

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, April 15, 1966

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions
 Reading and Receiving Petitions
 Presenting Reports by Standing and Special Committees
 Notices of Motion
 Introduction of Bills
 Orders of the Day

HON. DUFF ROBLIN (Premier)(Wolseley): Madam Speaker, proceeding with our regular agenda I should like to move that for the remainder of the Session the House have leave to make each night a separate sitting, and have leave to sit from 9:30 A.M. until 12:30 P.M. each sitting day, each Wednesday night and I'd like to change it if I may, each Wednesday and Friday night - if I might have permission to make that change - Wednesday and Friday night and on Saturday, including Saturday night, and that the rules with respect to the 10:00 o'clock P.M. adjournment be suspended, and that the order of business shall be the same as on Thursday.

MADAM SPEAKER: Your seconder?

MR. ROBLIN: The seconder is the Honourable Minister of Industry and Commerce.

MADAM SPEAKER: Agreed to have the change in the wording here?

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, I think I should explain to the House the intentions that the government would have in mind to propose respecting the working of this speed-up rule. We do not propose to use it today. We think that we should continue with government business this morning, this afternoon have Private Members' Day as we usually do, and not sit this evening. We would propose, however, that we sit on Saturday, and the plan for Saturday would be to spend Saturday morning on government business and Saturday afternoon on Private Members' business in order to give that category on our agenda a little boost along. We would not propose to sit Saturday night. We would, however, propose to start our sittings Monday in the morning and carry on in that way until we get finished our business.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Madam Speaker, we are accustomed at this time of the year to this resolution and we have not in the past opposed the moving of the resolution provided that the House has in fact received all of the legislation that the government intends to present to it. I might say that I believe there are still some bills that have not appeared before us. There were four resolutions yesterday and I don't believe that those bills are on our desks as yet. If so, they have escaped my notice, and I would hope, therefore, that even if we do proceed in this way that it would be the intention to provide full and complete discussion of the bills. I might add, Madam Speaker, that I'm not pleased at the way the legislation has come in this year. There are the bills that have come into us since the 5th of April. We have, I believe, received more bills in the last ten days than we've received during the whole of the two months of the Session before that, and I believe, Madam Speaker, that that is an extremely poor way to proceed with the business of Manitoba.

Many of these bills are important bills which require careful analysis by the members of the House, very frequently requiring considerable amount of study going back to the original statutes so that members themselves should be given ample time to study them. There's the further consideration that the public should also have the time to study them and appear before Committee when they wish to do so. It has been a practice of this House that our bills are referred to an outside committee, the people are invited to come and make their presentations. I think this is an excellent practice. I think it ties in the public interest to what is being done here, that insofar as we are concerned it very frequently provides us with information which we might not otherwise get. So I'm not going to oppose the speed-up motion, Madam Speaker, but I do so -- I'm going to support it on the basis that there will be no attempt by the government to rush through any of this material, that there will be every opportunity given to the members of the House, every opportunity given to the public to appear before us and make their presentations on these bills, as well as the four which I presume are still to come before us.

I assume, too, that any of these that may be Private Members' Bills will receive the same consideration. There are a number of them that have been before us now for some weeks.

(MR. MOLGAT cont'd).....They have been on the Order Paper but not in a number of cases passed through second reading, and I would oppose any movement to curtail discussion on them or to curtail discussion at the Law Amendments Committee.

Now the matter of the resolutions by private members is another one which I believe is extremely important, Madam Speaker. Through the events there have been a number of Private Members' Days that have not been available. One Friday was cancelled because of the storm, one Friday was cancelled because of the trip to Brandon, another Friday was Good Friday, and there were three days in which no discussion could be held on Private Members' Resolutions. There are a number of resolutions still before us and I would expect that these will be given full consideration. I appreciate the statement of the Minister that tomorrow we would have the afternoon for private members, but I would hope that there would be consideration of time next week as well and that if we finish government business on any day or at any session that we could then proceed to private members' business to fill in the balance of that session. In my opinion, the Private Members' Resolutions are a very important aspect of the work of this House. They are a means of bringing forward recommendations to the government, ideas for the betterment of the Province of Manitoba, and to have a debate on issues which may not otherwise appear before us. I would hope that there would be no attempt to curtail any discussion on those.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Madam Speaker, I too am not really going to oppose the motion. I sometimes wonder the advisability of this particular motion, but I think that in some 15 sessions that I've attended that this is normal practice. I join with the sentiments of the Leader of the Opposition in regretting that we haven't had the legislation before us long enough really to give full consideration, and he mentioned, properly so, that there will be at least four more bills as a result of resolutions still to come forward. I believe that there is another bill, Madam Speaker, that we haven't had - at least I haven't noticed it - and that is a bill authorizing the changes in the Manitoba Development Fund for increasing the amounts. I think there was a resolution to that effect passed by the House. I haven't seen as yet the bill to authorize changes in the Manitoba Development Fund. I'm sure, Madam Speaker, you're well aware of the interest exhibited in that particular branch of governmental activity by the members in opposition in particular.

I'm glad to know that it won't be necessary to sit tonight. I appreciate very much, Madam Speaker, the plan that the First Minister has of allowing Private Members' Resolutions to be considered tomorrow afternoon. But I do think Madam Speaker, that this isn't quite enough; therefore, I move, seconded by the Honourable Member for Seven Oaks, that the resolution as proposed by the Honourable the First Minister be amended as follows: by adding the following after the word "Thursday" in the last line; "except for on Tuesdays and Fridays, between the hours of 2:30 and 5:30, the Order of Business shall be Private Members' Resolutions and Orders." I might say, Madam Speaker, I propose this amendment in order that private members of all sides of the House will have an idea of when actually we will be dealing with Private Members' Resolutions. The First Minister has said we will be able to have private resolutions tomorrow afternoon; I suggest that the same should hold true for Tuesdays and Fridays even with the speed-up resolution, and make this amendment accordingly.

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, before you put the question I think I ought to make some comment on the proposal that is now before us because I don't intend to support it. The debate thus far has, I think, been traditional. I don't think anybody in any party who has spoken so far has omitted, including myself, any of the traditional rights that we go through when we discuss this resolution every year. This is the first time we've had an amendment and I don't think that's a very good tradition to start. So I'm going to oppose it right now and try and see that it doesn't get any farther. I should say, however, that in defence of the government's situation that the vast number of bills that were waved under our noses are not all government bills. I think there are some 20 government bills on the Order Paper including the four that received first reading yesterday. Most of those have been before the members for quite a time, so there is no question of trying to proceed with those on the basis of inadequate time for consideration, and I want to assure the Committee that there will be plenty of time to give consideration to the bills that have not actually been marked as printed on the Order Paper, because it has never been a habit of this government - and I must in fairness say, of my predecessor - to rush the business even though we have the speed-up motion, and that time has been given for reasonable consideration of these bills. However, the majority of the ones on

(MR. ROBLIN cont'd).....the Order Paper are private bills over whose presentation we have absolutely no control, so it really isn't quite fair to blame the government for that. Our own bills have been on the paper with the exception of four of them. They've been printed and before the members for some time so I think we'll get along all right.

A MEMBER: What about the

MR. ROBLIN: The Private Resolutions were mentioned, and it is true that private members lost three days. It is also true that on two occasions the government with unanimous consent gave Private Members' Resolutions priority which they're not otherwise entitled to, to provide for some speed-up, or some further consideration of those measures. And it is also true that most of the Private Members' Resolutions - I think more than half of them anyway - had been on the Order Paper for weeks, and in earlier days we have gone through private members' time and completed anything that anyone wanted to say and have moved on to government bills. I'm not complaining about any of those things. I'm just putting them on the record because they happen to be fact.

Now with respect to the resolution of my honourable friend, I think it rests on a false assumption, and it rests on the assumption that unless some special protection is given in this respect that the government is apt to chop off private members. Well, I don't think we'll do that. I think we do want to have Private Members' Resolutions receive reasonable consideration, and although I can't support the resolution, I reaffirm what I've said on previous occasions, that we intend to see to it that reasonable debating time is given so that these important matters that private members bring forward get reasonable consideration.

I want to thank the honourable gentlemen opposite for generally going along with the resolution, I want to give them the assurances that I think they are entitled to that there will be no unseemly rush in the conduct of either public or private business, but I really do not think it necessary to support the amendment offered by the Leader of the New Democratic Party.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, I move, seconded by the Member for Gladstone that the debate be adjourned.

MADAM SPEAKER presented the motion and after a voice vote declared the motion lost.

MR. GUTTORMSON: Yeas and Nays, Madam Speaker.

MADAM SPEAKER: Call in the Members. The question before the House, the motion of the Honourable the Member for St. George.

A standing vote was taken, the result being as follows:

YEAS - Messrs. Barkman, Campbell, Cherniack, Desjardins, Guttormson, Hryhorczuk, Johnston, Molgat, Patrick, Paulley, Peters, Shoemaker, Vielfaure and Wright.

NAYS - Messrs. Alexander, Baizley, Beard, Bjornson, Carroll, Cowan, Evans, Groves, Hamilton, Harrison, Jeannotte, Johnson, Klym, Lissaman, Lyon, McKellar, McLean, Mills, Moeller, Roblin, Seaborn, Shewman, Stanes, Steinkopf, Strickland, Watt, Weir, Witney and Mrs. Morrison.

MR. CLERK: Yeas, 14; Nays, 29.

MADAM SPEAKER: I declare the motion lost. Are you ready for the question?

MR. M.N. HRYHORCZUK, Q. C. (Ethelbert Plains): Madam Speaker, the First Minister has tried to assure the House that we probably will be allowed to use the usual time reserved for the private members' motions in the coming week, but I'd like to remind the Honourable Minister that he has made promises of this nature in the past and he didn't keep them. We have left this House on at least one occasion, and I believe on several others, where Private Members' Resolutions were left on the Order Paper and the House was prorogued. I believe, Madam Speaker, that the same thing can happen this time. As to the fact that some of these resolutions have been before the House for two or three weeks, may I remind the First Minister that half the time that is allotted to private members during these two or three weeks was not utilized for that purpose, so actually there has been no time lost in the fact that these resolutions have been on the Order Paper, but there has been a great deal of time lost during this Session because, Madam Speaker, the legislation, as usual didn't come into the House until the last days of the Session.

