

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Thursday, May 11, 1972

MR. CHAIRMAN: The Honourable Member for Rhineland, he has 25 minutes.

MR. FROESE: Mr. Chairman. I note that the benches are quite empty this afternoon, or this evening. I imagine they are all at the - or a lot of them looking at the hockey game tonight, but I think the business of Manitoba is more important and that we should look after the provincial business first.

When discussing the Capital Supply just before we recessed, I mentioned the Water Supply Board and mentioned - the Minister was here a minute ago, I don't know where he's gone now - but certainly I take issue with the Water Supply Board and their projections that they made in the first analysis and on which the water rates were based on in various towns and communities, and where they find themselves in trouble as a result.

I certainly would hope that at some time the Minister would find time to reply to this because we were not permitted in the time devoted to the Estimates of Agriculture to discuss this problem. I'm just wondering whether the monies that we are voting now, what the projections are going to be in these cases. Are they figuring with dwindling populations in rural centres, and so on, because this definitely is affecting the water rates in the various towns. Under the Agricultural Credit Corporation we are going to commit another \$8 million, and I mentioned before that one particular, I think it was a partnership that went bankrupt just recently, and I'm just wondering how many more there are on the drawing boards. We haven't got an up-to-date report on this. What is the basis for these loans? How many dollars an acre do you borrow, or lend? Certainly the regulations, I don't think stipulate this. Then too and I asked a question some time ago and I think the Minister did reply to me privately in connection with the Provincial Farm Credit Corporation versus the federal one, a comparison between the two, whether we were not prohibiting some farmers from applying because of the regulations under our Act limiting farmers to sources of credit, limiting them to sources of credit to a large degree, to the number of sources from where they can obtain credit, and whether this is not a deterrent in the loans that we are making under this particular program. I do not want to quarrel with this particular corporation's allocation as long as the money is properly used.

On the matter of the school financing authority, I think that we are distinguishing between the larger and the smaller schools and that we are prohibiting a number of the smaller schools from making necessary improvements that they desire. I notice that both the Ministers of lower and higher education are absent from their seats. But I feel that there is a certain amount of discrimination going on in that respect that some of the smaller schools who want to make improvements are unable to do so. That the department will not, and the officials will not go along with the various applications under this program. And while we are talking of capital supply here, capital is involved in many of these improvement programs. I think the Minister is thinking of his current estimates, but I am sure if this is involved right in the amount of money that's involved here, \$10 million, I'm sure that the amount of \$10 million will be involved in greater projects for which this money will be going but I don't think we should only consider the larger schools, that we also have to consider the smaller ones as well, and when improvements are needed that we are not going to deny them those improvements.

On the next - on the Housing Renewal Corporation, I really never subscribed to the principle of this corporation when it was set up. I feel that rather than what we are doing in subsidizing the low rental that we should make an outright grant so that people could acquire those homes rather than that the government own these houses and have a low rental. I feel the other proposition is much better and then at least at sometime or another, we would find ourselves no longer burdened with the situation, or we would no longer be required to assist. There would be terminations. With this program it will go on indefinitely and we have no assurance either that where requests are made, that people wish to purchase, that they may do so. I think one of the members of the Liberal Party asked that particular question - was it this or last session, and that's the answer that we got at the time.

The Development Corporation is a very large item like the Housing and Renewal was 55 million and the Development Corporation is another 40 million. Here again I completely disagree with what we are doing under this measure because we are giving an administrative board the power to buy into companies where we as legislators have no say whatever and this is something I totally disagree with. --(Interjection)-- Pardon?

MR. CHAIRMAN: Order please. I would respectfully request the honourable gentleman to direct his remarks to the Chair, not to other members across the floor. The Honourable Member for Rhineland.

MR. FROESE: I thank the Chairman, it's the other members that are directing questions to me all the time.

MR. CHAIRMAN: Well I would suggest you ignore them.

MR. FROESE: The Development Corporation as I pointed out naturally has the two parts to the original Act, one was Part II dealing with the setting up of a Crown corporation and financing them. Last year we were apprised in the House that there was going to be a Crown corporation set up for the purpose of a mining industry. To date I haven't heard anything about it, whether there is anything being developed or not. What is the score on this? I thought they made some big headlines at the time but now that the Member for Inkster is no longer a Minister we don't hear anything in that connection, so if money is being spent in this way and for that purpose, I certainly think that members of this House should be advised what the program is, what is happening. Certainly the revenues that we expect from mining under our revenues are very minimal and when we . . .

MR. CHAIRMAN: The Honourable First Minister on a point of order.

MR. SCHREYER: Yes my point of order, Mr. Chairman, is that the honourable member is making repeated reference to what he believes to be inability to get information with respect to a Crown corporation, namely Manitoba Mineral Resources Limited, and my point of order, Mr. Chairman, is that on Thursday next at 10 a. m. Manitoba Mineral Resources will be before the Committee on the Utilities and Resources, so I believe that's a valid point of order.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: I thank the First Minister for informing me of it. That's very good and I shall attend and try and get as much information on this as possible. But still as I pointed out the money that we are voting here for Development Corporation, we have no idea at this time what it is going to be used for and I certainly object to having an Administrative Board, a board set up and that they will now do things, whatever they like, and I have to allocate the money, and have the Manitoba taxpayer stand behind it so that if something goes wrong, that they will have to fork out. I certainly object to this very strongly.

If the experience that we have in Manitoba from revenues from mining such as Inco, and I guess there are a few others, the revenue that we receive are so minimal that --(Interjection)-- I'm dealing with the Manitoba Development Corporation which invests money left and right in so many different enterprises.

MR. CHAIRMAN: Order please.

MR. FROESE: I could go on and say some more things on this particular item because it's a large amount and we are passing 392 million worth of estimates, we have already passed - in one hour, and yet we are going to spend 90 hours on 575 million of estimates, so on the basis of that we are certainly not giving the consideration to the estimates before us that they should receive. I was absent this afternoon for awhile. I didn't know that the thing was coming up. I would have been here I'm sure, had I known this, because I would have required that we get a much greater breakdown on a number of these items, and I am sure going to read up on Hansard as to what breakdowns were given by the Minister of Finance on these.

I notice that there is further allocations made for the Economic Development Fund, most likely this money is being spent up north, as usual, and I hope that sooner or later some of the money finds its way down south as well. So I hope that the Member for Thompson will use his influence some time in caucus so that some of that money will flow south as well as just north, because it seems to me that when he was the Minister of the Crown that most of the money went north. Maybe now that he lives further south he will change his mind.

We have the other schedules, Schedule B and C as well. Schedule B does not involve nearly as much money as Schedule A. There are some monies attributed to some of the municipalities surrounding Winnipeg - Springfield I think is not too far from Winnipeg. So that they are looking more or less after their members around the city. There is nothing for the southwest. Surely our municipalities up in the southern part of the province could use much more money than they have at their disposal. As I have mentioned so often all the municipalities get is \$8.00 per capita, whereas in B.C. they get 28 so this is - I think they are getting a very poor deal in Manitoba.

