he has - about doing a double standard while he was, you know, he was elected to represent his people on certain principles and certain policies, but all of a sudden he changed his mind and he became an opportunist, and then when he found that the kind of opportunist that he'd developed, many of his people were opposed to him, and he found it very difficult to sit in the position that the found himself in

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(MR. EINARSON cont'd) . . . . this House and conducted himself in the manner which he did. He talks about somebody else on this side with a crying towel. I think the Minister should go back and reminisce some of his own experiences in this House.

Well, Mr. Speaker, I want to say that, as my colleague did, and not to repeat totally, but the grievance that we're dealing with today is one in which, as I said before, I take no apologies for. If mistakes were made, they were made. As my colleague for Morris had indicated, and he related to this particular thing, and with the Minister of Agriculture, we're still concerned, Mr. Speaker, and here we can relate something, and when they talk about, you know, the taxpayers' money that is being used to promote something that is in the interests of a kind of philosophy, and namely today, we have this government today, whether the people who were concerned and the people who were going to have to pay for it, he has no regard. But nevertheless, Mr. Speaker, nevertheless, Mr. Speaker --(Interjection)-- Yes, now we got the First Minister in the House, and I am delighted to see the First Minister in his seat because the last time, Mr. Speaker, I was speaking and I talked about the problems, I talked about the problems that his colleagues had to his right and to his left and, you know, Mr. Speaker, when the road got tough. and the hoeing got tough, he'd walk out of this House and he felt that he could still come up lily-white and portray himself as that shining light to the people of the Province of Manitoba. You know, Mr. Speaker, the First Minister - and I want to say to him he wasn't in his seat the last time, and I'll remind him that, you know, there's a principle that he is now living by or has lived by, I wonder if the people still believe it. They better start thinking about it, and a moral principle that, you know, when the First Minister says, "I will forsake principles for power, for power's sake, and as long as I can adopt that attitude, Mr. Speaker, and as long as I got my lieutenants to carry the load for me, I will come down the middle and fulfill my . . . ." Well, he's to the test right now, Mr. Speaker, on two occasions in this province and we'll find out. There's been a little bit of timidness on this side, but I'm prepared to challenge the First Minister, and it's about time somebody did, as to the competence, you know, Mr. Speaker --(Interjection)-- Ah, this is most amusing, most amusing, when I think of the First Minister or those he's laid his hands on on that side of the House. --(Interjection)-- Yes, I have partaken in that. No, my worthy opponent, the Minister of Agriculture, I don't know whether he's . . . yes, he's starting to smile, Mr. Speaker, maybe he's renewing hopes. But we had the Minister of Municipal Affairs being donned upon as probably that magic one who is going to succeed over there. They're doing this, they're talking about leadership on this side. I think it works both ways, Mr. Speaker, and I want to say, Mr. Speaker, . . .

MR. SPEAKER: Order please.

MR. EINARSON: . . . talking about the Minister of Municipal Affairs, it's part of the grievance. I have attended a regional municipal conference where the Union of Municipality people, that is, the key people, met with the Minister of Municipal Affairs last February and I'm told that the Minister outlined what the rural municipalities could probably accept, or could receive, I should say, that's a better word, in a way of the kind of legislation when we talk about planning for the rural parts of Manitoba, and probably in the final analysis, will affect the cities of this province as well who were not covered under that Act. But I was told, Mr. Speaker, surprising to me because I thought the Minister of Municipal Affairs was so highly respected and was a polished politician wherever he went, suddenly to my dismay I find that the Minister in the message he gave last February is not being portrayed in the Act that is before us in this session. I want to say, Mr. Speaker, that a good many of the rural people are very very disappointed, they're very disappointed in what they are learning, and unfortunately - and I said in this House, I was hopeful that the government would see fit, even if it were three months, to table that kind of legislation that is so important to allow those who are very concerned and are responsible to give an opportunity to study it and understand it before it becomes law. And so, Mr. Speaker, I speak here, and the grievance today is a matter of a principle. When we talk about the . . .

MR. SPEAKER: Order please.

MR. EINARSON: . . . comments that I've heard from that side of the House to those on this side of the House, you know, Mr. Speaker, time will tell as to who is going to be right. I think that the stories that are being portrayed from both sides will be decided, not

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(MR. EINARSON cont'd) . . . . by those of us in this House, but by - which is much more important - by the people out in the country. Thank you.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I've never seen such rally and support as the Leader of the Opposition had as he had today. I'm sure that he'll remain leader for many years, and I hope he does. But, Mr. Speaker, I really feel that many members of the public of the Conservative Party and the members, really would not have appreciated when the Leader of the Opposition got up and made his discourse because really I don't think they would have really appreciated it. I think it was a sad performance by innuendo, he brought in names, what we paid, and he says that, you know, there shouldn't have been a legal counsel to the government, or to the Commission, when they had to take and seize the operation over. Well, I feel it's even sad to discuss CFI because it's an albatross over our head in this whole House to everybody, and it has been for a few years.

And it's not the point - I'm not discussing if it was a good move or a bad move, I'll get to that in a moment - but I believe it was a last ditch of desperation for the Leader of the Opposition. He pulled out all stops and used innuendo to score a few points. I see he's in the House, and I'm glad he is, because when he says that you don't need legal counsel, and it's true when he said that the parties had their counsels. I know the Liberal Party had, and the counsel continued for about halfway through the proceedings and the proceedings continued too long, so they dropped, because it was too expensive. Now I don't know what happened in the Conservative Party but I hope the Minister of Labour is in the House. I understand when Premier Campbell - there was a beer probe before this House - he provided counsel and accountants to the opposition, to the opposition, not only to the Commission, but to the opposition. So to say that it wasn't necessary . . . so all I'm saying that really the performance of the Leader of the Opposition was really sad in this House today when he talked about putting the blame on everybody else. He was the Minister of Industry and Commerce, and it was during his administration that today, today, some 267 million loans outstanding to MDC, 75 percent of those were committed by him, by that side of the House, by that side of the House. So really I can't understand where, and I know that he's trying to score some Brownie points that he picks on, this is \$120,000 over a period of four years was paid to Richardson and Company, and he used by name, he used Scott Wright, and you'll see it in Hansard if he forgot, but he used his name, so it's a \$120,000. Does he forget that his government paid over \$350,000 to a firm that was acting for MDC, and also was acting apparently at the same time - there was a lot of controversy over it - for CFI at the same time? So there must have been, you know . . . and I'm not even using the name of the firm, but I'm must trying to point it out.

MR. SPEAKER: Order please. Order please.

MR. PATRICK: I'm not, Mr. Speaker, I'm not accusing the other members of the committee. If any one . . .

MR. SPEAKER: We'll have ten minutes recess. Twenty minutes to five.

\* \* \* \* \*

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

MR. PATRICK: Thank you, Mr. Speaker. I don't know what I said that I caused the rude interruption, but I will not say it again. I'll let pass what I said before, but all I want to say is I cannot be critical of the other members of the party to my right except the Leader of the Opposition because it was indicated by the former Premier, Walter Weir at the time, and he said it to the news media, he said it in this House, that he was not aware of the particular contracts and agreements in connection with CFI, and I believe this applied to the other members and it's true. I talked to some of the members and so I can't be critical, but surely I could be critical of the Leader of the Opposition when he tries to score a few points with an Order for Return and tries to draw reference by innuendo about the amount, and I could just relate to him I know that his government paid out much more, paid out \$350,000 over a period of three or four years for a similar type of work.