Why this should happen I do not know, but it doesn't seem to be any coincidence because a great deal of this legislation is the most important legislation that has come before the House this Session, and why it should be left to the dying moments of the Session I am unable to comprehend. The Honourable First Minister, and I believe the Minister responsible for this legislation, is well aware of the fact that it takes a great deal of time to intelligently assess

(MR. HRYHORCZUK cont'd), the legislation. Every bill that comes before this House refers -- not every bill, but most of the bills that come before this House are amending existing statutes. In order to properly assess that legislation you not only have to study the original Act but you have to go through all amendments that have been made to it since the time of its passage until the present year.

Now there is another point that I should raise at this time, and that is that a great deal of the time of this House has been wasted in introducing legislation which the government had no intention whatsoever of passing at this Session. Now why was this legislation introduced before this House if there was no intention of passing it? If it was introduced for the purpose of acquainting the members of the House with the contents of that bill, or bills, then Madam Speaker, in order to properly utilize the time of this House the Honourable Minister should have distributed these bills to the members without introducing them to the House at all, and the members would have been able to study them between sessions, as has been suggested by the Honourable Minister, without hours and hours and hours of debate in this House which is absolutely a waste.

The bills were introduced in the ordinary manner. They received the second reading in the ordinary manner. No member of the Opposition -- at least I wasn't -- I shouldn't say "no member" because I don't know, but as far as I know no member of the Opposition was aware of the fact that we were debating principles that weren't to be passed; bills that weren't to be passed at this Session. Now if that isn't absolute nonsense, I don't know what is! And it's only too bad that I or someone else didn't keep track of the time spent on these bills.

Now the Honourable First Minister assures us that we will have plenty of time to discuss the bills as well as the Private Members' Resolutions, but Madam Speaker, we are well aware that when the steam roller gets rolling, time for any discussion is very limited, and I do believe that the amendment to the First Minister's resolution is a good, reasonable, sensible amendment. And surely in the face of everything that has happened during this Session, the First Minister should be the first one to agree to that amendment. It's not an unreasonable amendment. It only asks for two afternoons or two half days next week for the Private Members' Resolutions. That's all it asks for, and since every session is a separate session it doesn't mean so much, but it at least gives us in the Opposition the assurance that any resolutions that we have placed on the Order Paper will receive the attention that they deserve.

I know the First Minister will say maybe they don't deserve the attention that I think they do. Well unfortunately, Madam Speaker, the government has taken the attitude that the people on this side of the House are just numbskulls. They have taken the attitude of arrogance. They feel that anything that comes from this side of the House is nonsense and doesn't deserve consideration, but I say to them that I think that a little more respect for the members of the Opposition would be not only appreciated by the Opposition but also by the people of the Province of Manitoba. After all is said and done, Madam Speaker, we have been elected to perform a job here, and in order to perform it we have to do exactly what we have been doing, and I think it's about high time that at least the front benches of the government appreciated that fact, and I do hope that the First Minister reconsiders that amendment and does give us at least half an opportunity to fulfill our responsibility to the people of this province.

MR. LAURENT DESJARDINS (St. Boniface): Madam Speaker, I certainly second wholeheartedly the words of my colleague from Ethelbert Plains. I think that you've noticed yourself, Madam Speaker, that when we had this vote the First Minister of this province wasn't sure how he'd vote. I think that he wasn't called first because he was sitting in his seat. Now he is putting up this false front again as he does every year, especially when he knows there will be an election fairly soon, because he has this attitude of this Little Lord Fauntleroy. Everything's going to be all right. Well, Madam Speaker, we have proof that the First Minister has been an arrogant man, a man that likes to play at being a dictator, and we certainly have had the experience and the proof of that over the past few years, and if we don't attach too much importance in his promises I think he has nobody but himself to blame, because he has made these promises before, Madam Speaker, just like a small child that if he doesn't call the shot he'll take his ball and bat and go home; he won't play if we don't play under his rules all the time.

This has . . . a fair motion. The First Minister says we'll do it anyway. Why then can't we go ahead and vote? Why didn't they vote in favour? Why won't they support this amendment? Is it asking too much to be sure to have a chance to represent the people of Manitoba here the way we should? You yourself, Madam Speaker, you rule the day to day precedence

(MR. DESJARDINS cont'd). on the Order Paper except as otherwise provided, this Section 22 in this new Rule Book, that would enable the government to do away with the Private Members' Day. We felt - and I'm not debating your ruling on this - we felt that "otherwise provided" meant that we would go ahead and follow Clause 19 of this Act but apparently we were wrong. Is it asking too much then that we set aside two days to make sure that we could proceed with Private Members' Resolutions?

Now the First Minister here, purposely, just a few minutes ago, knowing full well what he was going to say, got up and said that they've never rushed anything in this House. Well does he seriously want us to believe that?

MR. GORDON E. JOHNSTON (Portage la Prairie): What about the pension plan?

MR. DESJARDINS: Yes, what about the pension bill last year? Oh, we were told rushed in this; this was really worked out but it just happened to come in on the last day. What about that pension bill? Wasn't that rushed? --(Interjection)-- That's right, and I'm very proud of that, Madam Speaker, because my honourable friend, especially the Minister of Mines and Natural Resources, is not getting his nice pension. I'm very proud of that because the people of Manitoba are paying enough taxes, especially when they were paying this heat tax. I'm very proud of that and I would have spoken another week, Madam Speaker, and this is probably why my little friend, the one that specialized in misrepresenting, this is why my little friend probably then run federally.

Oh, it would have been beautiful, you know, a nice pension. My honourable friend would have had a pension around \$1,200 or so and he could have maybe sat in Ottawa and collect about \$18,000. That would have been wonderful, while the people of the north and the people of Manitoba were paying a tax on heat. That would have been wonderful. You think I'm ashamed because I spoke a week on that, Madam Speaker. That's the proudest thing, the best thing I ever did in this House. (Interjection) That's right. That's right, and I'm not ashamed of it at all, and you'll hear some more about this, my honourable friend, and you can shake your head and say it won't happen again. We know your kind. We know that you're the hatchet man. We know he's the hatchet man on this. He's a little more careful these days. He's coming up. After peddling beer in these grocery stores he had kind of a demotion; now he's coming up again. Well all right. We'll see. Maybe he'll replace my honourable friend when my honourable friend tries to get his feet wet in Ottawa.

But anyway, Madam Speaker, we had another bill, a government bill of my honourable friend that said I spoke a week. They didn't let that bill die on the Order Paper. Why? Because we were told, and this is in Hansard, Madam Speaker, we were told, "No, we will proceed with this bill." These are the people that told us we will proceed with this bill.

Three times the Minister of Health at this Session said we will deal with the Denturist Report. Are they going to deal with that? Before an election, Madam Speaker? No, not this government. This is the same government that set up a commission to hide the Metro deal in 1962. This government hasn't got the guts to discuss these things, especially before the election. Let the people -- oh they are little dictators. They like to steam-roll everything. Steam-roll everything - rush, rush everything. I remember that I had a bill last year, Madam Speaker, that we received a decision. You gave us your ruling on the last afternoon. This is the first time that anything was said after we had an amendment, and probably the same thing will happen this year. And this is -- the First Minister is going to get up in his seat with a smile and say, "Well now you've had your fun, let's proceed. After all, we promise, we promise we'll be very good. We'll give you all a chance." Are we going to believe in that?

Madam Speaker, this is supposed to be a democracy and it's true that the government can steam-roll everything, and boy, do we have a good example of steam-rolling these past few years. This is the government that brought in, tried to cover everything. There's a Minister for everything. No, this won't be legislation; this won't be enacted; this is just to tell the people well, we've done this; we've done that; we've done this. I remember talking not too long ago on the question of television in education. That was no good. My honourable friend the Attorney-General was ready to kick his set in. It was ridiculous. All of a sudden - nothing is said; I mention it again this year - all of a sudden in the newspaper, the University will set up their own television station probably. This is the kind of government that we have, the government that says there's no good ideas coming from this side at all. Everything is put in - a word here and a word there in the Throne Speech - everything is ruled out of order.

Well, Madam Speaker, I think that for the people of Manitoba, why should we rush this all of a sudden? My honourable friend was running all over the place during this Session. This

(MR. DESJARDINS cont'd).....is an important and we're asking that we have a chance. For two days -- we're ready; we've co-operated with this government as much as possible. We tried to stay within the 80 hours. It might be quite difficult to do now in view of the nice talk that we had yesterday by the Honourable Minister who was presenting his estimates. It might be a little difficult now. But we've tried to co-operate with this government as much as possible. We've given leave on everything, on everything; and now there's a simple amendment asking that two days be set aside, two half-days be set aside to discuss certain things that are very important to members of this House; to discuss certain things that are very important to the people of Manitoba.

Why this sudden rush? Where are we going? Where are we going? This election's going to come pretty soon, maybe. That's fine, but in the meantime we have been elected to do a job; we can look at the future after our job is finished and the government is not letting us finish this job. The government -- oh, the Minister of Mines and Natural Resources is pretty cocky. It's easy to sit in that seat when you've got the majority and you're going to let everybody talk and then you're going to steam-roll; you're not going to worry. You've got a committee that spends a fortune, a fortune on studying this business of denturists, but it's too hot to handle - way too hot to handle. This has been going on for how long? And how much money is being spent, the money of the people of Manitoba? And what are we going to do? Why isn't this ready? We have the report. "The Session is too short; it's too late in the Session." It's too late in the Session, you tell us. If anyone mentions this during the election campaign, "Oh, there's a committee looking into this." The same as we had in Metro in 1962; the creators of Metro, who name their own man and then abandon it. And this is exactly what's happened. They've never once defended Metro, their own creation, not once. This is the same government again who's trying to rush this thing, who are so eager.

The First Minister has this responsibility. He must have another election. He must try to deliver this province to the Conservative Party, then he can go to Ottawa. Well I'm not too interested in the personal ambition of the First Minister of this province, I'm interested in getting good government, responsible government, that we're not getting. I'm interested in us having to discuss everything that we should. Put some of our problems on boards -- we've created more boards, we're all set now for an election; we have three or four Cabinet posts open. That'll be interesting when we try to get candidates. Then we created some more boards. We had no more boards to create so we started again; we started enlarging these boards; good way to get rid of the member for St. Vital, I'm told. Terrific. They practically all have a job. And this is the way we run the affairs of Manitoba, of the people of Manitoba, with the money we spend. The First Minister yesterday was laughing at my honourable friend from Lakeside, said he was used to this pennypincher, and he has spent so much money. We know they've spent so much money, and he said that was the only difference between the Member from Lakeside and himself, that he wasn't spending money. There's a big difference. Maybe the Member from Lakeside wasn't perfect, and he never pretended he was, but he certainly gave us responsible government and if it wasn't for his pennypinching, we'd be in a bad state of affairs right now; we'd be in a sad state of affairs.