Under Schedule C, Mr. Chairman, we have a much larger amount. The total amount

(MR. FROESE cont'd.) . . . there is given as \$92 million, which is a very large amount in my opinion and much of this should be under current revenue. It should not be capitalized in my opinion and as a result in my opinion this is actually part of our budget, that we are deficit budgeting as a result.

As mentioned by the Member for Lakeside, we are naming some of the smaller items but when we have such large items as 45 million for general purposes, I sure feel that there is a lot of room for itemizing. I do hope that some of this money finds itself south of Winnipeg. But --(Interjection)--

MR. CHAIRMAN: Order please.

MR. FROESE: I'm rather afraid that the predictions of the Member for Lakeside might be true to a certain extent because a lot of these amounts will not be used up by next year and so that even should the . . .

MR. CHAIRMAN: Order please. The Chair is having difficulty in hearing the Honourable Member from Rhineland. The Honourable Member for Rhineland.

MR. FROESE: . . . yes even though the provincial elections should be delayed till next year, there's going to be a lot of unused funds available in the Capital Supply and it sure will come handy to the government of the day at that time and proposing different proposals. I do hope when the time comes around that the farmer is not completely forgotten, but if he doesn't get an increase in his - or increase in the price of wheat, so that at least an acreage payment will be made.

I know that we have amounts named here for community colleges, Frontier School Division, universities. What about a technical school for the south? The Minister again is not here, so I can't speak to him directly. South around Altona, Winkler, Morden, that area, which is the most densely rural populated area in Manitoba. Actually if there should be another school, they should have had a school before this but this government never saw fit to place them in the right locations and as a result we still haven't got them to date. I feel that there is a lot of room for improvement in most of these programs and certainly I would appeal to the First Minister, and the Minister of Finance, the Ministers aren't here, that they give consideration to providing some of these institutions in the Altona, Winkler, Morden area, because I think that's the area that holds a lot of promise in many respects. We have the population, we have the initiative, we have industry springing up in that location, and they are doing well. It's the government that bankrupt some of these and has caused some trouble. They bought out the Morden Cannery when it was - they should have at least kept the Winkler Cannery going so that the water rates in the Winkler wouldn't be increased, as a result they have increased. They took out some of the machinery and placed it in Morden. Certainly this doesn't augur too well.

MR. CHAIRMAN: Order, please. The Honourable Member has five minutes.

MR. FROESE: Thank you, Mr. Chairman. We have some very energetic people in our area and too often I think it is implied that we need the educated people to bring about progress in the community. This is not always the case because I can tell the Honourable Ministers that we had some people move in from Mexico and they set up an industry, which is second to none, and the type of work that they are putting out, and the way they have improved, and they've got a factory going that is wonderful to see and I hope that the Ministers come down there some day and look at the plant. This is part of the trailer factory. They are making the undercarriages. They are making trough boxes for potato, hauling potatoes with the conveyors inside, and they are doing all kinds of work in there, and they are doing excellent work and turning out - and the workmanship is first-class. And I only hope that we had more of these people.

I brought to the attention of the Minister some time ago the difficulties that we have with people migrating to Canada and especially to Manitoba that they more or less have to come in in a deceitful way. First as visitors and then after they are here they try, have to try to get landing status, so this is the situation right now and I do hope that representation is made to Ottawa so that this can be changed. I certainly would assist in any possible way that could be brought about to do this.

But when we are injecting all this money into the economy in various parts of the province I feel that we are leaving out . . .

MR. CHAIRMAN: Order. Will the honourable member please remove that arrow?
The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I feel that we are leaving out southern Manitoba on too

(MR. FROESE cont'd.) . . . many occasions. I noticed the plant at Altona is being doubled in its crushing capability. We are doing whatever we can, but certainly if we had only a small portion of the money that they are investing up north, and in other places, spent in our locality we could do wonders, and I certainly do hope that if all this money is going to be spent that they look to southern Manitoba and invest more money in southern Manitoba as well.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, at about 5:00 o'clock there was a question, a procedural question as to whether or not it was in order to carry on debate on Capital Supply. The indication we had was that it was not an order but since I stood alone here I assumed the responsibility of agreeing on behalf of this side that we would not --(Interjection)-- not true. There were several with me who apparently permitted me to agree that we should relax the interpretation of the rules to the extent where we could have some comments on the total Capital Supply.

I enjoyed very much the contribution by the Member for Lakeside. I should have realized that we had opened up the way for the Member for Rhineland to repeat the speech that he made on the Throne Speech, on the Budget Speech, and time and again, and will certainly make time after time as we go through the Estimates of various departments, so I won't spend much time on what he had to say. He did say that there's a lot of room for improvement and I think that's true, not only in government program but in his contributions, and that of all of us around the room, but I hope we can deal this - we can proceed with the work at hand and come to, hopefully, a completion of the Capital Supply today.

Nevertheless I did indicate when I agreed that the Honourable Member for Lakeside should have the opportunity to speak that probably I would want to respond, and that means of course others also have the right, and I certainly do want to respond. About three-quarters of the speech of the Member for Lakeside was a responsible, serious, and very - well disturbing speech in that he revealed how he and his group in caucus have reflected on the record of the governments of which they had formed part and found it sadly wanting in one particular area. That kind of . . . culpa speech is one that is not easily made. I have to congratulate him for having made it, of course then he said he was going to depart from the nice style that we had, or the rapport that we had established and say a few unkind things. So maybe I should spend a quarter of what I have to say kind of responding to the fact that one of the comments made by the Member for Lakeside when he was talking about the Manitoba Development Fund was "do not do as we did", but then he continued his speech and started to describe the way governments can use funds which he calls slush funds, election funds, and I was reminded as I was listening to him of having been told early in my Legislative experience that the Highways Minister is always in the best position to be the one who attracts the support of all people in the province and that the people on the Opposition side are the ones who are always easiest on him because they wait to see and hope that the Highways Minister will be kind to their particular areas. Of course we, from the urban area know that that doesn't apply to the city, or to urban areas, but apparently there has been a tradition of how it was considered to be in the rural areas and the Honourable Member for Lakeside who has had experience in several portfolios may well be the one who was speaking with so much sensitivity about the use and nature of use of slush funds, election funds. I have to say that I would like very much not to do as quote "we did" and hope that the accusations he made are as unfounded as I believe they are.

I think there's enough said about that Mr. Chairman, I think it's enough if I reject the kinds of accusations he made by turning them back to him and saying, if that's the way you operated, that is no indication for us to follow your lead. If that is the way in which you think one should operate, then that is not one way that we would want to do.

But I do want to talk a little more seriously about the Manitoba Development Corporation. The Member is what - according to his own calculation, he's about ten years late in saying that the Manitoba Development Fund is not a good idea. He's about \$190 million late in making that statement. Nevertheless, it's interesting that he said, because Mr. Chairman, I think we've always had a difference of opinion, a philosophic approach as to the way in which the Development Fund should be used. That doesn't mean - I remember making criticisms of the Fund, saying that their statement was too good; that I felt that if they were a bank of last resort then they ought to be losing some money and instead year by year they were showing good returns, no losses. It was much later that I discovered, not until I was in government, and not until we started to unfold the veil before us that existed between us, that the reason the statement looked good is that the Fund was busily refinancing bad loans; that when a loan would go a little sour,

(MR. CHERNIACK cont'd.) they'd pour a little more money into it, or they would extend the loan, or do something that would reconstitute the loan so it continued to look good, and this we've learnt to discover, and this of course is not a healthy way of handling it.