Now the other point is, he talks about lack of judgment and lack of leadership, and all kinds of accusations, and to me, I'd be inclined to say that really this is a sheer act of desperation on his part and perhaps he should assess his own position because he was the

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(MR. PATRICK cont'd) . . . . Minister of Industry and Commerce for some three or two and a half years, he had the opportunity to meet the principals - I understand he had his picture taken shaking one of the principal's hands, saying what a great deal it was in connection with CFI. So surely - he was new as a Minister, he was young, he was energetic - it was his responsibility to investigate, to check out, to see how good a deal it was. You know, surely a new Minister coming into a situation on a position, I think would investigate it and would check out how good a deal it was for his own personal satisfaction, and if he would have been competent, and I think he should have been and should have done that. Apparently he didn't do that. So the situation that we have here, it was an enormous scandal, it had enormous amount of money involved, much money involved, so surely we had to have some concern; there should have been some investigation, some legal advice, some accounting advice to protect the public purse, to protect the public interest.

And the whole point - we're not arguing if the deal at The Pas was good or bad. From the financial point of view it's very bad; from the point that we should have had something there for creation of employment, in that respect it should have been good, and it's good, but it shouldn't have been costing the people of Manitoba \$150 million, what it is at the present time, because the same mill, in fact a bigger mill at Fort Frances, Ontario, with 500-ton capacity was built later than CFI, was built later with all pollution controls for \$50 million. It's in operation, and if the members don't believe it, they can go and take a look at it, they can see it - 500-ton capacity per day, pollution controls, and built later for 50 million. Here we spent \$100 million on this one with carrying charges, completions, and everything else, interest charges, we're up to 150 million. So surely the Leader of the Opposition isn't proud of that, and he was in the driver's seat for three years, in the driver's seat. He met the principals, he should have, as being the Minister of Industry and Commerce, surely it was incumbent on him to check, to investigate, to review, if it was a good deal. Apparently he didn't do anything about it, he just sat on it. I know, he's talking about investigation commissions. Who do you think asked for a Royal Commission? Who do you think asked? The Leader of the Opposition. He's recorded in the paper, he's recorded in Hansard. Who do you think said should be the Chairman of the Commission? He said, "Rhodes Smith." He said it. It's on record. I haven't got it with me but I recollect and remember, and it's in Hansard. So then when the report was tabled, it wasn't too favourable - well, probably it wasn't favourable to the government's side as well. There was some criticism, I believe, from both sides. If this debate has done anything today, it perhaps is being, you know, critical to both sides, and some complaint laid.

But for the Leader of the Opposition to get up today and try and score a few Brownie points saying, "Look, we've paid for three years \$120,000 for legal fees to Scott Wright, or Richardson and Company," so really I think that, in fact, in my opinion, I think that his caliber and his intelligence is much higher than that, and I'm sure in the long run that he lost support today from his own people, from his own supporters, from the Conservative supporters, that he lost, because that really wasn't the kind of debate, the kind of message we would have expected like we did today from the Leader of the Opposition.

So really, you know, if he hadn't been in the position, if he hadn't been in the position as Minister of Industry and Commerce, he met the principals, why didn't he review the whole thing? And I think that when the whole thing was taken over by the government, naturally the government had no choice, they couldn't just seize the operation, they had to have a reason, they had to have some accounting done, they had to have some investigation done so that they can legally seize the operation, and who paid the money out? I'm not involved and not concerned in that respect, but to try and make points that the Leader of the Opposition made today, I don't think he did his party any good, I don't think he did himself any good, and I think if it was anything, it was a sheer act of desperation on his part.

MR. SPEAKER: Is it the pleasure of the House to adopt a motion to go into Supply. Agreed? So ordered. The Honourable Member for Logan.

COMMITTEE OF SUPPLY - URBAN AFFAIRS

MR. GREEN: Mr. Chairman, I just want to advise honourable members of the Opposition that the Minister of Urban Affairs, through no fault of his own will not be here this evening and therefore his estimates will continue tomorrow evening if not completed this afternoon . . . tomorrow morning if he's not here. --(Interjection)--Well, that's up to you people.

MR. CHAIRMAN: Resolution 105(b) - pass? The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Chairman, in trying to address myself to this particular aspect of the Minister's estimates, it's something like trying to get off a roller coaster ride and not feel woozy after what's gone on this afternoon. But there were a couple of other points in addition to the one raised this morning concerning the central core's development. One area which I think has not received any attention in this House and was only briefly mentioned by the Minister, but could have some pretty far-ranging significance to the city is his mention of the new planning of an alternative airport site for the City of Winnipeg. There has been some discussion by the mayor of the city about alternatives and I believe there's been a study commission set for it. But thus far, Mr. Chairman, there hasn't been a particular amount of detail spelled out as to exactly what are the terms of reference of the study which we would certainly like to know. We'd like to know whether the review that is going on or the assessment that's being made is one that is simply a prelude to the development of a second airport or an alternative site to the airport, or is just being done as a matter of course routine operation. Has there been any indication to this degree that a new airport will be required? And one of the issues that stems from that, Mr. Chairman, is . . . it strikes me that if there is a call for a new airport in the City of Winnipeg it would be of one of two reasons. One, either the increased traffic that the present City of Winnipeg International Airport covered, or the fact that the growth of the city is now tending to encircle the present airport and because of the increased business certain danger safety factors may be appearing. I would be very interested in knowing, Mr. Chairman, as to whether the Federal Government or Provincial Government, or city governments or any combination thereof, have undertaken any assessment of factors such as the increase in airport noise, generated by . . . particularly because of the one landing field is a westerly flow of air, a large number of airplanes land flying over the South Winnipeg approach, and that as the increase in cargo and passenger traffic goes up every year, I'm wondering if there has been any efforts to study the impact of the aircraft noise over South Winnipeg and also some of the safety features that would relate to it as, just the frequency of landings and take-offs increases.

I raise the question, Mr. Chairman, because it has become an issue in other cities. The increased danger occasioned by the frequency of aircraft as well as the much more serious problem that noise generated by incoming and aircraft taking off, can ultimately have serious health hazards and problems for people within the range or orbit of that sound area. So what we would like to know, Mr. Chairman, is in the planning or the setting up of the planning of assessment that's going on for a new airport in the City of Winnipeg, if there has been any preliminary study done of airport noise and its impact upon the primary South Winnipeg area which takes a large brunt of the traffic; secondly, whether that is to be included as part of the study terms of references that are being set up. Because I think it is a problem that should be examined very carefully by all levels of government.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Chairman, the airport study I referred to this morning is one of the studies in which the Federal Government is not only a participant, in fact it's their study. We joined with them and the city joins with them. It's under the Ministry of Transport. They're in charge of the study. It is a study in depth as I understand it. It will take considerable time to fully explore and to redefine the plans for Winnipeg and its environs. I'm told that there is supposed to be, and will be a planning consultive committee, representatives of various groups will meet with the federal planning team that has been set up, to be informed of the study progress, to be provided with opportunities to make recommendations and to hear views as expressed by the Member for Fort Rouge, and the study is to include things such as noise, air pollution, water pollution, amongst other things. It is a study, as I say, which is under the aegis of the Ministry of Transport, Federal Government. It was announced by them. They have, of course, invited the city to participate and we will, of course, be participating in it, and that study is in the process now of being developed.

MR. CHAIRMAN: The Honourable Member for St. James.



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MR. GEORGE MINAKER (St. James): Thank you, Mr. Chairman. When we broke off for lunch today the Minister had made a comment with regard to the student employment program and I want to just make sure I have his answer correct and if he would confirm that so I can take it back to our constituents who had raised the question. If I understood the Minister correctly, Mr. Chairman, that in this year's STEP programs the only projects that qualified were those type of projects that were study oriented and related to resident advisor groups, that if there was a project that they could develop that would require a study to be taken by the students in that particular community committee that they would qualify for a STEP grant; otherwise if it was not a study it wouldn't.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: Well, Mr. Chairman, as I indicated earlier, the program is under the College and Universities Affairs; the STEP, student employment program, is theirs, the funds are there, the only involvement Urban Affairs has, that this year the students were to be employed and paid for under STEP, employed and assigned to the resident advisory groups to be resource people for I think a period of 16 weeks or something to that effect, so that the resident advisory groups could use up to - I think it's three students per community committee to undertake certain studies or projects, or programs, which the resident advisory groups felt would be of value to the resident advisory group in evaluating the needs in that community. That's the extent of this department's involvement.