Mind you, the honourable, my little friend who left - he can't take it any more, he's too close - he's left. He's the first one to get up and say "Oh, yes, oh, yes, you guys are pennypinching and you're repeating things." Sure we're repeating things; we're repeating the First Minister himself when he said here, decided we were spending too much money, that the Liberal Government was spending too much money. He's the one that wanted to take so many thousand or million dollars out of the spending from the roads, and now he says we haven't done anything. He's talking about the changing times when it pleases him. Madam Speaker, look at the number of them, look at the number. They've got the number and they say they feel secure because the people of Manitoba wanted them. Well, why are they so afraid to discuss the real issues here in Manitoba? Why are they afraid to complete the job that they were elected to do? Why must they just shove this on to some time in the future and go to the people of Manitoba again and say okay, this is what we'll do. They've covered the waterfront; there's more legislation on the -- more bills that we passed that has nothing to do with legislation. We were told that this will never be enacted. We've asked, I've asked -- I had an Order Paper last year, asking for the different boards, and I placed it - I asked this question again this year. Madam Speaker, do you think they'll give me that before the election? No, you're not that gullible and I'm not that gullible, because I know this government; because this government is afraid to face its responsibility, is afraid to go to the people of Manitoba on the real

(MR. DESJARDINS cont'd).....issues. It's only promises, promises, promises, and I certainly feel that we should support this amendment.

MR. S. PETERS (Elmwood): Madam Speaker, I would just like to say a very few words on the matter brought in by my Leader. The First Minister mentioned that when we do get into Private Members' Day that most of the resolutions usually are put over or asked to stand. And this year the reason they have been asked to be stood over, or to stand over to the next time they come up, was because the way the Throne Speech was worded, almost every resolution that we had on the Order Paper, had it been introduced at the very first time it was on the Order Paper, would have been ruled out of order, and we had to wait till the government brought in their legislation. I had one resolution in on Consumer Affairs that certainly would have been ruled out of order. It was just by a fluke that it wasn't ruled out of order because when we were in committee I agreed to withdraw this resolution if they would use the word "Consumer Affairs" instead of "Consumer Credit" and on a technicality I was ruled out of order, so the very next day unfortunately I had to leave and go to the airport, my colleague from St. John's, who is not in his seat now, introduced it and Madam Speaker had no other alternative but to rule it "in order" on account of the ruling that was handed down the other day -- or the day before.

The same with the resolution brought in by my colleague from Seven Oaks on a comprehensive medical care. We had to wait till the government brought in their legislation and they haven't brought in any legislation. All they said is what they hoped to do by 1967. They're going against everything that the Hall Commission Report has said. What they're trying to do is wreck a comprehensive medical scheme and I think, Madam Speaker, that we should be allowed these two extra days, half-days, during the week to discuss Private Members' Resolutions.

MR. MOLGAT: Madam Speaker, I'd like to speak on the amendment presented by the Leader of the NDP. It seems to me that the amendment proposed is a very reasonable amendment. When the speed-up motion goes into effect we will in fact be having three separate sessions per day. This will mean that in the course of the next week, assuming that we're going to sit for six days, there would be 18 separate sitting days. What does this amendment request? Out of a total of 18 sitting days, it requests two. Surely not an unreasonable request, Madam Speaker. Surely not an unreasonable request, out of 18 to have the guarantee that there will be two devoted to Private Members' business. When the government unanimously decides to vote against this, it is simply saying that it does not care about Private Members' business, that in its opinion the resolutions that are on that Order Paper and a number of the Private bills do not deserve to be discussed. Now when the First Minister says they will be discussed - they will be discussed - you can be sure that they will be. Madam Speaker, we've had two instances in this Session, of Ministers in their seats on that far side of the House telling us that they are going to move concurrence on reports and do things, and they are not proceeding, and I'm looking directly at the Attorney-General who assured me on several occasions that he would be moving the concurrence of the Report of the Statutory Orders Committee, the one that has to deal with Ombudsman, or Public Protector; assured me on several occasions that he would do so. That motion was presented to this House back in February on the 23rd of February. He has not moved concurrence since then and yesterday what did he announce to the House? After having told us specifically in reply to the questions, he announced to the House that he would not be proceeding.

HON. STEWART E. McLEAN, Q. C. (Attorney-General)(Dauphin): Madam Speaker, on a point of privilege, that statement is not correct.

MR. MOLGAT: Well, can I ask him, is he going to proceed? I asked him yesterday and the reply that I got was that he didn't intend to proceed with it. What is his intention?

MR. McLEAN: Madam Speaker, that statement is not correct.

MR. MOLGAT: Then, is he going to proceed with concurrence of the report?

MR. McLEAN: You're making a speech, not me.

MR. MOLGAT: Well, Madam Speaker, I haven't got the Hansard for yesterday but it followed on a question of the Minister of Health on the Dental Report, and how many times have we asked the Minister of Health, first of all, was the report going to come in at this Session. He said "yes". Finally it did come in and what did we ask him then? "Will you be moving concurrence of the report? What did he say, Madam Speaker? He said, "yes." A Minister standing in his seat and saying "I will be doing something". He was asked, "Will you introduce legislation?" And what did the Minister say, provided the report was accepted by the

(MR. MOLGAT cont'd).....House? Yesterday what does he tell us, Madam Speaker? That he is not going to proceed. Two instances right in this Session.

Well then, let's go back to the First Minister himself. Let's go back to the Session of 1964 - third Session, 27th Legislature, 1964. Just a very short Session. At 8:00 o'clock on Wednesday, August 26, 1964, before the Orders of the Day, I asked of the First Minister: "Before that is done I wonder if the First Minister could indicate if Bill No. 3 will be called this evening?" Mr. Roblin replied, "It will not be called tonight, Madam Chairman. We expect that we will be dealing with it shortly." That's at 8:00 o'clock on Wednesday night, Madam Speaker. At 8:00 o'clock on Wednesday night, the First Minister of this province said in reply to a specific question about a bill: "We expect that we will be dealing with it shortly." Next night, Madam Speaker, not a long time after - the very next day - Thursday, the 27th of August, the First Minister, as the Session had gone on for, oh I would suppose a half an hour or maybe three-quarters or so, jumped out of his seat and left the Chamber. They had just passed their Taxation Bill. They'd got Bill No. 2, the one imposing taxes on the people of Manitoba, through the House over the objections of the members on this side; they had their money; the First Minister hopped out of the House. I asked then of the Leader of the House, "Madam Speaker, is it the intention of the government to proceed now with Bill No. 3? The Leader of the House, the Honourable Gurney Evans replied, "I think my honourable friend should direct that question to the First Minister when he is here." Where was the First Minister, Madam Speaker? Out there getting His Honour the Lieutenant-Governor to get him to come in here and dissolve the House. That's what he was doing. Twenty-four hours before, he had said we would deal with the specific bill. Now, on that sort of basis, don't let those members on the far side stand up in their self-righteous manner and assure the members on this side of the House, "Oh, don't worry. We'll do it. We'll protect you." The past indications are that there's only one assurance, Madam Speaker, in this House and that is to get the rule established, not vague assurances from the members on the front benches opposite.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, may I begin my few remarks in the time-honoured fashion of saying that I had not intended to take part in this debate. The reason that I --Interjection-- yes, and like some of my honourable friends over there I might change my plans pretty frequently. The reason that I wasn't going to speak on this motion or the amendment was that generally I'm a supporter of the so-called speed-up motion. I don't think that the Honourable the First Minister up to date has made the best case for it that can be made. It's not just a case of speeding up the business in the House here, it's also the case of us maintaining ourselves in a nimble position so that we can change between the committees of the House and the House itself, which becomes quite necessary toward the end of the Session, and certainly it does result in a speed-up and I agree with the suggestions that have been made that with the number of bills, important bills that have come in recently, we should have a guarantee of more time. I agree also with the suggestion that the Private Members' business should be done recently. But one of the reasons that I do speak now after all this discussion is that, if I recall the discussion correctly that I had briefly with the First Minister, I understood him to say that the speed-up motion, though it would be introduced, would not be invoked until the first of the week. Was that not a correct understanding?

MR. ROBLIN: I'm not sure whether I -- you asked me the question?

MR. CAMPBELL: Yes.

MR. ROBLIN: I'm not sure that I made any commitment with respect to that, but my talk with -- well I must refer to this as a private conversation. I don't think I should

MR. CAMPBELL: Private conversations are just the same thing as any other conversations in this House. The only reason that the Honourable the First Minister had a private conversation with me was that the Honourable the Leader of this House was out of the Chamber and in his absence the Honourable the First Minister came over to speak to the Honourable Member for Selkirk and me, who happened to be sitting here, and he discussed the fact that what he was planning to do, and I said I would report it to my Leader when he came in, and I certainly understood him to say that although the government wanted to go into estimates and stay in estimates now until they were completed, that the speed-up motion which he assumed we had notices already on the Votes and Proceedings, would be introduced at the end of this week, but that it would not go into effect until the next week.

MR. ROBLIN:that subsequent to speaking to my honourable friend, I spoke to the leaders of the parties about Saturday.

MR. CAMPBELL: that I can't comment at all, and certainly I reported to the Leader of this group what the conversation had been at that time. Now if it's agreed that . . . Saturday is concerned, that has no merit at all. All I would like to say is, let's try and be reasonable about this matter. This speed-up motion does help when the end of the Session comes. It helps us to maintain ourselves in a position so we can advance the business of the House most effectively. I think towards the end of the Session it's a good procedure and I was in favour of it when we were in office and I'm in favour of it now. All I urge, and I take it we have the undertaking of the First Minister, is that lots of time will be given; there'll be no attempt to curtail discussion on either the public bills or the private bills or the Private Members' Bills, and similarly that the resolutions that are on the Order Paper will be cleaned up. Providing that is done I do not object, but I would suggest to the Honourable the First Minister that he might be well advised to reconsider his position, and for the sake of greater certainty - and it doesn't mean very much one way or the other once we have the undertaking that he's given that all of this work will be done - but for greater certainty and to make the people on this side of the House feel that we have a rule that we can go by, agree to the amendment and let's get ahead with the business.