Nevertheless, and even before the Member for Lakeside spoke, and I'm not sure if he was in this Chamber at the time that I discussed the Fund with the Honourable Member for Brandon West, that we did talk about the thrust of the Fund and our attitude to it, and I did say that we wanted to stress the assistance of small business loans. And, Mr. Chairman, very often those are high-risk loans and I would not be at all apologetic if we found that there were losses in some of those. I would feel that especially in the rural areas where it's just about impossible to get any sort of financing to get something going, that you do take risks, but you do help people who are innovative, who do have the energy to try to start something, and you do know that you are going to take a certain percentage of losses. I wouldn't feel badly about it. Of course I think we all feel badly about some of the disastrous loans that were made in the past, no question about it, and although accusations fly back and forth the fact is in the end the people of Manitoba are suffering, or will suffer, from some bad deals made, as I humbly suggest, made in a desire to come up with grandiloquent proposals.

The thought of a \$100 million to develop a forestry industry, it's exciting. It's the kind of thing you want to talk about, and certainly you do. --(Interjection)-- Pardon? The Conservative Government put that there - the Member for Arthur asks and the answer is, the Conservative Government, but I'll bet he did know a thing about it because I'll bet when he sat in this side of the Chamber that he applauded the speeches made by his leader describing this tremendous investment of \$100 million, as indeed he applauded the billion dollars that was foreseen by the then Prime Minister to be spent in harnessing the power of the North. And I remember the speeches very well, a billion dollars would be spent in order to, in order to develop and harness the waters of the North in order to set up that great reservoir in Lake Winnipeg, in order to contain the waters within Lake Winnipeg and use them for further power. These were grand speeches and the concept was exciting, and it was talked about. The uranium enrichment thought was a great plan but now I know if I go to uranium enrichment I will not be able to find it on any one of the three schedules, so I won't discuss that.

But I do want to say that we are looking very closely at the thrust of the Development Corporation. I did say that we want very much to solidify our position in the various businesses that are being supported, or are becoming a burden upon the Development Corporation. I don't for a moment back away from the fact that it was found to be worthwhile in certain areas to go into the equity position. I think that if there is --(Interjection)-- - I think that if there is high risk involved then the benefits to be derived from a success in high risk should come to the people who take the risk, and if the Development Fund on behalf of Manitobans invests substantial sums of money on a risky or questionable proposition, then if they're going to lose money we might as well make sure that if they make money, we'll be in on the deal.

So I really was impressed with the statements made by the Member for Lakeside, I have never heard them so clearly expressed on behalf of the Conservative Party as I did today and that's why I took them extremely seriously, and I am sure that members of the House who are not present will want to read what he said because he said it obviously very sincerely and obviously with a feeling of regret that he had to make the statements he did, and for that I certainly give him credit, as I remember he gave us credit for having the guts to go ahead with Unicity, and I won't speak any more about that. I've not yet quite forgiven him for bringing in my wedding as part of a campaign speech that he found it advisable to make, and for which he has never yet apologized to me, but at this stage I don't think that would mean very much either. So Mr. --(Interjection)-- he apologized to my best man I am told --(Interjection)-- who I suppose is the best man.

So Mr. Chairman, I don't know whether I've provoked anyone else to speak, or whether we ought to proceed with the business of the House, but at this stage I have concluded my comments.

Mr. Chairman, assuming we have completed Capital Supply. Now it's a question of judgment of the House whether we ought to rise and report and proceed through the balance of Capital Supply, or I could fill in, I suppose, ten minutes on my department. I get indication across the way that there's no need for that.

MR. JORGENSEN: Well, Mr. Chairman, I think I would prefer, at least we in the Official Opposition would prefer that the Minister completes all sections of the dealings with Capital

(MR. JORGENSEN cont'd.) Supply. If he would undertake to do that, I think it would meet with the approval of this side of the House.

MR. CHERNIACK: Mr. Chairman, that would only work of course if I get leave through all the stages, but possibly I will.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Yes, what is involved. Are you bringing in a bill?

MR. CHERNIACK: The procedure is the regular stages and might I just run through them, Mr. Chairman? The Committee would rise and report. You would report to the Speaker I would then, after the Resolution is presented and accepted, then we would move into Ways and Means and go out of Ways and Means and the Resolution would be reported to Mr. Speaker, at which I could bring in first reading of the bill. The bill would be distributed, then I would ask, I would move second reading of the bill by leave, and if that passes, then I could move third reading of the bill by leave.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I am willing to go as far as having the bill introduced on second reading but I wouldn't want to go on any further because I'd like to scan over what the Minister said this afternoon on some of the sections. I wasn't present.

MR. CHERNIACK: That's what I thought. All right, Mr. Chairman, we'll go as far as we can go under the Rules of the House and we'll finish it tomorrow, if necessary. I therefore move Committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has adopted certain resolutions, directed me to report the same and ask leave to sit again.

IN SESSION

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

MR. JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Point Douglas the report of the Committee be received.

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

MR. SPEAKER: The Honourable Minister of Finance.

GOVERNMENT BILLS - SECOND READING

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General that the resolutions reported to the Committee of Supply be now read a second time and concurred in.

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

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$292,376,000 for Capital Expenditures, Schedule "A".

Resolved there be granted to Her Majesty a sum not exceeding \$8,721,600 for Capital Expenditures, Schedule "B".

Resolved there be granted to Her Majesty a sum not exceeding \$92,368,500 for Capital Expenditures, Schedule "C".

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I move, seconded by the Honourable Minister of Agriculture that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Ways and Means with the Honourable Member for Logan in the Chair.

COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Resolved that towards making good certain sums of money for various capital purposes the sum of \$393,466,100 be granted out of the Consolidated Fund.

MR. CHAIRMAN put the question.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I rise at this particular point to take issue with the major amount of money that is being passed, namely the \$150 million that is being asked for by the

(MR. ENNS cont'd.) government for Capital Expenditure for the use of Manitoba Hydro and the development of Manitoba Hydro-Electric power in this province.

Mr. Chairman, it's not my intention to take up too much of this Committee's time but simply to point out that heretofore and certainly during the tenure of the present Minister of Finance's time in this House, during the tenure of any member of the government's time in this House, they have had the privilege, Sir, to examine when requests such as this were put forward before them as opposition members - and they were put forward in roughly speaking the same amounts of money - \$100 million, \$150 million or 90 millions of dollars - that they had the opportunity as the result of full examination at the Public Utilities Committee that we called at that particular time not only to examine the statement of the then Chairman of Manitoba Hydro but of his supporting staff. All of us recall the late Chairman of Manitoba Hydro, the well-remembered Mr. Stephens; all of us remember how at that time under those conditions, under that kind of open government that we had at that time as opposed to the present government - and that seems to be heresy in itself - how expert members of Hydro, technical expertise members of Hydro were made available to the Committee for cross-examination, for questioning and for a full explanation of what was to be done with the development process of Hydro in our province.