The member referred to a company that was formed in 1975 under a STEP program. Urban Affairs was never involved in that. It was a program under STEP which may not exist today for all I know but certainly Urban Affairs has had no involvement in it whatsoever. And today we're simply acting as co-ordinators and linking with the resident advisory groups.

MR. CHAIRMAN: (b) - passed; (c) - passed; (d) - pass? The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Chairman, this specific appropriation deals with Urban Projects and Transportation and I think that we would welcome, certainly I would welcome an accounting from the Minister on what kind of action and initiative is being undertaken in this area. The amount of money being sought is down, I note, from last year, to \$100,000 from \$200,000 in this area, which I think augers ill rather than well for people of Winnipeg generally who must cope with the clogged, choked arterial routes through the central part of the city and the traffic conditions of the present day.

The Minister said this morning when he was responding to either the Member for Fort Rouge or - yes, I think it was the Member for Fort Rouge, and I think I'm quoting him correctly - that we, meaning the government, we want to bring more people back into the city core. Well that's a laudible ambition, Mr. Chairman, but I suggest to him that a lot of us also want to see some remedy, some means developed for getting a lot of people out of the city core, particularly at 5:00 o'clock and at other rush hour periods of the day, at both ends of the day, in fact at all ends of the day now. I feel that in terms of arterial traffic routing and management that there has been substantial decline in the past few years of the condition of the City of Winnipeg. It used to be that Winnipeg was one of the ideal sort of traffic examples on the continent. It used to be that Winnipeg was envied by many other centres of its size and even smaller than Winnipeg size, for the manner in which traffic flow was maintained in an orderly, organized and relatively speedy fashion. Virtually at all times of the day and virtually in all sections of the city.

I think that situation has deteriorated very drastically in the past four to five years, Mr. Chairman. I don't know why the priorities have taken the order which they have taken but for some reason or other the priority of traffic management and flow, the priority of transportation routings, arterial routings, seems to have been moved well down the list in this government's range of objectives and their money, their attention, their planning and research and their activity has gone into other areas at the expense of efficient and effective management and improvement of the life blood of the city's business, that is its traffic and its traffic flow.

I don't know where the government stands on the Winnipeg Area Transportation Study that was undertaken some years ago and that during the previous government, not the previous government but the previous Legislature, when Mr. Borowski was Minister of Highways, there were considerable debates at the time on the WATS proposals. There are a number of projects in the area of streets and bridges and transportation facilities that were proposed under the

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(MR. SHERMAN cont'd) . . . . Winnipeg Area Transportation Study in the master plan that was drawn up for the city government and it seems to me, and I note with no satisfaction but with assurance that I'm on the right track here, that some newspapers, some of the news media in Winnipeg have commented on this subject in just very recent days, commented to the effect that many of the projects and concepts proposed through WATS proposed for the city at the time, have been shelved and have been apparently forgotten and now are lying apparently ignored. That in particular the construction of new transportation facilities of such type as bridges has been almost totally ignored. Almost totally shelved.

So I think it's timely without in anyway attempting to delay the progress of the committee, Mr. Chairman, to ask the Minister for some accounting in this particular area. I go back to the question that I posed this morning about the whys and the wherefores of the creation of the Ministry of Urban Affairs. Why was the Ministry of Urban Affairs created? Presumably it was created to help rationalize the management and the efficient administration and the efficient growth of cities. The one major city that we have here in the Province of Manitoba seems to be choking and strangling on some of its own arterial traffic problems at the present time. And I have to ask in that respect, where is the imagination, where is the despatch, where is the initiative that a Department of Urban Affairs presumably should be displaying in justifying its creation? There are a number of streets and avenues and streetways in the inner city that I can think of, and I'm sure other members can readily think of additional ones, that at various hours of the day now represent evacuation routes from disaster areas. They are little different from evacuation routes from disaster areas, they are so choked and clogged with automobiles, vans, trucks, highway transport and the like. I think these are problems that demand and require and cry out for this department's urgent attention and for this Minister's urgent attention, Mr. Chairman. So I want to ask him, where are we going on traffic and on traffic facilities such as bridges? And I'm not just referring to the one that I've mentioned in this Chamber many times, the Fort Garry-St. Vital bridge, but bridges generally that will provide some organized arterial traffic flow through this city.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Chairman. I also have some questions on the matter of transportation. And perhaps the question raised by the Member for Fort Garry - what is the purpose of a Department of Urban Affairs? I think that's the question that we can ask the Minister, because I know the Minister will get up and say well, it's a city problem. But I feel that since we are participating up to 50 percent in some arterial routes throughout the City of Winnipeg and bridges, then the Minister must know and must have some understanding of what is really happening and what is . . . there must be some co-ordination. So I do have some questions to the Minister. I know that at the present time it doesn't appear, and even for the last few years, sir, it appears that there was no priority as far as any, say streets or bridges that were supposed to be constructed or built and we still don't know what the priority is at the present time.

I would like to ask the Minister is there an alternate route to Portage Avenue west, which really is becoming quite a congested area. What is the situation with the inner-perimeter beltway? I understand that there is rumour in St. James that the bridge will be built at Moray and if this is the case then I think we should know. The Minister must have that information because I think a lot of these things must be co-ordinated.

Now I do have some other questions in respect at the present time. I had a phone call just this afternoon, and I had one yesterday, from some people in Crestview, in Assiniboia, along Saskatchewan Avenue. There's a road between Sturgeon and the Perimeter Highway, Sturgeon Road and Perimeter Highway, which I understand is supposed to be a provincial road along Saskatchewan Highway, and it's so dusty that the people every day have to . . . they can't put any clothes outside. It's oiled a little bit in perhaps June or July, and nothing is being done on it until next year, and right now I understand there's . . . Well, I would hope that the Minister would check into it because again I'm talking and bringing to his attention Saskatchewan Avenue. It's in real dire need at least of hardtopping or paving or oiling at the present time, because there's many residents - I'd say there's probably a couple hundred homes along Saskatchewan Avenue - and it's all gravel and every time a car goes by, you know, everybody's furniture and clothes get real dusty. The other point is that there's so much traffic on that highway, not only from Saskatchewan to the Perimeter, but also all the way from Headingly

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(MR. PATRICK cont'd) . . . . because that's another alternate route to Portage Avenue that people come across from, say, Charleswood, they'll go to Saskatchewan Avenue, all along Saskatchewan to the Perimeter Highway and then they can go up north. So again I say to the Minister to take a look in that.

Really we had very little information and I feel that the Minister is not - now having two responsibilities, he's got one with urban problems, and I think that this is an area that we really have to do some work pretty quick because there's another reason. We know, we know that the price of gasoline will go up another 10¢ and probably within a year it'll be \$1.00 a gallon, and I'll guarantee the Minister there'll be a lot of people using the public transit system. They're beginning to do it now. So we have to start thinking about public transit, what kind of costs and what kind of systems and what will be involved. I think that the Minister must give some consideration, must have communication with the city, that we have a better . . . and there is a need for a very effective public transit system because I can assure him there's more and more construction taking place now in downtown core, some high rises, some apartment blocks, some senior citizens, and there's some offices, and with the development that took place on the urban side, for instance, in the outskirts, Assiniboia, St. Charles, Charleswood, all over, and large housing areas, now these people communicate by cars downtown, and it's really getting congested. Within another couple of years, we'll have a more serious problem than we have now, so I'd say the Minister must give consideration. There is a need for effective transit system. The present government grant, in my opinion, is not sufficient, it's not sufficient. I think that the government must participate. Perhaps the government can pay for the total cost of land acquisition for, say, bridges and right of way on different streets that we need to expand or enlarge. Maybe the government can participate in paying the total cost for acquisition and then 50-50 in the other costs.