MADAM SPEAKER put the question and after a voice vote declared the motion lost.

MR. PAULLEY: The Yeas and Nays, please, Madam Speaker.

MADAM SPEAKER: Call in the Members. The question before the House, the proposed amendment of the Honourable the Leader of the New Democratic Party that the resolution as proposed by the Honourable the First Minister be amended as follows: by adding the following after the word "Thursday" in the last line: "except for on Tuesdays and Fridays between the hours of 2:30 and 5:30 the order of business shall be Private Members' Resolutions and Orders."

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Desjardins, Guttormson, Hryhorczuk, Johnston, Molgat, Patrick, Paulley, Peters, Shoemaker, Smerchanski, Vielfaure, Wright.

NAYS: Messrs. Alexander, Baizley, Beard, Bilton, Bjornson, Carroll, Cowan, Evans, Groves, Hamilton, Harrison, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McLean, Mills, Moeller, Roblin, Seaborn, Shewman, Stanes, Steinkopf, Strickland, Watt, Weir, Witney, and Mrs. Morrison.

MR. CLERK: Yeas, 15; Nays, 31.

MADAM SPEAKER: I declare the motion lost. Are you ready for the question?

MR. ROBLIN: Madam Speaker, before the question is put, I'll take advantage of the opportunity of closing the debate because there's just one or two observations I would like to make. The first is, I think that members opposite have been something less than fair to the government in their criticisms of the way in which we handled this motion to speed up the activities of the House. The only one really, and I must comment on it, that dealt with it in a fair fashion was the Member for Lakeside. Probably that's the voice of experience in this particular instance, I'm not sure. But I think with respect to other members they were quite unfair in some of the remarks that they made, because I do not remember -- we are discussing now the speeding-up motion at the end of the regular Session at which undertakings are given by the government as to what they are going to do. We have had this in previous Sessions and we have always lived up to our undertakings with respect to what takes place, particularly with respect to Private Members' Bills. I want that put on the record because it's a fact. I also say that there has been no harm done to Private Members' Resolutions by rejecting the amendment that we have just voted on. If one had said that all that the private members will get will be two other afternoons before we quit, one might have an argument, but nobody has suggested that. We're not suggesting any limitation on private members. We are actually proposing that this afternoon and tomorrow afternoon be Private Members' days, and we have also undertaken that private members will have their say on these resolutions, and we mean that. It just seems to me that a lot of the arguments that have been brought forward will not hold up with the experience that we have had at the end of our regular Sessions on previous occasions, nor will that on this occasion, and I think the House can vote for this resolution with a good conscience.

MADAM SPEAKER put the question and after a voice vote declared the motion carried.

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Minister of Public Utilities, that Madam 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.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution No. 96.

MR. MOLGAT: Mr. Chairman, I believe that last night when our proceedings ended we were dealing with the first item on the Minister's Estimates, being the Minister's Salary, and we have heard statements by the Minister which I can only classify as alarming and unbelievable. The statements that he made with regard to the press media, I think are extremely serious statements to be made by a Minister of this House.

Now we have grown accustomed on this side of the House, Mr. Chairman, that whenever any criticism is raised of the government, they immediately start accusing the other side of mud-slinging. This is a standard practice on the part of this government. That is their automatic defence. Mud-slinging, scandal, innuendo; I have never heard the word "innuendo" used more frequently than by Ministers on the front benches across the way. We're accustomed to that, Mr. Chairman, and we can defend ourselves. My honourable friends can run around the province all they want and accuse us of this, and they are doing it. This is their standard practice. This is their method of attack these days. Word has gone out to all of the Conservative speakers, "Accuse the Opposition of mud-slinging. That's the business. Don't look at the facts; accuse them of mud-slinging." Well, if that's the way they want to conduct the affairs of Manitoba, Mr. Chairman, I suppose that that's their business. We are in a position that we can speak for ourselves.

But last night a new tack was taken by the Minister. Last night, the Minister decided that the press media also needed a lesson, and he proceeded to give them a lecture, Mr. Chairman; proceeded to give them a serious lecture on what they should and shouldn't be doing. A most amazing lecture, Mr. Chairman, because in fact what this government was saying by this Minister was "Don't criticize us. Whatever you do don't criticize this government. We apparently rule by the divine right of kings and we should never be criticized. If you criticize us at all, it means mud-slinging; it means innuendo." What an absolutely ridiculous statement, Mr. Chairman.

Well now, what's the situation with the press? They are not in a position to come in this House and defend themselves. They are in a position, true, to print the facts as they see them in their news pages; to print their opinions as they see them on their editorial pages. But since when was the press under trial in any of these matters? Since when was the press one of the parties involved in this affair? The Commissioner took it upon himself to make a number of comments about the press, a number of comments about the radio and the TV, comments which certainly are amazing; comments where the newspapers and the radio and TV are in an almost impossible position so far as defending themselves, because they would appear to be simply trying to justify their position.

The Minister carried on with the same attack. Here in this House he proceeded to attack them. In fact, Mr. Chairman, he almost appeared to be threatening them because he was speaking about, for example, the amount of advertising that the government does in newspapers. This was part of his approach. And then he proceeded, Mr. Chairman, to discuss their profits, and he got out the profit picture of one of the parties or one of the newspapers or the chain involved; then he indicated that the other one, which doesn't issue a public statement, it obviously was making more money because its rates were higher. Well this is a most amazing approach, Mr. Chairman, for a Minister and a government who says that the profit of a contractor dealing with the government has no bearing on the situation at all. Most unusual that a contractor who is working for my honourable friends, his profits should not ever be considered. Absolutely taboo. But it's quite all right to discuss the profits of newspaper companies who I'm not so sure have anything directly to do with the government. Presumably the government puts ads in them for the same price as anyone else puts them. But this was absolutely fair game insofar as the Minister was concerned.

Well, I don't know quite how that relates to the position that the Minister has taken in other cases. The Minister said that the Commissioner was not in a position to defend himself against what he appeared to feel were unfair attacks. It seems to me that the newspapers are not in much of a position either. Mr. Chairman, in any case, it's an unusual position for the Minister to take. If he feels that the newspapers and the members of this House should be

(MR. MOLGAT cont'd) absolutely silent on statements made by a commission, then I am afraid that he is in for some serious disillusionment, because I would say that newspapers would be failing in their responsibility and they have a major responsibility in our system of government. They would be failing in their responsibility to the public if they did not express their opinion on matters that go on in this House; on government commissions; on government studies; on government actions. This is the way that the information gets to the public. I don't always agree with what the newspapers print and what the media say; I don't suppose any of us ever will. But Mr. Chairman, I say that one of the absolutely basic elements in our free society is that complete freedom of the press without any interference by government, without any pressure by government, without any threats by government, and if the newspapers feel that they have been, in this report, attacked, on an occasion where they had no opportunity (a) to know that they would be attacked, and (b) to defend themselves, then I say that they are justified in printing their opinions. And for the Minister to say that it is improper of them to say anything about a Commissioner is most unusual when one recalls that this same Minister last fall said in the Committee that what was needed in Manitoba was an official to oversee judicial decisions.

HON. MAITLAND B. STEINKOPF, Q.C. (Provincial Secretary and Minister of Public Utilities)(River Heights): Mr. Chairman, I would like to object to that statement. I never made the statement, and I think the Honourable Leader of the Opposition should retract it.

MR. MOLGAT: Mr. Chairman, I regret it but that was the statement that was made in Committee. I was there, and I asked the Minister after he made his statement whether I understood him correctly to have said that what was required was more an ombudsman, or public protector, to be overseeing the Courts rather than one that was overseeing the government. I asked him if that's what he said, and he said: "You heard what I said." Now if I had been the only individual, Mr. Chairman, who had heard this. . . .

MR. STEINKOPF: Mr. Chairman, as the speaker just said, I did not repeat that I had said it; he had heard what I said. It was pretty obvious at the time that he was trying to get me to say that very statement that he attributes to me. The facts are that I was saying that there was no more need for an Ombudsman for the judiciary in commenting on something that had been said by one of the previous speakers than there was for an ombudsman for the government. Just exactly the reverse. And he also knows that there was a subsequent story in the newspaper which completely denied that part of it and put the record straight.

MR. MOLGAT: Mr. Chairman, the point is it did not put the record straight. I know there was a subsequent statement. If I were the only one, Mr. Chairman, who had thought that this was what the Minister had said, I would say, well, possibly I misunderstood. But the facts are the newspapermen who were there quoted the Minister verbatim, in quotes - not opinion, Mr. Chairman, - in quotes, they repeated what the Minister had said.

MR. STEINKOPF: context - completely out of context and just a part of the quote.

MR. MOLGAT: Well, Mr. Chairman, the Minister can stand up and deny it all he wants. The facts are, the newspapermen who were there reported it; other people who were there reported exactly the same thing. I couldn't believe that is what the Minister said and that is why I asked him when he finished, is that what he meant. He did not deny it, Mr. Chairman. Those were his statements. He changed his mind in a few days, I understand.

MR. STEINKOPF: Mr. Chairman, I changed my mind, if there ever was any change, when I realized what the Leader of the Opposition was getting at and trying to make some political advantage out of a situation. It was very plain what I had said and I at that time told him he had heard what I said which was just quite the opposite to what he wanted to read into it, and he knew it, and that's why he asked the question, and went out of his way of asking the question.

MR. MOLGAT: Mr. Chairman, there is the Minister back at this usual performance, if I want to make political advantage of it. You would think the people on this side of the House are consistently seeking political advantage; my honourable friends are never seeking political advantage. The point is, Mr. Chairman, that the Minister made a statement; he was quoted by newspaper reporters exactly the statement that he made. Now how can my honourable friend stand in his seat and say that a specific quote is not what he said. It's utter trash.

So, Mr. Chairman, last November that was his position. Now it's improper for the newspapers to be defending themselves. Well, I say to this government, stand up to your criticism. Quit this business about calling innuendo and unfair and all the rest of it. Let's talk about the facts. And I'd like to talk about the facts of the Grand Rapids situation.

(MR. MOLGAT cont'd)..... We've discussed them in this House. I had not intended, Mr. Chairman, to make a speech on this subject but my honourable friends are the ones who brought the matter up and I intend to discuss it.