Mr. Chairman, at that time not only were members of Manitoba Hydro, exclusive of the Chairman, allowed to testify, but hired consulting engineers - Underwood and McLennan, others, were called upon quite frequently to the witness stand to substantiate or make a contribution to the very important question of how Hydro was to be developed in this province. Mr. Chairman in the last three years, two and a half years, indeed since the advent of this open government taking office, the function of the committee that I refer to, the Public Utilities Committee, we have been subjected to the interpretation of what was in fact happening only through one man, and that is the Chairman of Manitoba Hydro, Mr. Cass-Beggs. On repeated attempts we have tried to have people who are directly responsible for engineering decisions, for management decisions, to assist the Chairman, to bring out further facts and we have been denied that process.

Mr. Chairman, I object at this particular time that we are now passing 150 millions of dollars for the use of Manitoba Hydro at a time, at a time when we've seen a senior director of Manitoba Hydro on a matter of principle having to resign, having to resign. Why, Mr. Chairman? Because he was not allowed to speak his word. He was not allowed as a Chairman of Manitoba Hydro to speak at a meeting of Manitoba Hydro.

That is the late D. L. Campbell. --(Interjection)-- Yes, it is relative. We are passing \$150 million of Manitoba Hydro funds right now. And, Mr. Chairman, nobody, nobody really has yet decided why Mr. D. L. Campbell, why the former Premier, why the former leader of the Liberal Party resigned from that position. Why he resigned from a position that he held dearer, I would suspect than any position he held in public life. Because, Mr. Chairman, if there is one thing that Mr. D. L. Campbell was dedicated to, it was the development of Manitoba Hydro. He after all was the man that brought in Plan C or whatever it was, I can remember that only as a high-schooler. He was the man that created the Power Commission. He was the man that brought - Mr. Chairman, the late D. L. Campbell, Premier of this province has been accused as being a reactionary from way back, as being so far right of the Conservative Party of Duff Roblin that didn't count. But, Mr. Chairman, if there's one thing that should be recorded in this House is that certainly from a social point of view, a point of social reform, one thing Mr. D. L. Campbell did was bring about electrification and all the benefits that had to bear in this province, and he did at a time that this province could, you know, really was not, you know, funded that well. It was as imaginative a program, as progressive a program as one could imagine and he brought it. That man was forced to resign, that man was forced to resign from the Board of Directors of Manitoba Hydro - why? - why? - I'll tell you why and the records will bear it out. I'll tell you why and the records will bear it out, because it took him two hours at a Hydro Board meeting to persuade members of the Board that he should have an occasion to speak, that he should have an occasion to speak.

Mr. Chairman, subsequent to that Mr. Kris Kristjanson who served Hydro well in all respects; indeed if it weren't for the political alienation of the present government that sought to hire former NDP and CCF supporters, he well might be deserving of being the chairman now. He left and resigned a well paying job on a matter of principle. And the matter of principle is, Mr. Chairman, is that unlike - and I look directly at the Member of Inkster right at this

(MR. ENNS cont'd) particular moment -- because unlike unlike the time that the Member of Inkster had the occasion to question every damn engineer that I had in Hydro, to question every man that I had in the Department of Mines and Natural Resources about the possible ecological damages resulting in the proposed flooding of South Indian Lake. What are the answers that we get now? Cass-Beggs. The silver fox, the silver tongue, the NDP hack of this government, and they're spending a 150 million of our dollars and we have nobody to ask, nobody to question other than that particular person.

That person, Mr. Speaker, that a former Premier of this country saw fit to fire because of incompetence, because of political nonsense that was going on. --(Interjection)-- Right. He finally got fired as he does. Now I'll tell you frank - now you tell me, yes. --(Interjection) -- Mr. Chairman, the Member for Inkster can get fired as the member that I referred to, Mr. Thatcher got fired, the late Mr. Thatcher. And I can get fired the same way. How does Mr. Cass-Beggs get fired? He's got a no-cut contract from these boys. No-cut football contract from these boys. --(Interjection)-- Just protecting their skirts. Just protecting their skirts. And who else's skirts is he protecting? English Electric? What are the interests of Mr. Cass-Beggs and English Electric? --(Interjection)-- Let's put it on the line. --(Interjection)-- Well we'll put it on the line. --(Interjection)-- Well, Mr. Chairman, the Honourable Member from Thompson, the Honourable Member from Thompson keeps talking about Rex Grose, you know. The difference of course is, the difference about Rex Grose is that that question is still a matter before the courts. We borrowed certain moneys through a consortium which we may well be sorry for having borrowed, but you are giving it to him by legislation and that's the difference, that's the difference. And the courts will decide whether Rex Grose was wrong. Not you and I. A court will decide and I hope they do, I hope they do.

Mr. Chairman, no, Mr. Chairman, the Honourable House Leader has reminded me that I should not exercise myself unduly. I just want to remind the honourable members opposite, I just want to remind them opposite about how the late Mr. Stephens produced, not only himself as Chairman of Hydro, but exposed any member - he was not afraid at that time to have the Mr. Kristjansons or the Mr. Batemans or the Mr. Fallis' or the consulting engineers to stand up and give testimony and answer questions and it was particularly the member who's no longer with us, Senator Molgat, who asked many of the questions as to other questions, but the point that I am trying to make, Mr. Chairman, is that at the time a previous government asked for the expenditure or the appropriation for massive amounts of Capital Expenditure - \$100 million, give or take, you know, whatever it was in those days - that at that time, Mr. Chairman, the government of that day afforded members of the opposition every opportunity to question not only the chairman, not only the appointed chairman of that particular government - and let me remind you that the previous government never did appoint many of the men that we had in executive offices in those ways. But it was afforded to the opposition of that day to question not only the chairman of the corporation but the individual members that were responsible in their executive capacity for certain aspects of the development of Hydro. Also they were afforded the opportunity to question outside consulting engineers, consulting engineers, consulting engineers you were accorded to ask those questions.

Mr. Chairman, what have we today? What have we today? What have we today, whether it's in the Economic Committee of Dr. Briant comes before us, we don't have audited statements of the firms that we have equity in. Mr. Chairman, we don't have the collective wisdom of the massive amounts of consulting engineers that went into deciding whether or not Lake Winnipeg regulations is the right regulation or whether Southern Indian Lake diversion is the proper diversion or whether Lake Opachuanau is the proper diversion. We can't ask those questions. We rely on your political appointee to tell us the word, and he tells us the word in smooth and in soft language.

But, Mr. Chairman, I take this particular occasion to point out the difference, particularly to the Member for Inkster who had the occasion to question not just Mr. Fallis but half a dozen senior executives of Hydro. Not just Hydro but he had occasion from my department to question my Deputy Minister at that time and directors of the department at that time. In other words, Mr. Chairman, this whole bloody myth that this government likes to talk about of who is open government and who is not represented in a way and the manner in which they're handling the requests for massive amounts of money - in the millions - in the Hydro question, destroys and should destroy to any reasonably objective person the myth that they speak about in terms of open government.