I think that we have to know to what extent the Federal Government is participating in the transportation problem, and I think that up to the present time we certainly have had no information, and I think that the government has not established any priority, any priority, and they're saying, "Well, it's the city's responsibility," but I feel the Minister now has responsibility in this department. He knows the department quite well, he knows what's required, and I'm sure that we have to start getting some of the questions to these problems, so I say there must be some kind of a total urban plan because our emphases have changed in a matter of two years. We were thinking of building freeways, and so on, and now we're saying that perhaps we need a better transit system and you don't need large garages and parking facilities in downtown.

But I say to him we have a problem now; what is the present priority of the government? Is there an alternate route to Portage Avenue West? Is there going to be a bridge on Moray and when we will have the bridge on Moray Street? Will the government pay the total cost of land acquisition for expansion of city streets and still participate in the 50 percent in the other bridges, and so on? So I think that we need a very effective public transit system and it's time to start now.

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before the Honourable Minister replies, I wonder if I could draw the attention of the honourable members to the gallery where we have some members of the Swampy Cree Indian Tribal Council. The Tribal Council members are from the constituency of the Honourable Members of The Pas and Swan River. On behalf of the honourable members of the Assembly, I bid you welcome.

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MR. MILLER: Mr. Chairman, in response to both the Member for Fort Garry and Assiniboia, I might point out that transportation is a concern of this government, and has been a concern from the very beginning. Reference is made by the Member for Fort Garry about what is now known as the Watt Study, and it was indicated a number of years ago that this government did not favour that kind of high-speed corridor freeway street system, or highway system within the City of Winnipeg.

I'll repeat what I said for the benefit of the Member for Assiniboia. This government had from its very inception indicated that it did not favour and did not support the Watt Study

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(MR. MILLER cont'd) . . . . which recommended the traditional North American city kind of highway or road system, that is, the freeway, the limited access freeway, the high-speed corridors cutting, dissecting, and bisecting cities, that we did not favour that. Instead, we came out very strongly initially for public transit and indeed, that is the direction we have gone. The member says that we have not prioritized it. I would indicate to him that in fact this government has supported public transit far beyond what was ever done before from the very beginning.

In the question of support of the purchase of buses, we share 50-50 with the cost with the City of Winnipeg and with other municipalities that have transit systems, so that the emphasis is on public transit. We, as well, support the idea that public transit is the mode which should be encouraged rather than the private automobile, and in this regard our views have been made known to the city, and I now know that the City itself has indeed rejected the Watt Study and the Watt's approach to urban transportation.

We are supporting the city in trying to make the public transit more desirable, more attractive. We cost share in the experiment on Dash, which I think is proving itself so that people, although they may take their cars downtown to work or park them somewhere, then get on the Dash bus and are able to move around within the downtown area without having to constantly move their cars and fight for parking spaces. We are participating with the city in the Dial-a-Bus project in the south Fort Garry area.

So that in answer to the Member for Assiniboia, yes indeed, we do emphasize public transit as being essential for a city like Winnipeg. We don't want to see it go the way some of the American cities have gone, which have simply become captive almost to the private automobile.

Certainly there have to be crossings of the rivers. There's no question of that. We are working with the city on that. We are not trying to duplicate their efforts. Within the next, I believe, 60 days, we'll be receiving from the city some proposals they have for certain major thoroughfares, certain crossings, which they themselves will, I believe, prioritize. The justification for them will be presented to government so that we can evaluate them and look at them and determine the extent of our participation.

The member suggests that we should acquire, we should pay for 100 percent of land acquisition. I'm not prepared to agree with that. We have done this: By participating with the city in land acquisition for future roadways, we have in fact made it possible for the city to acquire lands before the land costs go out of sight, and by doing that the public is saved from what flows usually in the traditional way where a public highway is determined and then expropriation has to take place, and of course the land values on either side of that roadway just spiral and escalate beyond reason, and the benefit accrues to the holder of the land. The policy we've adopted is to make it possible for the city to acquire lands wherever they feel that roadways may be required. If it turns out that roads will not go through there, the land of course can always be sold or used for other purposes. So that we are working very closely with the city in this regard, and I can say that I feel we're ahead of most provinces and most cities in developing this kind of rapport with the City of Winnipeg.

Now we have approved capital street programs this year of over \$4 million. There will be coming to us, I say, within the next two months to come up with some of the major crossings such as the Fort Garry-St. Vital one, but they haven't as yet.

Reference was made to Moray Street. I can't identify the street because I haven't seen the detailed plan, nor even the rough plan, so I couldn't tell him where it is. But we recognize there have to be crossings but I would hope that Winnipeg doesn't go the traditional route of, as I say, high-speed corridors, but that we try to develop within the City of Winnipeg room for growth, for movement of people and traffic, but in a reasonable way so that the city doesn't simply become captive to the private automobile.

There is a study, in which the Federal Government will be participating, the southwest corridor to link the University of Manitoba to downtown along some CNR right of way. That is a study in which the Federal Government participates. We have been waiting eagerly for the statement the Prime Minister made I think about a year ago, where he indicated that the Federal Government was as well interested in transportation, and was considering assistance to public transportation for the major cities. To date we have heard nothing beyond that statement, although we have made inquiries. The Federal Government has not yet made up its

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(MR. MILLER cont'd) . . . .mind, or is not yet in position to make known any details. We are waiting frankly with some expectation that the Federal Government will come in with the province and assist in making possible a kind of public transit system which will attract people away from their cars so that people will gladly use the public transit system rather than be chained to the idea that somehow one had to use their own car to get downtown, because with one passenger per car the concrete that has to be poured in a city is endless, and the more concrete you pour the more cars seem to appear to fill the roads. --(Interjection)-- I beg your pardon? Well, Portage Avenue is, of course, a busy thoroughfare. We know that. But I would like to point out to the honourable member that in fact, you know, Winnipeg is still a city where one can get from one end to the other in a reasonable period of time. It's not all that bad. For all its highways and freeways and everything else, it takes you a lot longer to get anywhere in Toronto or other cities in the east or in Vancouver. So that we haven't been overwhelmed yet by this, and I believe that by moving in the direction we're moving, by making public transit better and more acceptable, speedier, faster, that we will avoid the kind of developments that occurred elsewhere. Portage Avenue is a busy thoroughfare but it still flows pretty rapidly with the exception perhaps of an hour in the evening. I can tell the honourable member that the city will be coming forward with another access east-west parallel to Portage, but again we haven't yet seen that and when they come forward with those plans, we'll be looking at them to see what extent we'll participate.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, I thank the Minister for his comments. I want to say that I am not advocating the Watts concept and I never have advocated it, what I wanted to know was where the Minister and this government stood on that kind of proposition. The new city, when it was unified on January 1, 1972, I think inherited the proposed concept embodied in Watts which was a 23 or 24 or 25 year proposed program of freeway and bridge and transportation artery development, and I simply wanted for the record, and we now have it for the record, and I appreciate the Minister putting it there, the approach and the philosophy of this Minister and this ministry and this government on that problem and in that policy area. I take it that what the Minister is saying essentially is that the solution to traffic problems and choked arterial streets is to prevent traffic before it develops and replace the private automobile with public transit insofar as that's possible.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, before the Minister replies to that area of questions, I'd like to raise some of my own, and some of them are directed to what I think are a series of unanswered questions about transportation. I agree with the Minister, I think that the government has indicated a pretty consistent policy objective in support of public transit. What has not happened though is that particular objective hasn't been filled in in terms of what kind of public transit will we be getting into in the future. To resort to the technique that is a favourite one of the First Minister to start comparing to other provinces, I would make the conclusion that rather than being ahead of most other provinces, I would say we're slightly behind. If you look at the statements made by the Government of Ontario, Government of Alberta, Government of British Columbia, Government of Quebec, in terms of the exact nature of the financial incentives that they will offer for public transit, not just maintenance of the bus system but the development of higher speed systems, subway, mono-rail . . . rapid transit systems. The kind of proposals that they're prepared to offer in the way of feeder public transit systems that would service specified areas, I would suggest, Mr. Chairman, that they are further ahead, not behind.