Let's go back first of all to the origin of the discussion about the Grand Rapids hauling contract. Mr. Chairman, it wasn't myself or the Liberal Party who first started to talk about this matter. We didn't dream the matter up. When did the matter first come to light? Well, way back in 1961. There were a series of stories then in the newspapers. August 10, 1961, the headline is: "Hydro Pays for Lack of Faith. Despite lower truck costs all goes to Grand Rapids by barge." It goes on "Because Manitoba Hydro officials did not believe the Highways Branch could build a road on schedule, the Provincial Government now is paying \$10,000 more for each barge load of fuel taken by lake to the Grand Rapids site."

The following day there was another story and this one was "Contract Criticized as Too High. Hydro says terms include formation of water route." The following day, the 12th of August 1961 "Truckers ask Hydro to Buy Out Contract." It wasn't us, Mr. Chairman. No innuendo. Just a straight story. But the truckers called on the Premier and the then Utilities Minister, Mr. Carroll, with the suggestion that the government order its Hydro utility to cancel the lake haulage contract. And their statement was that they would save nearly half the 3-1/2 million transportation costs by shipping on trucks. Those, Mr. Chairman, were statements made by people in the trucking industry who called on the government itself.

Subsequently, Mr. Chairman, at the beginning of the Session of 1963, the session had just started when I received a telephone call. The gentleman said it was most urgent that he see me. There was a serious matter insofar as the Province of Manitoba which he felt I should know. In his opinion the interests of Manitoba were not being protected and that this matter should come to light. I met with him on several occasions and I carefully went through the information that he gave me. I carefully went through any documents that were shown to me to get all of the information that was possible to get. And the information, Mr. Chairman, was that at that time negotiations were going on for the renewal of the lake haulage contract and that the indications were that the contract as it had originally been entered into had been an unconscionable transaction, one revealing an unconscionable profit and the proof of that was a statement that was given to me, shown to me then and given to me.

Mr. Chairman, before any member of my party made any statements in this House we had had this information supplied to us. We didn't go seeking the information, Mr. Chairman; someone came to us and showed us this information. We brought the matter before the House, Mr. Chairman; and what did we say? We said at that time that there's been failure to have any co-operation or any co-ordination, a failure to understand business concepts, a negligence in protecting the interests of Manitoba; a failure to plan ahead and an expenditure that looked to us like \$2 million. There was not a single suggestion in it all, Mr. Chairman, of any scandal, of any muzzling of anything of the sort. We never made any such statement. What we said was that the information that we had was that there was an exorbitant profit made on this operation and it deserved to be looked into because it appeared to us that the position of the taxpayers of Manitoba had not been protected.

Subsequently a committee of this House was called. Mr. Chairman, what did we try and get before that committee? We tried to get the financial situation before the committee. We had assurances from the government that we would get all the financial information. One document in particular, a study that was undertaken by the government itself; that was never supplied, Mr. Chairman. The government would hear none of that at the committee.

Subsequently the inquiry was called. What did we attempt to do, Mr. Chairman? Well, we attempted to get the information before the Inquiry at that time. My counsel attended upon the commissioner to turn over to him a copy of the Drake-Pearson financial statement which I had given him. Prior to attending on the commission, the counsel in good faith attended on the solicitor for the contractor who had also appeared before the Committee of the House. He showed him the statement and advised the statement was not an authentic one, then that the profit criticism could not be proceeded with. The counsel for the contractor who was also a director of the contractor, examined the statement and he admitted that the figures appeared to be correct. The counsel for the Liberal Party then offered the statement to the counsel for the commissioner and he declined to accept a copy. Counsel for the Liberal Party offered a copy of the statement to the counsel for Hydro and he reluctantly examined same without comment. These were the facts Mr. Chairman, that we had when we first made our charges. We attempted to put them before the commission so they could study them. We attempted to put

(MR. MOLGAT, cont'd) . . . them before Hydro itself who looked at them. The commission decided that this was none of their affair. They would not look into the profit position.

I then attempted, Mr. Chairman, to get the facts before this House. I came to this House and I attempted to table this document and I got it as far as getting it on the table and then this government refused to have the document tabled and it was handed back to me. Now, Mr. Chairman, is that an attempt to hide the facts? All the way through it's an attempt to have the facts brought forward; the facts on which we made our statement and facts which I still believe, Mr. Chairman, deserve investigation. All I was able to read into the House on that day from this audited statement, were two figures before I was interrupted and prevented from continuing. Two figures that show that for the year ended December 31, 1962, on the contract figures of \$1,617,958.03 (those were the charges to the government) that on charges to the government of that amount the net earnings for the year had been \$1,004,959.36. A million six of charges to the government and a million dollars in earnings. Mr. Chairman, this government can say what it wishes, this statement which is an audited statement, shows in my opinion that that is an unconscionable transaction.

Now I'm not interested in going and delving into the operations of private corporations, Mr. Chairman. But, I say the government has an obligation to the taxpayers of the province when it is entering into contracts and spending the taxpayers' money. It has an obligation to see to it that the contracts not only are the lowest tender, but also the tender is reasonable; and to simply hide behind the fact it was legal, it was the lowest tender does not mean that you absolve yourself from any other obligation, because it is absolutely normal, Mr. Chairman, both in government and in business, that you make an estimate to begin with of what a certain contract is likely to cost. This is what is done in the Highways Branch. There's an estimate taken of what is likely the cost to proceed with a public work and if these tenders come in far out of line then what is the course taken? Well, they are re-examined. Since this discussion here in this House on the Grand Rapids matter there's at least one instance where this government itself has done this. I have here a newspaper headline from the Tribune, September 15th, 1965, and it's headlined, "Unreasonable Diversion Bids Force Revisions". Contract bids running 20 percent higher than governmental estimates for construction of the \$13.4 million Assiniboine River Diversion near Portage la Prairie has forced the Provincial Government to revise its system calling future tenders and so on.

This is the proper way Mr. Chairman, to proceed. What is done in other areas, Mr. Chairman? What is done for example in the United States? I have here before me United States Government Renegotiation Act of 1951 as amended through to June 30th, 1964. What does this Act provide, Mr. Chairman? It provides for renegotiation of contracts. Here's what it says. This one applies specifically to National Defence. "It is hereby recognized and declared that the Congress has made available for the execution of the National Defence Program extensive funds by appropriation and otherwise and so on. That sound execution of the National Defence Program requires the elimination of excessive profits from contracts made with United States and from related sub-contracts, and in the course of said program and at the considered policy of the congress in the interests of National Defence and general welfare of the nation requires that such excessive profits be eliminated as provided in this title. And they proceed, Mr. Chairman, to renegotiate contracts if they feel that they are out of line.

What is the situation, Mr. Chairman, in Great Britain? Well, we have one example here, Mr. Chairman, and I'll read the news story. This is one from the New York Times dated July 28, 1964. Dateline is London. "A leading defence contractor has offered to refund to the government 4.3 million pounds - that's \$11.8 million - of excess profits from missile contracts, Julian Aimery, Aviation Minister announced today in the House of Commons. The statement came as a report was published placing contractors' profits at 5,772,964 pounds, or \$15,164,299.00. The report published after a six month enquiry by Mr. J. Lang, a former permanent secretary to the Admiralty said the profits represented 82 percent of costs and 45 percent of selling price. The company is Ferranti Limited, an electronics manufacturer with operations centered in the Manchester area. In the 1950's it became prime contractor for the Bloodhound Ground to Air Missile, the main element in British Defence. The company has maintained that a big profit is justified because of low profit on past defence work. The Lang report caused the company to submit bids that it knew were not likely to yield profits, that could not be regarded as fair and reasonable. It also charged that the Air Ministry lacked co-ordination in accounting branches and placed undue reliance on technical cost estimated.

New York Times the following day reported " A political dispute was threatened today

(MR. MOLGAT, cont'd) . . . over the 82 percent profit that a British Electronics Company made on a government missile contract". There was nothing illegal about the profit - nothing illegal about the profit - but a special committee indicated it was based on an improper cost estimate. The Company - Ferranti Limited paid back four-fifths of its profit yesterday while protesting that it deserved credit for its undoubted efficiency. A special non-partisan committee reported that the Aviation Ministry showed a lack of direction and lack of drive in awarding the contract in the first place and that the civil servants concerned lived in an ivory tower. The Opposition Labour Party filed a motion of censor. It was expected to demand the resignation of the one or more cabinet ministers. Ferranti made a profit of \$16 million or 82 percent though the special report showed that the government believed it was allowing for only 7 percent. Ferranti announced yesterday that it was paying back \$12 million."

That, Mr. Chairman, is what is done in other jurisdictions. Mr. Chairman, I believe in free enterprise. I believe in the profit system; but I do not believe that governments can simply proceed to let contracts without taking care of the taxpayers dollars. I do not believe in unconscionable transactions. Now what is it that this government has done? A move in which we have supported them. They have proceeded to set up legislation in the field of private business. We have before us now, or have had before us the past two sessions, we now have legislation in the Province of Manitoba regulating what is known as unconscionable transactions. The government has decided that a certain amount of profit on financial loans is all that should be allowed, and we have supported that legislation, in fact my colleague, the Member for Selkirk is one of those who recommended this legislation to the House in the past. Here we have legislation regulating profits between private individuals - a private company on the one side dealing with private individuals on the other - And it is considered that it is sound legislation to regulate on this - and I agree with it. But, Mr. Chairman, if it is sound to be regulating unconscionable transactions between private individuals then isn't it equally sound for the government to be regulating its own transactions. Isn't it equally sound that where there are indications of excessive profits that the government should take some steps to correct the situation? I submit, Mr. Chairman, that from the outset the policy on government contracts should be that there is a proper cost estimate made. Step number one: find out what the work is likely to cost; have your estimates. Let it out by public tender, that is proper. But if it turns out that the public tenders are out of line with your estimates then in perfectly proper business action - which is what is done by business men - you revise the situation. You don't simply accept the lowest tender as being automatically the thing for you to do because the lowest tender may not be the right figure. If it is out of line with your estimates, it indicates either that you have made a mistake yourself in your estimates, or, that there is something wrong with what you are trying to do or with the contractors themselves. And it is perfectly proper then for you to recall the tenders, to revise and I've indicated that is what the government has done in the case of the diversion at Portage.