(MR. ENNS cont'd)

Mr. Speaker, the tragedy is, the tragedy is and I only raise it because I don't want to be out of order, Mr. Chairman, but the Minister of Finance raised the question of CFI with respect of the MDC involvement in CFI. Mr. Chairman, if there was a mistake made with respect to the loans and the moneys advanced through the Manitoba Development Fund - the Manitoba Development Corporation to CFI, that mistake was made with the best of intentions, if it indeed was a mistake, and I bear out the point as the Order for Return submitted by the Member for Charleswood will bear out, that whereas the previous administration gave out some 10 millions of dollars, this administration paid out the \$100 million. This administration paid out the \$80 million plus the 20 after receivership. --(Interjection)-- Well, Mr. Chairman -- yes, who signed the contract? In the contract - let me for all times make that very clear - if there was \$1.00 that was not being spent in a proper way the contract was null and void. And these gentlemen here - it was the First Minister, and I'm pointing to the seat of the First Minister - that a short month, a short month after taking office and after having met Dr. Reiser and Dr. Kasser announced to the House and to the people of Manitoba, and much more important, to the creditors, to the creditors who had faith in the project, said that we have renegotiated agreements, that now everything is well and now we are prepared to put in \$100 million in that project, and that's what the New Democratic Party did. Because, Mr. Chairman, if you had, you gutless guys on that side if you had half the guts that the people of Saskatchewan had, like Mr. Blakeney had - then walk out on the agreement. Mr. Blakeney walked out of a \$6 million agreement. I think he was wrong but he walked out of it. But you can't have it both ways --(Interjection)-- you can't have it both ways, my friend. You can't have it both ways. Either you walk out of it, either you walk out of it at 10 million bucks or you decide to put another 100 million bucks in it. Don't give it to me both ways. Don't give it to me both ways.

MR. CHAIRMAN: Order please.

MR. ENNS: I do want to respect your . . .

MR. CHAIRMAN: Order.

MR. ENNS: Mr. Chairman, just let us understand, we're speaking about massive capital amounts and this government, this government after having assessed the situation, after having looked at the situation, they decided that it was prudent and it was good for the people of Manitoba to put in an extra \$100 million into CFI -- after we had put in \$10 million. That was their decision. And, Mr. Chairman, I don't want to read political significance into the fact that the CFI hearings have been suspended until after the Wolseley by-election. I really don't want to do that, but perhaps, but perhaps . . .

MR. CHAIRMAN: Point of order. The Honourable Member for Inkster.

MR. SIDNEY GREEN, Q. C. (Inkster): . . . the honourable member reflecting on the former Chief Justice of the Province of Manitoba and the Professor Donnelly and the --(Interjection)-- he said that the hearings have been -- he doesn't want, Mr. Speaker, he doesn't want to make any innuendo about the hearings being postponed until after the by-election. If he doesn't want to, Mr. Speaker, why does he do it? I would suggest, Mr. Speaker, that he make it perfectly clear that he is not reflecting on the former Chief Justice of the Province of Manitoba or the other members of the Commission who are in control of the proceedings of the Commission.

MR. ENNS: Mr. Chairman, the Member from Inkster raises a very valid point . . .

MR. CHAIRMAN: Order, please. I would suggest to the Honourable Member for Lakeside that he reflect on the statement that he just made and perhaps he . . .

MR. JORGENSEN: Mr. Chairman, on that point of order raised by the Honourable Member for Inkster. If the Member for Lakeside had made a direct reflection you would have had cause to interfere. There was no such direct interruption made, there was no direct accusation made by the Member for Lakeside, and until such a statement is made there is no cause for any point of order to be raised, and the Honourable Member for Inkster should at least wait until such an accusation has been made. No such accusation was made during the course of the remarks made by the Honourable Member for Lakeside.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I rather envy the Honourable Member for Morris who seems now to have rivalled anything that I could have ever done in any courtroom on any legal basis. He was very studiously using the word no direct, no direct reference and no direct

(MR. GREEN cont'd) reflection on these people. Mr. Chairman, I suggest that a reflection made indirectly can be more damaging than a reflection made directly and I suggest that the Honourable Member for Lakeside knew exactly what he was doing, regrets what he is doing and wants to say so.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I believe what the Member for Inkster just said, that an indirect reflection, an innuendo more often is more damaging or more you know, to the point than the direct one which could be refuted on a point of technicality, something like that.

Mr. Chairman, to that extent I certainly wish to withdraw that reflection . . . I say, Mr. Chairman, and it's not, this is not conditioning it, I want to make this very clear, this is not conditioning it. I say, Mr. Chairman, that we certainly on the Opposition side -- and I want to divorce this completely from what I said before -- but we look forward, we look forward to it, and the fact that the hearings have been suspended have nothing to do with this -- but we do look forward as the members of the Opposition, for the Premier of this Province, the First Minister of this Province to get on the stand in front of the Commission and explain how and why he spent \$100 million into CFI, after he said it was a good deal, and to that point, we look forward to that. To that point we look forward to that, Mr. Chairman.

MR. CHAIRMAN: Order please. The hour being 9:00 o'clock . . .

MR. PAULLEY: Mr. Chairman, I'm wondering whether or not it would accommodate the proceedings of the House --(Interjection)-- I beg your pardon? Well, all I was going to suggest, Mr. Chairman - I realize as House Leader at the present time that the Honourable Member for Lakeside has not quite completed his remarks or he may have been and I'm wondering whether or not that it might be conducive to the forwarding of the business of the House whether unanimous consent might be accorded to go beyond the normal House rules to go into Private Members' in order that the Honourable Member for Lakeside may complete, if it's not going to take too long, his contribution and forward proceed into the rigmarole to establish second readings. Is that . . .

MR. JORGENSON: Mr. Chairman, we have a rule in this House and that rule says that at 9:00 o'clock we proceed to Private Members' hour. Now there are a number of private members' bills that are due for consideration at this present time and I think it would be an encroachment on the time of those . . .

MR. CHAIRMAN: Order, please. Order. Order please.

MR. PAULLEY: Mr. Chairman, if I may, on behalf of . . . that the rules of the House can be set aside, that was my request. The Honourable the House Leader of the Conservative Party has indicated that he is not prepared, either as a House Leader of the Conservative Party or a private member, so therefore, Mr. Chairman, you have no alternative but to leave the Chair because it is Private Members' hour.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. The Committee of Ways and Means has considered a certain resolution, and directed me to report progress and asks leave to sit again.

. . . . continued on next page

IN SESSION

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

MR. JENKINS: Mr. Speakers, I beg to move, seconded by the Honourable Member for St. Matthews that the report of the Committee be received.

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

MR. SPEAKER: The First order of business on Private Members' Hour Thursday night is Public Bills for Private Members. Adjourned debate of the Honourable Member for Portage la Prairie. The Honourable Member for Brandon West. Bill No. 19.