At the same time, Mr. Chairman, there is the major unanswered question about the railway relocation program. This was heralded I guess about two years ago as being one of the great dramatic innovations that will take place in Winnipeg. We are going to be in the forefront, the pioneer, in looking at how we can re-use our railway systems and that was done, Mr. Chairman, as a result of a tri-level group. It was supposed to be one of the jewels in the crown of the tri-level process, which I have always had some degree of scepticism about anyway because it's like the old troika, it always seems to be kind of trying to harness three horses going in different direction, it's never easy. But railway relocation was put forward as a major way of revamping and reclaiming a great deal of land in the heart of Winnipeg. There was public objection to that and the objection was certainly a useful one because I think it pointed out that

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(MR. AXWORTHY cont'd) . . . .the relocation was simply going to be a way of replacing it with a freeway system, but we've been left hanging ever since. There's been really nothing to fill that vacuum. There's been a great deal of silence from all over the government as to the status of railway relocation. I think it would be very important again to those who are affected by the railway system to know what is going to be done. There's been some discussion, I think the CNR has indicated that they're just going to stay now. The CPR is still looking for ways of relocating itself in the northwest corner of the city, but so far we haven't really heard anything of where the government is going to stand and I think one of the problems that have arisen as a result of it has been the kind of confusion resulting over the CNR east yards development. There again if there was a clear-cut policy as to what we want to see happen in railway yards in the relocation of the railway, then we might be much better off in the redevelopment of that whole 150 million, 200 million dollar project in the CNR east yards which could be a major asset to the city.

The third question I'd like to raise with the Minister is one which I recognize is a decision that was totally and completely made by the City Council of Winnipeg, but the impact of that decision is going to have a very strong negative effect on the kinds of objectives put forward by the Minister in part this morning in terms of his concerns about trying to attract people back in the downtowns and make the older neighbourhoods more habitable, to try and give them some priority. And that is the whole banning of off-street parking, which is an acceptable position in the suburbs but absolutely and totally unacceptable in the older parts of Winnipeg that were built before we had things called driveways going into yards and that there are many areas of the city, Mr. Chairman, frankly which come next fall won't know what to do. Simply that many of the areas, and my own constituency is certainly one of them, but I would say the Member for Winnipeg Centre, the Member from Old St. James, the Member from Wellington, the Member from Wolseley - when he arrives, whomever he may be - the Member from Elmwood, the Member from parts of North Winnipeg are going to find that older parts of the city which are populated by rooming houses, by duplexes, by small apartment blocks where the residents were forced, simply because of the lack of parking space, to use the streets are now going to be told nothing. So that the Minister is on the one hand saying, we're going to put money into the City of Winnipeg to build a Convention Centre and attract people downtown, we're going to try and revivify the downtown core, and all of a sudden on the other hand, it's being taken away. It's just absolutely inane, stupid, ridiculous, crazy, dominated, I think, by a City Council that has most of its decision-makers in the suburbs and have no real concern for inner city areas.

I simply want to know, has the province made any representation about such a kind of a ludicrous, stupid proposition? Have we made any attempt to say, lookit, you can't do this because it's going to so distort the living pattern, the residential patterns of this city that it just doesn't make any sense to anybody? Have we attempted - I have individually to do something about it, but are we trying to point out to them this particular stance goes against the many objectives that we are told are shared in common in terms of trying to solidify and maintain this older part of the old City of Winnipeg area. If we don't that, Mr. Chairman, that is going to be one of the small decisions that slip by public notice oftentimes with not much mention, but you're going to have an impact far beyond many of the grandiose projects that we trot all out for public inspection. I would simply like to know at this stage if there's any concern being expressed by the Provincial Government, they've made their concerns known, and if there was anything that can be done about that particular problem?

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Chairman, before the Honourable Minister answers, it's 5:25. I just wonder whether there would be a disposition to continue beyond the 5:30 hour in the possibility that we might be able to deal with these estimates. (Agreed)

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Chairman, thank you, I'll try to keep my remarks very brief.

The City of Winnipeg has a council, it's elected by its people. It has the responsibility for certain things. I think for this Chamber to try to tell the City of Winnipeg what to do about parking and when would be improper. The citizens can make representation to the Council, the Council is already responsible to them, they are elected people the same as I am, the same as the Member for Fort Rouge. Whatever decision they make, they are going to have to live with come the next election and their citizens will be able to respond accordingly.

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(MR. MILLER cont'd)

With regard to Winnipeg's relocation, this is a matter which, as was indicated, was a tri-level study. It was put forward, rejected, it is still in limbo. We are still waiting for the City of Winnipeg because it is within the City of Winnipeg and they have to determine what it is they want to do. We are prepared to participate in any future studies, any further studies with regard to both the CNR and the CPR. The CPR is a much larger problem of course, it covers much more ground and may be far more extensive. But insofar as the railway relocation, it was never heralded by me or anyone I know on this side of the House as being a grandiose, wonderful scheme for Winnipeg but rather simply something that the Provincial Government was asked to participate in as a participant in a study, we did, and we are prepared to continue once we know that the City of Winnipeg does indeed want to pursue these studies and to what effect.

MR. CHAIRMAN: (b) - passed; Resolution 106(a) - passed; (b) - passed. Resolution 106. Resolved that there be granted to Her Majesty a sum not exceeding \$167,400 for Urban Affairs - Passed.

Resolution 107(a) - The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, it seems that the prophecy of the Member from Sturgeon Creek is coming true that for all the protestations about prepared to stay here to conduct the public business, it appears that everyone is anxious to push us along. But I think it would be remiss not to take the opportunity, the long awaited opportunity, which we were told was always going to come, to look at the housing problems that face this province. We have discussed them previously, Mr. Chairman, in parts and pieces because we've had to try and bring attention to the problems of housing through other means and through other means of discourse, I think it now is where it should reside in that it is in the Manitoba Housing Renewal Corporation, the Minister responsible for housing.