But in this case, Mr. Chairman, the government has persisted in refusing to look at the situation. The Commission has refused to look at this situation. The government has refused to have the information given in the House that we have available to us, and I say that that is the crux of the whole affair, Mr. Chairman. That was the basis of the statement that we made in this House and that that information was in our hands at the time that we made the statement in this House. We didn't dream it up, Mr. Chairman; it was brought to us. It was brought to us and when we looked at it from the information that we had available and verified that the information as contained in this statement was in fact an authentic statement, we had no alternative but to bring this matter before the House because, Mr. Chairman, I would be failing in my responsibility as the Leader of the Opposition in this House if being apprised of this sort of information I were to do nothing about it. One of the basic responsibilities, Mr. Chairman, of every member of the House regardless of where he sits, is to do everything in his power to improve the business of government, to make sure the business of government is efficient. This is exactly what we were doing when we introduced this matter in the first place because the facts and figures revealed in this statement showed to us that there had been profits made on a government contract which by virtue of this statement were far out of line and this was the matter that we asked to have discussed. Because when you looked at the situation then - the fact that on the one hand the government had proceeded to build a road by one of its departments, on the other hand was entering into a long-term contract for water haulage, from the information available to us then that there were negotiations going on for the renewal of this contract, there was no alternative, Mr. Chairman, but to bring this matter forward. We would

(MR. MOLGAT, cont'd) ...have been failing our responsibility and our duty had we not done so. And there was nothing, Mr. Chairman, in the statement that we made alleging scandal or corruption or anything that my honourable friends have been peddling around. There was none of the mud slinging and all the rest of the statements that they are making. Mr. Chairman, what we said was based on this information and we tried to get this information before the House and before the people of Manitoba and before this Commission and it was consistently refused.

Mr. Chairman, I say to this government they apparently are unconcerned about a million dollars of the taxpayers money; well we're not. We're not, Mr. Chairman. And when information like this is brought to us, my honourable friends ...

..... continued on next page

MR. STEINKOPF: Mr. Chairman, while the matter is still fresh in my mind I want to say a few remarks on the Honourable Leader of the Opposition's story on Grand Rapids. After listening to him I'm not quite sure just what point he was trying to make and I tried to make some notes, but I realized that he is tackling a financial matter, a problem that would appear to be a little bit beyond him, and he is rehashing all of the statements that he has been making these past three years on the Grand Rapids situation.

But I gather that the main point is that he claims that the contract was an unconscionable transaction, that it was improperly let. This may or may not -- his words were that the proper procedure would have been to let the contract in an entirely different way. So this I gather is the main bone of his contention that either the contract should have had a renegotiation clause in it or it should have been possible to not accept the contract and to use some other method than the one prescribed in the invitation to tender. He dealt again at great length at the renegotiation clauses in contracts, but in all cases he is referring to contracts let under stress during wartime, or to do with defence matters, both in England and the United States. It is quite common in cases of wartime to let contracts either on a cost-plus basis or to have an open-end contract which is to be renegotiated after the contract has been completed.

There is also another way of letting these contracts, and that is to stipulate a sum certain for the profit, either five percent, or six or ten percent of whatever the case it be. But it is highly uncommon and unlikely that anybody in an ordinary business transaction, would, if he had any wits about him at all, accept a contract that provided an open-end renegotiation clause. I have never heard of one, nor I don't think that he has in the ordinary course of business transactions; and this one was.

The claim that this was an unconscionable transaction, or the suggestion that it was, has been dealt with now by people more qualified than I am, both in the preliminary hearings with all the experts and later at the hearing itself, and at the Commission, and there is no doubt the report of the Tritschler Committee ends up by saying, or -- on page 123 there was ample justification for it accepting the bid of Pearson Construction Company Limited, and Drake Construction Company Limited.

Now if this conclusion is the one that my honourable friend is opposing, then he is in sense appealing what the decision of this Commission has arrived at, and only arrived at after all the evidence was produced. There are logical and sound reasons for coming to this conclusion. Any suggestion that this government is not interested in money, in a million dollars, of course, is strictly for window dressing. This government is more conscious of saving its money and getting more for its money than any government in the history of the Province of Manitoba -- and that goes even a long farther back than my honourable friend's life. The fact is that the total contract, the total estimate, the over-all estimate of the Grand Rapids project is below what the estimate is and I would like to see that ever be accomplished by the honourable friend opposite me. I've heard a lot in the last few years, but one field I think that they're still a little naive in, and I don't think there's that much arrogance still left on our side, and that is in the field of finance. They get really confused when they're talking about it. But I suggest that the decision on the Grand Rapids, the sanctity of the contract that was made, the fact that it was lived up to that the Grand Rapids issue, I think, has been ventilated enough now, that there's very little that I can add to it; and I would like to leave it at that and proceed with some of the...

MR. DESJARDINS: Mr. Chairman, would the Honourable Member permit a question? Does he feel that a profit of over a million dollars on a contract of less than two million is a fair profit?

MR. STEINKOPF: It would all depend on what the contract was. Now I don't know of a contract of two million dollars on which there was a profit of a million dollars, but I would dare say that there are a lot of very risky operations in the world, that if you said to somebody, "Here will you take this job, you get a chance of losing a million dollars or making a million dollars, will you take it?", maybe somebody would take it. I am sure that if it wasn't a million say -- I've heard of cases where it's been two hundred and somebody's made a hundred dollars on a contract so it's all relative, but this isn't the case here. We don't know that that's the case. You're just using a...

MR. DESJARDINS: Mr. Chairman, then if this is the case would the Minister permit another question? He stated himself that he doesn't know. Does he feel that there could be a complete investigation when we are not allowed to give in this information?

MR. STEINKOPF: I'm very much opposed to the idea that keeps emanating from that

(MR. STEINKOPF cont'd) . . . side of a complete witch hunt, of somebody coming up and saying that this is what we think it should be. On anything. (Interjection) I . . .

MR. DESJARDINS: don't know. don't know about anything.

MR. STEINKOPF: I would say it doesn't make any difference. We've had a very complete investigation and a very competent Court. A commission has decided that everything was not only done properly but it was done well, and financially well.

MR. DESJARDINS: No, not financially.

MR. STEINKOPF: And you take a look -- you can't segregate anything, and I don't think that you can just deal in semantics that you can come up and say "Do you think that a million dollars is a lot on two million." Again, at the risk of being misquoted, I can come up and say the same things about anybody's business.

MR. DESJARDINS: Let's investigate. . . .

MR. STEINKOPF: Well what do we want to investigate? All we'll do is investigate and when we get finished you guys will say "Well heck, that doesn't mean anything, we meant it the other way," you know.

MR. DESJARDINS: what's a million, what's a million.

MR. STEINKOPF: You've been trying to put those words in my mouth ever since I got here but you haven't accomplished it yet. Even the press won't put them in my mouth.

MR. DESJARDINS: Mr. Chairman, he's doing pretty good himself. He just finished saying that -- the Honourable Minister just finished saying that he didn't know he doesn't know of any contract, of any profit of a million dollars. And that's exactly what my Leader finished saying. We wanted to table this and this government did not want this at all. Well my honourable friend if he's not saying what's a million dollars, what is he saying? He's saying that this might well be if you're taking a chance, go ahead, but we don't know anything about this. We can't talk about this. We're not asking the government -- we did not ask them to investigate just a portion, we want to give them all the facts, but this government has refused to accept these facts -- this information, but would rather do like my honourable friend here, just say "Oh, you're witch-hunting." This is a favourite term of my honourable friends. -- Mafia; McCarthyism; and witch-hunting. And then he gets mad at the press. He's so vindictive he gets mad at the press, if anything.

All we're asking is let's find out if this is a fair, a fair profit. But no -- we read the report. We read the report; we read the report very good. Let's get the terms of reference. Let's get the terms of reference. We're investigating all of a sudden. They're so afraid of an ex-Minister. We're investigating this around Portage la Prairie. They're so afraid, probably of the witch-hunter here, that's probably the reason. But why can't we investigate everything. If there's a commission that's supposed to see if things are all right financially, why don't we investigate that. We never made any accusation except that one we feel that this was an exorbitant profit. And we're still saying this, to this government that's done more, according to my friend, more to look after the monies of the people of Manitoba. It sure has. This Minister that has just finished taking his seat, just finished saying himself "I don't know of any contract like this where they've made over a million dollars profit. I don't know of anything." And this is what we've been talking about right here.

MR. STEINKOPF: I was asked a straight question, is it reasonable to make a million dollars on two million dollars? You didn't refer to this contract. You asked me a straight question and Hansard will prove it, and that's what I answered, so don't try turning it around again.

MR. DESJARDINS: Mr. Chairman, I thought that this honourable friend who's so intelligent, so smart that he can tell the press what to do, I thought that he knew we were talking about the Tritschler Report not about the Flood. I'm very sorry if I didn't tell him. I'll ask this question again. Does he know about this contract then? This profit of over a million dollars on less than two million. Does he know of that? And does he feel. . . .

MR. STEINKOPF: Mr. Chairman, I didn't know because I didn't know the contract was two million dollars, but reading from Hansard, 1963, the Honourable Member for St. George says, "Deducting this from the original contract value of \$3,350,000, leaves net earnings of about \$1.35 million. So if you fellows will get together on what the contract is, and what the profit is, and maybe I can give you an answer on that.

MR. DESJARDINS: Oh, now he knows it all. If we get together. Well if he can just refer, not bring something else in, just refer to what my Leader quoted from Hansard, the only thing -- just before his Leader got up and said "Oh, we don't want this, we don't want this,

(MR. DESJARDINS cont'd)... we're afraid we're going to uncover something. Don't table this, give it back to him." Isn't that what was done? Isn't that what was done? "Get that thing... If you want to investigate that - probably you would wait till after the election, - but "if you want to investigate that, we'll give you that statement again if you want." But you didn't want it at all. The First Minister got up and said "No, we don't want this, we don't want this. We're afraid of this." And they were afraid of that. All right, we're accusing the government, that's all. They tried to say that we said that there was anybody crooked in there. We never said that at all. We said that it **was** a poor contract. And this is our duty here. This is not witch-hunting. This is a democratic way of doing things. This little friend of mine can shake his head all he wants. There's nobody that misrepresents, except maybe the First Minister himself, nobody that will misrepresent facts the way that my honourable friend does. Nobody.

MR. LYON: Mr. Chairman, on a point of privilege I don't have to be accused of misrepresenting facts by somebody of the acknowledged calibre in that field as my honourable friend from St. Boniface. If he would just kindly slow down a little bit and remember that he's not at a hockey match, he's in a Legislature of the Province of Manitoba, perhaps we can get along a little better.