MR. MCGILL: Mr. Speaker, it is rather timely that this bill should come to the top of the Order Paper at this moment when we have during the previous procedures been discussing on both sides of the House the general position of the Development Corporation and its activities in the Province of Manitoba. I feel that the Bill before us, one to amend the present Act has some proposals to offer that are certainly worthy of consideration; and I am aware too of the comments that have already been made by the Minister of Industry and Commerce in his reply to the presentation that was made by the Honourable Member for Portage la Prairie.

Mr. Speaker, the request here that is being made is not in my view an unreasonable one, and as the Minister has pointed out one that perhaps is to some extent already being fulfilled through the publication in the Manitoba Gazette of quarterly reports. This would provide that in addition to those quarterly reports, these would be made to the Legislature when it is in session and when it is not in session filed with the Clerk. But in addition to that information that is contained in the present reports it would ask for some additional disclosures as to the currency of the loan position of the Development Corporation.

Mr. Speaker, before dealing specifically with those matters, I think I would like to comment in general terms about the Development Corporation, and particularly the remarks made by the Member for Lakeside and those in reply by the Minister of Finance. I think it's a good sign that some careful analysis is being given to the activities of the Development Corporation; and some positions are now being stated that were not as clearly stated a year ago or more. And as has been pointed out it's been ten years now since the Development Corporation which was first under the title of the Manitoba Development Fund; it has been ten years since this activity began; ten years in which the province through this arm of government has been attempting to stimulate business growth in the province - to stimulate industry and to by the judicious use of government funds by acting as a lender of last resort encourage the development of industrial enterprises in our province. And I think after ten years it's certainly time to reassess the position to see whether we have really succeeded in this intent. I have my own reservations and my own concerns and I suppose everyone opposite has as well. I am particularly concerned at this time because there is a new direction developing very rapidly and that is in the direction of the province acquiring equity interests in businesses. This is something new to the Corporation, and it is a direction that I think somewhat changes the whole intent and thrust of the Fund. Certainly a direction away from its original concept. My concern now is that when loans are made and they become somewhat difficult for the Corporation to which the assistance has been granted to meet its commitments, there is a temptation now on the part of the Fund to assist them in a further way by acquiring an equity interest.

Now it seems to me that this direction presents a very real danger that we are postponing perhaps a day of reckoning by this device. And perhaps it's not because the Province of Manitoba wishes particularly to get into this type of business, but because the Province feels that their participation has reached the stage where this presents an alternative that maybe is a more desirable one than creating a situation which might cause this Corporation to cease its functions. So it isn't in a sense a watering down of a position in the development of this Corporation where a decision has to be made; whether they're going to be profitable or not; whether they're going to be able to succeed even with a loan from the lender of last resort. But the lender of last resort now has two alternatives. The MDC can say to the company, we're sorry if you can't meet your commitments in respect to the repayment of these loans then we must ask that you terminate your operation, liquidate your assets and pay what you can in relation to your indebtedness. The alternative now is for the Corporation to say well maybe if they had another year or two they could make it on their own, so in order to assist them we will buy some common stock and take an equity in this. Now, this may work on certain occasions but in perhaps more occasions it will merely postpone the day of reckoning, and when the day of

(MR. MCGILL cont'd)reckoning comes the losses conceivably would be greater than they would have been. Mr. Speaker, this is the trend, this is the direction we're going - and I seriously question whether this is a good one, this is the direction we should be going.

The Minister of Industry and Commerce in his remarks on Tuesday evening in connection with this Bill said that he questioned whether it was a good thing to publish the statement with respect to loans or borrowings that were in default. And his reservations here were first of all that the word "default" was not properly defined, that it left an area of doubt as to the actual meaning. Well, Mr. Speaker, I think the word "default" in respect to a loan is pretty clearly understood by most lending institutions. I know that the banks that I have had any dealings with seem to recognize instantly when there is any default on my part, and I think it would be vitally important to the efficient operation of any loaning institution that they clearly understand and be able to determine immediately that there is in fact a default on a loan.

Now, I'm sorry the Minister is not here tonight because I wanted to develop this point about the publishing of figures in respect to loans that are in arrears, and I'm rather -- (Interjection)-- Yes. I'm of the opinion that the Minister's already on record as rather favoring the disclosure of this information, and I refer to the Hansard of Friday, March 17th when I asked the question of the Minister: Could he tell the House --(Interjection)-- Yes. Could he tell the House what proportion of the total loans now on the books of the Corporation were in arrears as of March 1st of this year? And the Minister replied: "This is another one of these detailed questions. It's very difficult considering other matters that Ministers have to concern themselves with. I would say however that because of the open policy of this government, the fact we are the first government in Manitoba to make the loan detail available both in annual and quarterly reports and in reports at the time of loans made in many cases, that we are quite happy to accommodate members of the House in all kinds of questions, and if we can accommodate you we certainly will." Well I would say from that, Mr. Speaker, that the Minister was anxious to co-operate in respect to loans that were in arrears. However he seems to take --(Interjection)-- he seems to take a somewhat different position in respect to this Bill 19, and his position seems to be that it might be dangerous to provide information on loans which were in arrears, because the public might then get the impression that such businesses were in danger and that it might react to their detriment.

Now there may be some truth in what the Minister says, Mr. Speaker, and here again I think we have one of the real areas of difficulty for a public corporation getting into this business of lending money to industry. Isn't it a bit of a contradiction when we have a public corporation taking equity interests in businesses and making loans to businesses, and yet they feel that to disclose all of the details of these would be not in the public interest. Now how do you reconcile the fact that you're asking the public to become shareholders in effect in businesses in the Province of Manitoba and yet you're telling them, well we really can't trust you to have full knowledge of the activities of these businesses because they are receiving money. So maybe this is one of the real weaknesses of governments being in the business of lending money. And I put that to you in a very serious way, Mr. Speaker, that maybe we have here - when we demand information you are reticent about the information, you are protecting an interest which you feel is a reasonable one; we are demanding information because we feel that as representatives of the people who own part of those businesses, they should know. How do you reconcile those two situations? So I think that is part of the real problem that we have to face in our determination; and particularly your determination, because you're in government and you have to determine whether the Manitoba Development Corporation is going to proceed in the way it's going right now; if these loans are going to build and build and there is no ceiling on the amount of money that is being used; that the revolving nature of these loans is not coming around as quickly as we thought it would be; that there's a tendency for loans to slow down, the money doesn't return and constantly more money is being provided. -- (Interjection) - Mr. Speaker, I am unable to completely follow the honourable member opposite but I'm sure that in due course when I've read Hansard if his remarks are picked up I will be able to understand them.

But, Mr. Speaker, I have made those points which I feel are valid ones in respect to this Bill. I feel it is a bill for additional disclosure. In that sense I think as a representative in opposition, for people who have equity positions they should have this information, and if copies of reports are requested then they should be made available.

There is another part of the Bill, Mr. Speaker, which asks for: "upon the request of

(MR. MCGILL cont'd) the Chairman of the Standing Committee or of any two members". Well I suggest that perhaps there is an area here that could be improved upon. I think the numbers suggested here perhaps are too few, but this is a minor point and might be very well improved by some amendment if this were the view of any of the other members present.