Let me say, Mr. Chairman, from the outset that I suppose I have not been in elected office for a long time but if there is anything I have found frustrating, it's been trying to raise the issue of housing with this government. One of the strange, curious anomalies of a government that prides itself on its commitments to social problems and takes some satisfaction, at least it says so, in its social conscience, and in fact gains most of its political support from the urban area, has been guilty of one of the most serious acts of negligence in the field of housing of any government that I know. That as I've said before, I would give credit to the government when it first came to office in the early '70s for instituting a public housing program that had some merit and built a number of units, it ran into some real trouble, and I would think that aside from the protestations of the members from the other side that all of the fault resides with the City of Winnipeg, I would also say that because they got burnt badly in 1973, they kind of lost their will in public housing, that while it's nice to use the excuse that it's the City of Winnipeg - and I concur the City of Winnipeg has not in any way shown any willingness to respond - I would also suggest, Mr. Chairman, that one of the reasons is the guts have gone out of this government in the housing field, they just no longer want to do it very badly. As a result we don't get much done. Because the record is deplorable. There's no other way of describing it. The record is deplorable, Mr. Chairman, in the total overall field of housing; that this government has provided virtually no leadership in trying to shape and direct the total housing market in the Province of Manitoba; that it has, to my understanding, almost never met with the private builders of housing. I heard about a month ago they were going to arrange a meeting finally for the first time. But one of the basic facts of life, Mr. Chairman, is that there is no one in the Province of Manitoba, including the Minister of housing, that knows how much housing we need, who it should go for, where it should be located and how much should be spent for it. Here we are in the modern age of 1975 and we can't tell what we need in the field of housing. And one of the reasons we don't know and can't tell is because they've never been able to get together or there's never been an invitation issued to say to the private builders, the construction people and the mortgage people who reside in this city saying okay, let's get together and do a little bit of planning to find out what do we need and how should we do it. What are you going to do and what should we do? How do we combine our actions? How do we complement one another? There has been a sort of kind of paranoia, a sort of fear of dirtying one's hands by sitting down across the table with a group of private builders to work out a combined strategy. And I've read the letter. I just read one recently, where the HUDAC people or HUDAN (?) people are saying finally, "Let's sit down and talk. Let's really get down to

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(MR. AXWORTHY cont'd) . . . .business." Because they can't do anything either, for whatever the case may be. Last year, 1974, was the worst housing year in Manitoba since 1967. And in the meantime, Mr. Chairman, the problems in the City of Winnipeg had grown by about 40 percent and yet we're building less housing last year than we built in 1968. Now can we take pride in that?

The Minister is quite correct. Housing is not a problem unique to Manitoba; it's a problem that's being experienced by every province and every municipality in this country. But there is one difference, Mr. Chairman, other provinces are making some effort to respond with some degree of imagination. They're not crunching down and saying, "It's not our fault," and throwing up their hands in horror and saying, "Let the other guys work out the solution." There is - an issue is being taken by other provinces to find other ways of dealing with the problem, and not hanging on to sort of the idea that if you can't build public housing, nothing is worth building, so let's everyone sort of wallow in their own misery.

I want to make it very clear, Mr. Chairman, I think public housing is a useful, important aspect of a social housing program. It has its limitations, it should be combined with other forms; but if you can't build it and if you won't build it, then you certainly should be looking for some alternatives; and to say that because they can't get the alternatives we're not going to do anything at all is a complete surrender to what is a major situation in the city.

Mr. Chairman, we have tried to suggest alternatives to the government. We said, lookit, we recognize that the Federal Government changed its priorities. I don't think the Minister was being quite accurate when he said that they stood pat, because I have the comparisons of '74 and '75 budgets of CMHC and there is some remarkable differences. In the Limited Dividend Program, which is a housing program, Mr. Chairman, designed not for the lowest income but for lower-middle income people, who have often been ignored in the housing market, in 1974 CMHC put 73 million, in 1975 they're offering 200 million. That's not exactly withdrawing from the housing market.

In the non-profit field expenditures have gone from 127 million to 143. In the Co-op, it's gone from 18 to 30. In the public housing programs, it's \$13 million down from where it was before. And one of the reasons why it's down, Mr. Chairman, if you consult these . . . is because many jurisdictions, and this one included, didn't use in many cases the allotments that they were given. The Province of Manitoba for two years straight handed money back to the Federal Government, didn't spend what it was given, and so they revised their priorities and changed them, and now we're yelling, boy let's turn them, switch them around. And I agree. I'm not going to defend the Federal Government in this respect. I don't think they're doing what they should be doing either. But it doesn't excuse the inactivity and the lack of action from the Provincial Government. Because, Mr. Chairman, constitutionally the essential responsibility for housing is a provincial one, and you can't pass it off. It is a provincial responsibility. This is where the bus stops, right in this Chamber and in this government. And if the Minister fears a lack of capital for housing, then he has a choice. He can get capital that is now being spent on a lot of frivolous, fruitless projects and put it into housing. We have debated this issue when we went to Capital Supply and said, we debated it this morning when we talked about Public Work expenditure, if there is a desperate shortage of capital, then this province has the ability to raise capital at a preferred interest rate, at less interest rate than a private builder could command and there's no reason why they can't be doing it and putting it into the market.

The Province of Ontario, Mr. Chairman, has just announced a \$200 million capital investment program for lower cost housing and the deal that they make is one that we've been advocating. They say, we'll give you the capital, to a private builder, on a second mortgage at a preferred interest rate and we will reserve 25 percent of the units for a rent supplement program. Sounds very familiar. It's one that we've been talking about in this House for a full year, with total rejection, complete rejection by members from the other side. They would hear nothing of this. That we're saying if the answer to the shortage of rental property, the fact that we have a vacancy rate of less than 2 percent, hovering between one and two - which is not a vacancy rate at all, that's as good as being zero - if you have a situation where the rents themselves are escalating at a 20 or 30 percent rate, you have to first generate supply. You have to build more housing.

My colleague from Assiniboia pointed out, reading from a Globe and Mail study of two mornings ago, we're not building apartments because no one makes money on them any more.



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(MR. AXWORTHY cont'd) . . . . They can make more money by putting them into a savings bank or putting them in their stocking. So therefore you need to get capital and you need capital particularly, Mr. Chairman, to provide housing where people's income, who have less than \$10,000 or \$12,000. That's where the shortage is beginning to occur. And we say, okay, if the capital is not forthcoming, it doesn't do enough to kind of go to the Wailing Wall and hurl epithets at the fates that won't allow you to sort of do what you like to do, the thing is to change your priorities. If it means changing the priority of this government in midstream, then they should be changed; and they should be saying, we're prepared to take some capital and put it into housing and in return in exchange we'll ask for certain units to be applied on the rent supplement basis.

And yet we get a supercilious Minister of Consumer Affairs standing up in this House two days ago and says it's not feasible. Well if it's not feasible then the people in B.C. are awfully dumb because they're doing it, and the people in Ontario are really dumb because they've been doing it for two years and now have 3,000 units working by that scheme. But the Minister of Consumer Affairs, you see, he really knows what's going on. Now he says he hasn't studied the program, he hasn't bothered to look at it yet but he knows, you see, because he has a divine ordination, somehow wisdom flows into him without bothering to look at the problem. He doesn't have to worry about finding out and yet if he'd only follow the advice of his First Minister who is always saying, well look at what the other provinces are doing. Well we should have asked them in this case to look at what they're doing because they're trying to find alternative solutions. --(Interjection)--Yes, I hear the Member from St. Matthews. You are going to hear the same argument every two weeks until you damn well do something about it, until you get off your pomposity and do something serious because there are people suffering in this city. And that man who sits there and says that he is not happy unless he can raise the icon of public housing is one of the worst reasons why this government doesn't take any action, because of people like him who've become so rigidly imbedded into their own kind of ideological trap that they aren't prepared to look for alternatives and find some decent answers. That's the problem.

MR. JOHANNSSON: You're an incurable windbag.