MR. DESJARDINS: Oh, it's right in the gutter again. Well if my friend can get off his knees, I'll meet him in the hockey rink or in the political arena anytime. If he can get off his knees. If he can get off his knees, Mr. Chairman. And it's all right. He's jockeying for position now. Boy, my friends across from me are in a sad fix if he's the one that's going to take over. Mind you, he will carry on in the right tradition of misrepresenting facts because he's an expert at that and he's done it many times.

MR. LYON: Mr. Chairman....

MR. DESJARDINS: I'll prove that if he wishes.

MR. LYON: Mr. Chairman, if we're going to have any question about misrepresenting of facts, I suggest my honourable friend withdraw it. That is not parliamentary practice. It may be allright in a corner hockey rink in St. Boniface, but it doesn't go here.

MR. DESJARDINS: Mr. Chairman, St. Boniface can do the things just as well as any place in Greater Winnipeg, and we don't need my little friend to get up off his knees and lecture us; put his hand on his heart and, this -- oh this is awful you know, this holier than thou, because I have made the statement that he has misrepresented the facts in the House -- and it is true, and will quote from Hansard if you wish.

MR. LYON: Mr. Chairman....

MR. DESJARDINS: I'll get this thing ready to see the times that he's misrepresented the facts.

MR. LYON: Mr. Chairman, I'm merely asking my honourable friend to try to be a gentleman.

MR. DESJARDINS: Well, all right. We'll try to be a gentleman. Usually gentlemen are gentlemen with gentlemen; and if you want to fight in the gutter we'll fight in the gutter. Anywhere. (Interjection) That's right, I had to get in the gutter to reach you because you were too low. Get off your knees and let's stay on the subject. You butted in like you always do. You butted in - sometimes you run out and you'll probably run out in two minutes. You'll have enough.

Mr. Chairman, we are going back to the Minister that spoke, and I asked him a question. I asked him if he felt that it **was** fine that a company should make over a million dollars profit in one year; a million dollars -- these people that had been paying, as people of Manitoba, a tax on heat, a tax on utilities and so on, and this is the profit. Now all we want, if the government feels that this is all right we don't. We don't. And this is the difference. This is why we have a government; this is why we have an Opposition. And they're not going to railroad us in accepting this. We are ready to have this investigated; we are ready to have this investigated - just once, but with everything investigated. Not the terms of reference that you wish - not the terms of reference that you wish. If we're going to have an investigation let's have an investigation, an investigation on the profit.

Isn't it a fact, Mr. Chairman, that the Leader of this House refused to let my leader table this, this information? Isn't it a fact? Yes or no. This was refused. We wanted to give this information; they refused that. Then they went out and talked to everybody that we were refusing - McCarthyism. My friend is very good at that - he's always talking about discrimination, McCarthyism, Mafia; everybody was mudslinging. I think that it's time we realized that the members of the Opposition in a democratic country have a duty to play also, and when

(MR. DESJARDINS cont'd)... we feel that there's something wrong we're going to stand up and we're going to tell you. We're going to tell you if you like it or not, because this is what we're here for and we're going to tell you if we think this is an exorbitant profit. You can smile, you can be smug, you can do what you want, you can steam-roll, but you won't silence us. When we feel that you're wrong we're going to tell you. We've told you in the past, we're going to tell you again. We asked to table some information that was definitely, definitely, information dealing with this thing. You refused.

Yesterday we read the report of the Tritschler Commission. We were satisfied this was a report. Who brought it back in? The Minister. The Minister, who practically back-mailed the press; who told them how much money they were making. What does that mean? Is he going to be misquoted again? What does that mean and what was he trying to tell the press when he was telling them that they were making so much money? Because they felt that there should be a complete investigation, because they felt -- it was also said that if you had to choose between the politicians and the press in a democratic country, if you had to do away with one you should do away with politicians, because the press is important and every single one of us know in a democratic country how important the press is. We might not agree with that but they certainly have the privilege of saying what they're and I think it is uncalled for for a Minister, a Minister of this government, to get up and lecture the press and tell them, remind them, how much money they were making from the government. Now if this is fair play it's not the way we understand fair play on this side of the House.

MR. ROBLIN: I did not think that it would be necessary in this Chamber again to justify the conduct of the government in dealing with the discussions that we have had on Grand Rapids, and if my honourable friend is going to get the Leader of the Opposition, I recommend it to him.

We are charged on this side of the House with conducting the affairs of the government of the Province of Manitoba. We also have the constitutional responsibility to supervise the Crown corporations of this province and assure ourselves that they are being operated in a satisfactory manner. I believe that we have discharged those responsibilities fairly and properly.

This thing began with the Honourable Member for St. George, not the Leader of the Opposition. The Leader of the Opposition didn't have that sense of responsibility to raise this matter which he says was brought to him, himself, in the first instance. He was happy to have the Honourable Member for St. George fly the little kite, and if it seemed that it was going to stay up in the air, perhaps he would hang on to the string too. But it began with the Honourable Member for St. George being very critical of the government - let's make this clear - of the government, and we're heard it all again this morning about the government letting contracts, about the government doing this and that and all matters of that kind.

Then we have the claim that because of what the government had done in its operating capacity as a letter of contracts and a builder of hydro-electric dams and all the rest of it, that there were some complaints; there were a lot of complaints, and if you sort them out, those that are charged directly to the government and those that are charged to Hydro - and sometimes the theme got mixed up; the honourable gentlemen opposite forgot to remember that they were levelling all the charges at the government directly for what it had done - there were all kinds of charges based on what? Based on the accusation that there had been mismanagement, fumbling, lack of good business practice, lack of liaison, lack of technical skill, lack of common sense, lack of business management, lack of ordinary prudence, lack of good judgment and common sense; all the tunes on that theme were played to a fare-thee-well. And because of this failure on the part of the government, there was an allegation that a contractor had made too much money and that it was our fault.

Well, sir, the first thing that was done in respect of this matter was to have it investigated by a committee of this House, and at that time, setting a pattern for future reference, the members of the Official Opposition withdrew in a rather dramatic fashion, complaining that they were denied the right to look into the profits of the company. And it's true that that committee decided that the profits of the company were not at that stage a matter for their concern. And why? Because in our opinion no foundation had been laid that would justify us from departing from the well-established and well-known procedures that we have in dealing with relations between governments and contractors, or Crown corporations and contractors, in the Province of Manitoba. If there had been any foundation laid to indicate that the charges that had been made of inefficiency - what were there, 43 of them? I forget how many - were right, perhaps the matter would have been different, but that was not done, that has not been

(MR. ROBLIN cont'd)... done, and the charges are simply not true.

Then my honourable friends continued to beat the drum. They made it very clear that they were not attacking Hydro. Oh no, heaven forbid! They've been trying to make it clear that they were not accusing anybody of doing anything wrong. Oh, no, heaven forbid! Well if nobody's been doing any wrong, what's the fuss about?

I would like to ask, who was it that thought it would be a good idea to promote Mr. Buie and his charges of highly improper conduct on the part of Ministers and members of Hydro with respect to their relations with Drake? Who but the Leader of the Opposition said - and his quotation is somewhere in this book here - "Here's Mr. Buie. He was there and he knows what it's all about. I take my stand on him." I wish I had this particular report well enough indexed to be able to provide the verbatim report that indicates his views on Mr. Buie. Sufficient to say that he was satisfied with what Mr. Buie told him, and he certainly didn't go out of his way to protect the reputation of any individual involved in respect of this matter and Mr. Buie.

I don't know whether my honourable friend really thinks that there was any improper conduct on the part of any person, or whether he thinks that any of the charges of inefficiency or what not lie against the Hydro or the government, but he has certainly given the public the impression that he does think so; so much so that members of the CCF Party - I'm sorry, the New Democratic Party - quoted my honourable friend as being the authority for the statements of defamation of character. (Interjection) They alleged you did it. (Interjection) Well, I don't know. That's the impression my honourable friend gave them. If he gave them the wrong impression....

MR. MOLGAT: Mr. Chairman, may I ask the speaker a question?

MR. ROBLIN: Not at the moment. I'm going to continue with what I have to say. I daresay we'll be talking about this for some little time, so there's no rush.

But my honourable friends persisted in their attempts to raise this criticism of the conduct of the Grand Rapids affair against the government, and if they didn't do it themselves, certainly plenty of their supporters had some things to say about irregularities of conduct on the part of Ministers and the members of Hydro.

Well, the Royal Commission report is full of the kind of thing that went on and we know it to be true. These innuendos were made. The government, of course, while accepting responsibility as it must for the operation of Crown corporations, and approving as it does of the conduct of Hydro, made it clear that Hydro, under the statute, ran its own affairs, and these criticisms of inefficiency and bad management and all the rest in respect of the operation of the contract were certainly charges that Hydro were going to feel were directed towards them, because regardless of what members opposite say about the "government" (in quotation marks, underline and asterisked) everybody knows perfectly well what the factual situation is, and one can't blame the Hydro for feeling that these charges were directed against them. So, in order to establish their position, they requested that there should be a judicial review of this whole matter, and that request was met by the government and arrangements for a judicial review were made.

Now in discussing that particular aspect of the subject, let me refer to the terms of reference, because it has been charged here today - and honourable gentlemen opposite have been saying it all around before today - that the terms of reference were rigged, that they were cooked, that they were drawn specifically to prevent the Commissioner from looking into the question of profit which my honourable friends have been saying something about. (Interjection) You said it today.

MR. MOLGAT: I did?

MR. ROBLIN: One of your colleagues did, if you didn't; the Honourable Member from St. Boniface said it today.

MR. DESJARDINS: Mr. Chairman, on a point of privilege. I said that you did not accept some information that we tried to give you. This is what I said and isn't that a fact?

MR. ROBLIN: If there's anyone trying to say that leading members of the Liberal Party did not describe the terms of reference as inadequate....

MR. MOLGAT: I never said a thing about the terms of reference.

MR. ROBLIN: The Member for St. Boniface did....

MR. MOLGAT: Mr. Chairman, on a point of privilege, I never even referred to the terms of reference.

MR. ROBLIN: Well, members of your party did and if you were in your seat....

MR. DESJARDINS: I repeat that I said that they did not accept the information that they wanted to give us and they refused to have it tabled.