But, Mr. Speaker, in conclusion I would say that Bill 19 represents a sincere attempt to get more information on the activities of the Manitoba Development Corporation; particularly in respect to its loan position and in respect to those loans which may be in arrears or, as the Honourable Member for Portage puts it, in default. So I would say that I have no hesitation in supporting the intent of this Bill.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, the debate in the last hour has certainly confirmed what has been a view of mine for many many years, and that is that all of the suggestions - that the differences between the political parties in the House can be debated on ideological grounds and that the ideological grounds are the ones that are important; and that when my Honourable friend, the Member for Morris talks about the socialist people over there; and the Member for Souris-Killarney and other people and particularly the Leader of the Opposition, when they refer to those things as being the problems that are associated with this government - that really that their arguments are irrelevant and in no way meaningful. And how has that been proved, Mr. Speaker. It's been proved by two speeches that have been made tonight, both of which relate essentially to open government; and I'm going to deal with this Bill on the basis of it being a suggestion that government is not now open enough. The first speech was made by the Member for Lakeside and the next speech is now made for the Member for Brandon West.

Now, Mr. Speaker, I'm not a veteran in this House. I've only been here a little over five years. The Member for Brandon West is less of a veteran, he's only been here for two and a half to three years. Would it surprise the Member for Brandon West if I say to you that the so-called Socialists, the people who my honourable friends are so happy to identify as being the evil in our society, on that side of the House not more than three years ago said two things and two things essentially relating to the problem that has come up tonight. We said, No. 1 that it is incomprehensible that there be a public fund where the public are asked to give millions and hundreds of millions of dollars, and that fund is then put into the charge of a group of people who are able to advance that money as they see fit and that the public is not permitted to know as to how that money was advanced. That was the argument that was presented by the so-called socialists when they were on the other side of the House. Well join the club, that's the argument that is now presented by the Member for Brandon West, the heart of Tory conservatism in the Province of Manitoba. Mr. Speaker, three years ago, the argument on that side of the House by the so-called socialists was that the opposition was not being given information on a program which they were asked to legislate. The former Minister of Mines, the Member for Lakeside had come into the House and he said that he wanted us to pass a bill whereby we would give a licence, the Legislature would give a licence which would permit the flooding of South Indian Lake by some 30 feet.

A MEMBER: Thirty-five.

MR. GREEN: And we said - some 30 feet - and we said - well you know, the Honourable Member for Sturgeon Creek thinks it would be all right if it was 28. --(Interjection)-- Well, Mr. Speaker - that is what he is suggesting. I'm suggesting, Mr. Speaker, that the Member for Lakeside, the former Minister of Mines, three times I think removed - as Ministers happen to have a high mortality rate. --(Interjection)-- That's right. The fact is that he wanted us to join him in being administrators of the Province of Manitoba but he wouldn't give us the information which administrators need and that's what we complained about. And tonight coming out of the Tory Party who claims what we were saying on the other side of the House is socialist; coming out of that organization now is a suggestion that we are not giving sufficient information for them to be able to deal with this project.

Now, Mr. Speaker, since we are on the Development Corporation Bill, I'm not able to properly answer except by analogy most of the references that were made by the former Member for Lakeside and I kind of --(Interjection)-- Every time we reach --(Interjection)-- every time --(Interjection)-- yeah, the member -- well if he refers to the former Premier as the late Doug Campbell, I can refer to him as the former Member for Lakeside. Mr. Speaker, the fact is that I always have a kind of a soft spot in my heart when the Member for

(MR. GREEN cont'd) Lakeside gets very agitated about the Hydro project, because everybody in Manitoba knows that the Member for Lakeside was in charge of the Hydro project at that time; that that Hydro project fell down on top of him like a ton of bricks; that it affected him very badly; that he has always had a gnawing suspicion that he may be the cause of the fact that the Conservative administration lost and is now sitting on that side of the House -- and with that burden to bear, there's no help but feeling sorry for the Member for Lakeside when he gets up and starts pounding about the Hydro project. And what they have done here tonight, and what the Member for Lakeside has tried to do is to take the two most colossal mistakes that that administration had made - and which I believe resulted in the defeat of that administration, although the Development Corporation far more than Lake Winnipeg regulation or the Churchill diversion - to take those two mistakes and say: Look we are living under the yoke of these two mistakes, in some way or other we have got to get rid of them. So let us now take this CFI project and say that it's their mistake; the only way we can undo ourselves of this mistake is to say that it's their mistake.

Now, Mr. Speaker, I want the Member for Brandon West --(Interjection)-- I want the Member for Brandon West to contemplate the Premier of the province sitting in that Chair being asked this question: Mr. Premier, \$100 million is being committed to a particular loan for a particular project. We would like to know what the interest rate is. The Premier of the province sitting there said: I'm sorry, I can't tell you what the interest rate is. And then another question is asked by a member of that side of the House - let's say he's sitting where the Member for Souris-Killarney is sitting - that that member gets up and says: Do you mean to say that the people of Manitoba cannot get any information on how the government, the Manitoba Development Corporation which has got \$100 million of public money, is spending that money; and the Premier of the province would answer: We are prohibited by our legislation from asking those people to tell us what they are doing with that \$100 million. What would you say about a Premier of the Province of Manitoba who said that?

MR. MCGILL: Mr. Speaker, I suggest that the question is hypothetical because clearly the Premier is not sitting there.

MR. GREEN: Mr. Speaker, I thought the honourable member wanted to ask a question. I am referring to this Chair over here.

Mr. Speaker, the question is not hypothetical. In all its principles it is right. I admit that I have paraphrased; I admit that my memory is not 100 percent correct. The member over there was the Member for Transcona, now the Minister of Labour; the Premier over here was the Member for Wolseley, the former Premier of the province, the Honourable Duff Roblin.

A MEMBER: That's right.

MR. GREEN: He said - and I repeat it - and he said that he is relying on legal advice, that he is prohibited from asking Morris Neaman, John A. MacAulay, do you know the other

MEMBERS: Rod McIsaac.

MR. GREEN: Rod McIsaac, that he is by law which he passed that he -- not that he could ask them, but that he is prohibited by his legislation which, apparently 57 people gave approval to, from asking these fine gentlemen what they are doing with the \$100 million which the people of Manitoba had advanced to them. And, Mr. Speaker, he relied on that position. . .

--(Interjection)--

MR. SPEAKER: Order, please. Order, please. The Honourable Member for Lakeside.

MR. ENNS: The Honourable Member for Inkster has indicated that we people, referring to the previous government, had advanced a \$100 million. The Honourable Member for Inkster knows full well that we had not advanced a \$100 million . . . --(Interjection)--

MR. SPEAKER: Order, please. Order, please. I would like to have one member at a time debate the point of order. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I want to give my honourable friend, as open government, fullest information. When I was referring to \$100 million I was not referring to one loan. I was not referring to the CFI loan. I am referring to the fact that at that time the Development Fund, --(Interjection)-- Mr. Speaker, I don't wish to give up my time to these gentlemen. --(Interjection)-- Right.

MR. SPEAKER: The Honourable Member for Rhineland. Point of order.