MR. AXWORTHY: Yes, that's right. Well, Mr. Chairman, I'm quite prepared to sort of windbag this guy to death if it means we're going to get some action in housing. I know it's impossible, but I think that the question is, Mr. Chairman, is what is the government going to do in these fields. How does it answer the problem and where is it going to go in finding the alternatives. It's not for me I'm asking, but I'm saying I don't think any member of this House needs to apologize for the fact that they have constituents who have been able for years to get by on the kinds of incomes that they have had, who have been self-reliant and have never asked anybody for anything, now all of a sudden they're being forced out of accommodation or being forced to pay 50 or 60 percent of their income to stay in their apartment blocks or their rooms. Now if that's a situation that we're prepared to tolerate, and if we're prepared to provide the answer that the Member for St. Matthews was saying, well let's just keep talking about it and do nothing about it, then if that's where the government is going to stand in the situation, Mr. Chairman, then that's fine. I think the only regret we have is that we don't have an opportunity to get them out right away. Because obviously that's what's got to happen if we're going to make any improvements in the housing market in this province.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Chairman, I'd like to respond. Firstly, the member has never heard me say that public housing was the panacea for all housing in Manitoba. You've never heard me say that. I must tell the honourable member that when the Federal Government came out with a program this year they indicated earlier, despite the figures he quoted, in fact they cut down through CMHC in the sections of non-profit of the public housing. What they did do is they tried to attract money through the private sector in what is known as the entrepreneurial limited dividend. --(Interjection)--Well, Manitoba was allotted 14.8 million under that program. We immediately announced that any entrepreneurial limited dividend that was going to be built, the Manitoba Housing Renewal Corporation was prepared to enter into an agreement to take 25 percent of any and all units built and use it for rental accommodation to supplement the rent on the accommodation. We made that announcement. April 30th was the closing day for the proposals to be submitted to Ottawa, and they got a large number of proposals from Manitoba, to such an extent that CMHC as a matter of fact phoned . . . the Minister

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(MR. MILLER cont'd) . . . . phoned and was quite delighted at the volume from Manitoba. What he didn't know, and what the member doesn't know, is that of the \$24 million proposed under limited dividend, that 12-1/2 million of that came through MHRC which under the Act has the authority to act as a limited dividend company. We have made those proposals, we've put them forward. Now there's a catch to all this, and it's a catch that can be a trap for any province or any municipality, or any public government, and it's this, 25 percent of the units can be used and would be used, and would be for apartments or units for family housing or elderly persons housing but mostly family housing, and the rent would be supplemented. And that rent would be cost-shared, the subsidy would be cost-shared by the Federal Government. But the other 75 percent of suites would have to be rented at full-cost recovery. And what has happened is this, right across the country, that the cost of construction is such today that even with the lower interest rate - he talks about lower interest rate because there's eight percent money on that, better money, the CMHC provides lower interest rate money for that than for public housing - but even with that added attraction, the rents which will have to be charged are going to be at least \$100 to \$150 higher for similar accommodation of units built five years ago. And that is why people are holding back, and that's why the private sector is not moving into the area and into this field, and why they haven't taken up all the moneys.

So that it is all very well to say that there are other means. Of course there are other means, and we're trying them. As I said, we have indicated we are prepared to do it. I want an assurance from the Federal Government that if in fact MHRC went ahead and built these limited dividend projects, that if after 60, 90, 120 days, a reasonable length of time, the units are advertised and they couldn't be rented, that MHRC could then include them in the stock for making them available to families with lower incomes with a subsidized rent. All I got from the Minister was, "Well, there should be flexibility in the program but he is unable to make that commitment." And to this day, I haven't got that commitment. To this day I also haven't heard what limited dividend projects have been approved for Manitoba. But I can tell you it is now June, the submissions were made at the end of April, and unless word is received nothing is going to happen in 1975, because no commitments have been received yet from CMHC. Many of the options on land and the arrangements made by the contractors, you know, have expired due the delay in receiving CMHC approval. So that when the member says money then has to flow back to Ottawa, that's one of the very reasons because the mechanisms are so slow in responding that because money lapses December 31st, that in fact if we get the go ahead or a private builder gets the go ahead in October or November, it's too late by then to get going and to pick up the money, and then at the end of the year they say well the money has lapsed, it's gone, and you didn't pick it up so it's simply not available.

We are prepared, and have indicated, that any units built by a non-profit organization, we're prepared to take 25 percent of the units and MHRC will lease them on a rent supplement basis. We have stated that publicly, we are prepared to do it. We're doing it with the Co-ops, called Carpathia Co-op, that's the arrangement, the one that's being built now, that is the arrangement. I'm still waiting for an agreement from the Federal Government with regard to non-profit ENIPH units which were put up a number of years ago, as well as any new ones that have been built under section 15, since 1973, that agreement is, I believe - I'm told now, the other day, that it is about to be ratified and signed. If that is the case, we will move immediately, the moment we get the agreement we will move immediately to enter that aspect for rental housing as well.

But I don't want the member to delude himself, or this House, or people in Manitoba, that this will resolve the problem for housing for Manitoba. Canada is in a crisis with housing. Everybody knows that. Everyone agrees that something has to be done. The ten provinces agree. The housing industry agrees. The Canadian Labour Congress agrees. Everyone agrees. We're now waiting for the federal budget because something has to be done. If Mr. Turner is going to use housing and the flow of money into the housing market to try to dampen inflation, then nothing is going to happen in housing. If on the other hand he recognizes that it's a social need, as the Prime Minister indicated in 1974, prior to the 1974 election, that it was a social need and the Federal Government is committed to housing, then in that case something can happen. I think it's too late for this year. We'll try if we can, but certainly if nothing is done now then even 1976 will be a bleak year and as bleak as it is today.

The member says that it is the responsibility of the Provincial Government. I want to

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(MR. MILLER cont'd) . . . . remind him that's the National Housing Act passed through the Federal Parliament in 1946, and at that time the Federal Government took onto itself the onus and the responsibility under the National Housing Act to provide funds through mortgaging and other means for housing for Canadians generally. That responsibility still rests with them, that is the responsibility that they undertook, they have been the prime movers in this field, and it's only because they persist in turning that tap on and off as a system that Canadians still in an affluent country such as ours, still are short of housing and we don't have the housing stock that we need.

We have launched a critical Home Repair Program provincially, ourselves, in order to meet a need. It's a far reaching program, it will take many years but I can tell you it's a major step to at least preserve the housing so we don't have to go through the problem of tearing them down, demolishing and then wondering where we're going to get money to build new housing with.

MR. CHAIRMAN: (a) - The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, I have a few brief questions I'd like to ask the Minister. Mr. Chairman, he mentioned the low cost loans for repairs, or he did mention the loans for repairs, and I would like to ask him to just quickly tell me what the interest and the time payments would be on that.

One of the other problems that we're having at the present time, and I think we're all getting letters all the time from our constituents regarding increases in rent, and most of them come from senior citizens, and the real problem is, you know, as the Member from Assiniboia has stated or the Member from Fort Rouge stated, there is no profit to be made in the apartment block business today. And as a matter of fact the Minister of Consumer Affairs has had meetings with the people of the Rental Association, Mr. Smith, they have said come in examine our books, we're quite happy to let you see the whole thing. We're not trying to gouge, we're only trying to stay at least ahead so that we don't get behind the eight ball on it. But these people are very very concerned because the people that are getting hurt the most are the people that are probably their best customers from the point of view of quiet, take care of the apartment, and these are the senior citizens that we have living in apartment blocks. Why then, why then, Mr. Chairman, does the person who qualified to have some relief in rent, have to go and live in a senior citizens' home to do it? It costs you money to build that unit. It costs you money to maintain that unit. You're looking at the subsidy of that unit. Why then, if they do have some qualification, why can't they stay in their own apartment that they enjoy and live in for years? Is there any intention to look for a subsidy from that point of view if they qualify, to let them stay in their own unit?

The other thing is that the . . . I agree that public housing has its place, and I agree with the changing of the core area providing you put the area in a condition that will give pride to people to want to move back in there and live there. I have mentioned the Brooklands scheme before which was a scheme of upgrading the area, and I would ask the Minister to take a look at that. It would be more money now but it was an excellent scheme for upgrading. And while we were just on the way to urban renewal, urban renewal did at one time . . . you know we spent an awful lot of money tearing things down and when we finally built the houses, for the amount of money it cost we weren't getting the units. Then the Federal Government as you say turns on and off. The urban renewal from the point of upgrading districts was a good one, and there's no question and I won't dwell on it because I think the Member from Fort Rouge did do a good job, but we have to get more money into the housing area in Manitoba.