MR. ROBLIN: Loud complaints frequently arise from the Liberal Party that the terms of reference on the Grand Rapids Inquiry were not sufficiently broad and that they were not broad enough to include the question of profits. Well, of course this is not the case. Reading from Page 199, "a prime charge against Manitoba Hydro concerned the profits said by the critics to have been made from a water-haulage contract. This was put at various sums, the lowest being \$1 million and the highest - I'm sorry my copy seems to be, doesn't read - oh, yes, and the highest being related to a charge of the government - meaning Manitoba Hydro - "had thrown away nearly \$2 million of our own taxpayers' mooney" -- Mr. Elman Guttormson, St. George, Hansard, March 6, 1963, Page 43.

Comment the Commissioner. This subject was not outside the commissioner's term of reference. I might indicate that the Commissioner establishes the fact very early in his report that the real party against whom the charges were levied is the Manitoba Hydro - a fact that they did not dispute, in fact they acknowledged it. They say it was the case and the Commissioner made it quite clear that in his opinion that was right and that examination of this contract and the matters associated with it was an examination of the conduct and operations of the Manitoba Hydro. Well the government must stand behind the Hydro, approve or disapprove of what they do, nevertheless this was a matter which the Crown Corporation was responsible for in the first instance. So, so much for these charges about the government this and the government that.

Well now, if we are to look into this question of profit, the government held in the legislative committee that there should be some evidence, some prima-facie case that somebody, somewhere, somehow had done something wrong. The Commissioner records that he felt the terms of reference covered this subject. The Counsel of the Liberal Party were invited to be present and they were and they tried to immediately to introduce the subject of profits. The Commissioner said, and I think he rightly said, that when you have shown some evidence of impropriety or mismanagement, we'll look into this - when you've shown it. And what did the representatives of the Liberal Party do? Did they stick around? Did they endeavour to substantiate or prove any one of the 43 charges that they'd levied? Did they attempt to assist the commission in the conduct of its work? Were they there to give witness? Did the Honourable Member for St. George put his foot inside the room? Was he accompanied by the Leader of the Opposition? Were any of these people who were so free with their remarks in this Chamber brave enough to submit themselves to the commission and to give their testimony and their evidence there? No, they were conspicuous by their absence. But they sent somebody to represent them and did he stay around to take some part in these discussions - to try and substantiate the charges that were made? Not him, although he had a very clear indication from the Judge to do so. And did the Judge refuse categorically to consider the question of profits? No, he did not - in no way whatsoever did he refuse to consider this question. He simply made one fair-minded proposition; show me he said - show me where there has been mismanagement or bad feeling or lack of judgment and application in efficiency or any impropriety that will establish the foundation on which other matters may be investigated. Well I think my honourable friends opposite had had enough by that time because they didn't stay. They didn't take any part in these proceedings.

MR. GUTTORMSON: On a point of Order, what does the Minister refer to? Would he be kind enough to read the Commissioner's statement as to why he wouldn't discuss these profits.

MR. ROBLIN: You read Chapter 13. I'll read the whole of it to you if I have the time, but I don't think I have. Then the Liberal Party produced Mr. Buie. They invited him to come down to the commission. They got him; they found him where ever he was. He's the man on which a great deal of their charges were based. The Leader of the Opposition said Mr. Buie, he was there, he ought to know. So they brought him in to give testimony. Mr. Buie actually got inside the courtroom with the Counsel of the Liberal Party but for some reason the Counsel for the Liberal Party didn't call him. In fact the Counsel for the Liberal Party left him sitting in his chair waiting to be called, and according to the testimony of the report, it is only because of a fortuitous circumstance that the Commissioner was appraised of the situation respecting Mr. Buie who therefore, who later gave evidence. Now that was a brave manly course of action on the part of my honourable friends opposite - get this man who unfortunately is an alcoholic, or was an alcoholic, get him

(MR. ROBLIN cont'd).. on the television, quote him as an authority with all, that he said about some Ministers here, sitting in Ministers' offices as I remember, priming them to meet the committee, entertaining them in lavish ways, improperly, together with members of Hydro. All the things Mr. Bule said which the Leader of the Opposition accepted as being correct and factual. --(Interjection) -- You're in here on Mr. Bule, you can't back away from it. And then when the time came and they knew, as I'm sure they knew, that it wasn't safe to call this man for testimony and they didn't call him. That was brave and manly and straightforward and decent, wasn't it. And yet the reputation of the people who in spite of my honourable friend's disclamours had been affected by what they had been doing, is left untouched by any aspect of decency or sense of fair play on the part of honourable gentlemen opposite. They go to the Commission in the Legislature, they can't make their charges stick there. They go to the Commissioners, to the Royal Commission, the Tritschler Commission and they don't bother to try and make their charges stick there. But the Commissioner bothered. He took everyone of the allegations that were made, starting at the beginning, documented, listed, categorized and checked everyone of them.

Now the Commissioner is only a human being, he's just like the rest of us and I don't claim for him and I don't claim for myself any perfect knowledge or complete accuracy of judgment or decision. All men's actions are open to question on that basis. But here we have a man who is widely regarded as being fair, thorough and competent with no axe to grind, and he looks at everyone of the charges that have been made against Hydro about inefficiency, bad management and all the rest. He doesn't listen just to the evidence submitted by the Hydro people; why should he? He looked into it thoroughly himself and where he felt that he required outside expert opinion he got it. But he didn't get the outside opinion of the Leader of the Liberal Party and his friend because they'd gone home. They felt they'd been rained out at that particular ball game. So they had because they couldn't make their charges stick.

What happens now? Now they come to us having failed to make their charges stick in any proper form either before the legislative committee which they dismiss as being pert, political and biased, so to meet that situation we have the Royal Commission investigation instead. They can't make their case stick before that committee. They disclose themselves as being people of doubtful reputation when it comes to common decency in dealing with the lives and reputations of men. I speak with feeling, not because of me or my colleagues, it's our business; what do we care about the innuendo that my honourable friends may wish to indulge themselves in. Well what about Jim Rettie? When did he last turn up for work? Consult your conscience on that. What about the reputation of the engineers and the men of the Hydro whom you claim are good and adequate and able? Do you think that your insinuations and charges and innuendos mean nothing to them? - their professional reputation? And on a basis of what? On the basis of no fact of misjudgment, mismanagement, impropriety, inefficiency - anything. Of the 43 charges that my honourable friend laid not one of them can be substantiated.

Mr. Chairman, there were \$120 or 30 million worth of contracts let on Hydro for the Grand Rapids situation. Tens and scores of contracts. Are we on the unsupported allegation of my honourable friend with respect to proper business management and efficiency and the like to open them because he says somebody made too much money. Or indeed any contract that a Crown Corporation or government puts into effect. If we're going to do that then we have to have new rules for this game. If we're going to do that people have to be placed on notice to begin with about it. The Judge talks about that. He thinks it would be foolish and I'm inclined to agree with him.

My friend said what about renegotiation. He quotes other examples. Of course there should be renegotiation in military contracts and the like because generally speaking that's not a contract business with the lowest tender in the normal commercial sense. They're going into highly experimental things. What about that Ferranti contract? Does that stand on all fours with this situation here? Of course it does not. Ferranti were engaged in developing something new. The military contracts are going into unknown ground, they're not as a rule contracts based on tenders, they're contracts that are specified for one particular company. Why shouldn't they be renegotiated? They should. It's obvious. And if we were doing that kind of thing around here there might be some strength in that argument, but if you want to change the rules of the game you've got to do so before the game starts and you've got to do so with a view to all the implication of what you're recommending.

Now, Mr. Chairman, the Judge looked at my honourable friend's allegations. He couldn't find one of them that was true - not one. My honourable friend did nothing to help him.

(MR. ROBLIN cont'd)... He didn't appear himself, he withdrew his Counsel. He takes his stand on an allegation of profit - and I am certain there was a profit and it may be a very large profit. The question is what should we do about it? Are we justified now on the basis of a thoroughly proper engineering economic and technical action taken by Hydro to deal with a fortuitous situation? It might just as well have been a loss who's to know? If my honourable friend wants a system here where you're going to look into profits, you've got to look into losses. I know a number of old contractors in this province that have made losses and big ones on our cost tenders - on our bidding situation. What about them? Let's reopen them and pay them back something. Is that the kind of policy you want? You can't have it one way; it's got to be both ways. If contractors know that they're only going to be limited to a certain profit why don't we start out with a cost plus in the first place. What's the point of bidding if we're not trying to do better than that? And if we have not done much better than that, in spite of whatever objections my honourable friends may raise, the bidding system that we have followed in this province, with the lowest tender accepted except in exceptional circumstances; has been beneficial to the Province of Manitoba by scores of thousands and millions of dollars. If you want to change that, you're going to have to change a great many things. It's true that under that system some contractors make a lot of money; and it's just as true that some contractors lose a lot of money. But on the whole, looking at the whole picture all in, just as in Grand Rapids, do you think that the man who made those turbines is making any money on that contract? Would you like the same rule applied to him? Examine his books, he made a big loss. Ante up Provincial Treasurer. Why don't you follow the logic of your thought through to its conclusion? Why don't you do that.

We have saved 20 million dollars on the cost of Grand Rapids over the estimates that the engineers gave us that you say are so important and so valuable; but I want to tell you the man that made those turbines and blades isn't making any money out of us. Why don't you follow the logic of your argument and do something about him. Oh no, you think you've got some fat little angle that you can hang us here. You couldn't even hang a worm on it, let alone this government. (Interjection) The Royal Commissioner answered you, my honourable friend. He said this matter of profits is within my power to investigate, and if I see any reason to investigate it, I will. And the onus was on my honourable friend to come before that commission and prove just one, just one of his 43 charges, to have some shadow of... of accuracy or truth. The credibility of my honourable friend - who's going to believe him now? Certainly not me. The credibility of my honourable friend when he produces Mr. Buie as his prime witness, and then runs away from him as fast as his two legs will carry him, followed by the Member from St. George who is running even faster, he probably overtook my honourable friend.

If we had been guilty of that kind of conduct presented in the guise of public responsibility you'd be asking for our heads on a platter and you'd be right. I say the credibility and the good faith of the Leader of the Opposition in this province is under serious question in my mind --(Interjection)-- my honourable friend give up his job.

MR. DESJARDINS: Mr. Chairman, on a point of Order, will we be allowed to go at this time?

MR. CHAIRMAN: Committee rise. Call in the Speaker. Madam Speaker, the committee has asked me to report progress and ask leave to sit again.

IN SESSION

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I move seconded by the Honourable Member for Pembina that the report of the Committee be received.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried.

MADAM SPEAKER: I leave the Chair until 2:30.