So just to sum up briefly the three questions: Why if a person qualifies can't they apply and stay in their own apartment? Why can't we look at some of the upgrading of districts like you are doing in the core area? There's other ones that we could be working on. And of course you have explained the reasons why we haven't got more money going into housing. I think the initiative not only has to be with the Provincial Government, and to fight with the Federal Government in this regard.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Chairman, with regard to the question of why can't pensioners stay in their own apartments, and if they qualify financially be subsidized in their rent, why would they be forced to move into an elder person housing? As I indicated earlier I'm still waiting for an agreement and it took two years of fighting to get the Federal Government to

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(MR. MILLER cont'd) . . . . recognize that people living in non-profit elderly person housing should also qualify for a rent subsidy because we weren't able to make that available to them. It's that agreement that I'm now getting, and I can assure you once I get that agreement the next argument I'll have with the Federal Government is along the lines that the Member for Sturgeon Creek mentioned. Because as far as I'm concerned MHRC would like - I know they would - they would like very much to be able to rent suites in private apartment blocks and where the person qualifies, based on their need, then MHRC would enter into rent supplement arrangements, but we require the participation of the Federal Government because it is the rent subsidy that really costs money. We have done this year, we have for family public housing entered into arrangements with some apartment block owners now - I think it's something like - how many suites? - 405 suites where we are now participating and we're renting a certain number of suites at 20 percent, 15 percent, whatever we can get.

We are faced with a bit of a dilemma because very recently we received a ruling from CMHC that unless that apartment block was built under NHA then section 44, which is the subsidy portion, the Federal Government was not prepared to accept those units under section 44. Which means the full subsidy would be borne by Manitoba. We are objecting to that and we hope to get them to change their mind.

But I have no hang-up and I have no particular desire that everything should be built by MHRC and shall be operated by MHRC and be under public housing. The question the member asked about Brooklands, I want to just make him known to this, I recall when St. James was trying to develop the Brooklands Urban renewal and because of the involvement of the province at the time, I can tell him that 42 units were acquired in Brooklands, were renovated and people are living in them today.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I have one other area of comment I want to make to the Minister. I think that the debate could go on concerning some of the statements and records he made, because I think again they're not quite accurate, but I recognize the impatience of some members of the House. But there is a problem which I had hoped that we would have had an opportunity in this session to deal with, and that has to do with the condominium conversion problem. I introduced a private bill but because of the timing of the session, and whatever, it didn't have an opportunity to be debated. But it is a problem which if we're not careful could result in one of a very serious added burden in the housing market. Last year the first inkling of that problem occurred in the summer, and it appeared that the Evergreen Place, which is a very large apartment block just across the river from us here, notice was given it was going to be converted into a condominium apartment. The impact of that, Mr. Chairman, is quite obvious that it appeared quite early on that if Evergreen Place was to go, then four or five other large high rise apartment blocks in the centre core of the city would have also been converted, which would have eliminated immediately about 1,500 to 2,000 apartment units, you know, at the time when the shortage was beginning to appear very stringently. The tenants in that apartment, Mr. Chairman, were able to bargain their way and through the threat of some legal action, hold up that conversion and the owners withdrew. But the problem by no means is over. If one looks at the extreme problem being faced by Vancouver and Toronto, and now Edmonton, where a large number of apartment units are being converted into condominium, and recognizes that in each of those jurisdictions, remedial legislation has been introduced. In the City of Vancouver, for example, it is absolutely barred. There is a total prohibition of conversion. In Toronto they're moving towards that. The private bill I introduced required that before conversion took place there would have to be approval of 50 percent of the tenants in any apartment block to ensure that at least their own rights were protected. So, Mr. Chairman, it is a very serious problem. The thing that concerns me is that with the lack of any legislation on the books at this time, and the lack of any effort, that it may in fact break through once again in Winnipeg and we will be faced with the problem of having to see a number of our existing apartment blocks being converted. There's good economic reasons for conversion that in a time when you can't make money being an apartment owner, you can capitalize your gains through condominium conversion and get out. So there's a good economic reason for an owner, and you can't blame them. But the impact upon the community is very severe, could be very damaging, and in part, Mr. Chairman, we are facing that problem without much protection. The only protection that

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(MR. AXWORTHY cont'd) . . . . does reside is a certain wording of the Landlord and Tenant Act, which has yet to be tested in the courts. My feeling is that it may or may not prove an adequate protection. But unless we do get that kind of legislative protection, either insisting that conversion be determined by some agreement or approval of the majority of tenants or providing some way of determining the criteria for conversion, then we will be finding ourselves being faced with the same problem that now exists in Vancouver and Toronto and now in Edmonton and beginning to occur in Calgary, because we're subject to exactly the same kind of conditions.

So I would only urge the Minister in this case to perhaps, if he's able to make some response in the next short while, to indicate to those who may be considering conversion, the Provincial Government would be intending to act in this area to provide for some protection both for the tenants who live in it as well as for the general sake of the housing community which can't stand the elimination of those units from the rental market.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Chairman, I can't make a statement in the House now with regard to any possible future legislation. It is my understanding that under the Landlord and Tenant Act it would be very difficult in Winnipeg to make conversions without the acquiescence of the tenants. It's very difficult. It's a very lengthy procedure. Winnipeg has very few condominiums, much less than the other cities that were mentioned so I can't at this point indicate to what degree it is a problem and if it becomes a problem how the government will react, which manner it will react. This will have to be discussed with the Minister of Consumer Affairs.

MR. CHAIRMAN: Resolution 107 (a) - passed. (b) - passed. Resolution 107. Resolved that there be granted to Her Majesty a sum not exceeding \$10, 749, 100 for Urban Affairs. Passed?

A MEMBER: . . . . Supplementary Supply passed?

MR. GREEN: . . . Supplementary Supply - passed? (Passed) Supplementary Supply. It was distributed some months ago. There are about four pages . . .

MR. CHAIRMAN: Order please. We're not through with the Urban Affairs yet. Resolution 105(a) - passed. Resolution 105. Resolved that there be granted to Her Majesty a sum not exceeding \$893,000 for Urban Affairs. Passed. That completes the Department of Urban Affairs.

MR. GREEN: We'll continue with the budget. The odd clerk could read them out as they're going along, but read them out.

MR. CHAIRMAN: Financial support, public schools - \$330,000 - passed. Federal-provincial relations and research division - \$15 million. Sub-totals, property tax credit advances - \$4,500,000. Cost of living tax credit payments - \$10,500,000, for a total of \$15 million. Passed. Health and Social Development - \$490,000 - passed. Mines, Resources, and Environmental Management - \$292,500 - passed. Municipal Affairs - \$1 million - passed. Tourism, Recreation and Cultural Affairs - \$1 million - passed. Total sums passed - \$18,112,500 - passed.

MR. GREEN: Does that complete the Estimates?

MR. CHAIRMAN: That completes the Estimates.

MR. GREEN: Committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply has passed certain Resolutions, recommends them to the House, and asks leave to sit again.

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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 Emerson, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, for this evening when we return at 8:00 o'clock, I am proposing that we go into Law Amendments Committee following the opening of the House, to

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(MR. GREEN cont'd) . . . . be followed by such matters as are on the Order Paper, which will include the third readings of various bills that have been reported from committee - concurrence motion, plus whatever we can accomplish in the time that is available to us.

MR. SPEAKER: The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 8:00 p. m. this evening.