MR. FROESE: The Member for Inkster in his comments mentioned that 57 members gave approval to - I certainly didn't give approval to that.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: I withdraw. I withdraw. The Member for Rhineland was the only man who now claims sanity on that issue. It had nothing to do with sanity, it was more related to another condition which I will not refer to. He was one member who did not vote for the Manitoba Development Corporation being set up because he thought we could do better if we set up a printing press and made a \$100 million and then gave it to them. But the fact is, Mr. Speaker, that --(Interjection)-- I was not referring when I was talking about the Member for Lakeside I was not referring to \$100 million being advanced to CFI. I'm referring to the fact that, Mr. Speaker, at that time the Development Fund, these five people, who the former Premier referred to as not being the three stooges -- that they had this \$100 million and he as Premier was not permitted, he was prohibited from asking them: Would you fine gentlemen, Mr. MacAulay and Mr. Neaman, if I walk in with my hat in my hand and I bow nicely, will you tell me what you are doing with the \$100 million we have advanced you? And he said, "no." Verboten. Verboten, Mr. Speaker. We are not permitted to do it. That was the policy of the Conservative administration under the Premiership of Duff Roblin. And, Mr. Speaker, the Honourable Member for Lakeside now says that that was a colossal mistake and somehow we have to make this mistake appear to be their mistake. Now that's pretty good, that's pretty good reasoning because it is a pretty bad mistake. So he says that when the Premier of Manitoba was elected, was elected, that within a month, he said: Well we've renegotiated this thing and we are in the process of proceeding with it.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker . . . with some reluctance interrupt the honourable speaker, but on a point of order, when I admitted to a mistake made by the previous administration, I want to make it very clear that it was our mistake, not your mistake.

MR. SPEAKER: Order, please. That's a matter of opinion, it's not a . . . A point of order?

MR. GREEN: I welcome your remarks. I hope that the Speaker is recording them so that I'll be able to continue.

The fact is, the fact is, Mr. Speaker, that he says that the Premier of this province, the new Premier after speaking with Messrs. Reiser and Kasser, and after looking at the contracts which committed us to advance \$92 million, Mr. Speaker, the honourable member says not one dollar has to be advanced unless it is properly spent. He's right. And under the contract Arthur D. Little was the one who said whether it was properly spent - and Mr. Speaker, Mr. Speaker, it was changed, it was changed, it was changed, and I agree. And you know, and here we start coming on field of civil servants resigning and how, how you are supposed to make sure that the old standards are not undone and that nobody gets hurt; and the honourable member says, you know, Kris Kristjanson resigned and another fellow resigned. Mr. Speaker, I wish that Rex Grose had resigned on July 15th, because the fact is that the honourable member now knows that the people were told to come to the Premier and tell him - and by the way, that 33 percent would be their equity investment in the deal - and when the Premier announced that it was renegotiated he also announced 33 percent; that a certain amount of land would be removed, and that we would fulfil; and it was announced in this House that we would only proceed on the basis of the contract as written by the previous administration. The honourable member says at that stage we should have said \$11 million has been spent, \$40 million has been committed, the project is underway; if you stop you are subject to suit for failure to advance that \$40 million -- and the honourable member says we should have proceeded, we should have stopped, we should have stopped. You know, they didn't say later on in that spring that we should have stopped - but, Mr. Speaker, I admit that we have to, we have to and we have always said, this government has said that it would never say that it doesn't accept the responsibilities for what happens with that fund. Your Leader, your desk mate said two weeks ago, said two weeks ago when we were in charge of the Fund they were completely autonomous; we had no right to ask them what to do, we had no right to question what they did and we had no responsibility for what they did. So the Leader of the Opposition is claiming to be Premier of the Province on the basis that when he gets over here he will have no responsibility for what is happening.

And, Mr. Speaker, he said the same thing with regard to the project that the honourable member is talking about. He sat with me on television - and I know the Member for Lakeside won't agree with this - he said that as far as Lake Winnipeg regulation is concerned he is prepared to accept whatever decision, whatever recommendation is made to him by Cass-Booy

(MR. GREEN cont'd) and Bob Newberry. A year ago, the Member for Lakeside spat in their faces. Four months ago the Leader of the Opposition said I will do whatever they say; if they tell me to jump into Lake Winnipeg I will gladly jump. Well I know something, Mr. Speaker, and the Member for Lakeside will agree with this, that if he was the Minister of Mines and Natural Resources in the future administration - you know, and this is futuristic indeed because it will never happen, it's like Dick Rogers. Mind you that has become a saying here. But the fact is, Mr. Speaker, in the hypothetical administration of the Member for River Heights, the Leader of the Opposition, he would not have the Member for Lakeside as his Minister of Mines and Resources if he was to tell the Member for Lakeside that you will do whatever Cass-Booy and Bob Newberry tell you to do. --(Interjection)--

MR. SPEAKER: Order.

MR. GREEN: Mr. Speaker, I know that the Member for Lakeside would not sit in such an administration and I know that the Member for Morris would not sit in an administration where the Premier of the Province said that we will be able to give to this head of the fund, because his administration didn't stand for it when James Coyne wanted to do it, and he wouldn't stand for it. But, Mr. Speaker, the fact is that Rex Grose, who was the advisor to the government, advised that this was happening and we had to accept responsibility for it. We can only say in defense of ourselves that we thought that the Fund was in capable hands. Mr. Speaker, did we have reason to think so, did we have reason to think that the Fund was in capable hands?

Well first of all, he was the Director of the Fund under the Tory administration and what they say is that everybody who worked for our administration is A-1 okay. Secondly, Mr. Speaker, he was Mr. Manitoba. Mr. Speaker, how do you say that Mr. Manitoba is not a capable person. Thirdly, Mr. Speaker, - I wish the Member for Lakeside would stay. Can we remember the scene in this House the day that the resignation of Rex Grose was announced. Do you remember the scene, Mr. Speaker? The Member for Riel got up and he made an interesting little parable and this being a hockey night -- by the way, who won, is it over? -- (Interjection)-- it's still on?

Mr. Speaker, the Member for Riel got up and I can remember the way he started to speak. He said "ladies and gentlemen", and he was shaking, Mr. Speaker, "today Gordie Howe has resigned from the Detroit Red Wings." That's what he said --(Interjection)-- no, no, I can't do better than the Member for Riel. He said that today Gordie Howe has resigned. The man who has carried this team year after year, who has been the backbone of this team has resigned. And then he said, Mr. Speaker, if that were said, this was the Member for Riel, if somebody said that Gordie Howe had resigned from the Detroit Red Wings, everybody would be shocked. The Member for Lakeside would be shocked. Mr. Speaker, when the Member for Lakeside is behind me -- I would like to talk this way.

A MEMBER: My colleague, I'll wash your back.

MR. GREEN: But, Mr. Speaker, the Member for Riel said that Rex Grose leaving the Manitoba Cabinet, leaving the Fund, was tantamount to Gordie Howe resigning from the Detroit Red Wings. So I say, and I repeat, and I know that this administration feels this way, yes we are responsible for having had this person as our advisor, we are responsible for having kept him on to advise us with regard to the Fund. I let the people of Manitoba say whether we had reason to think that we had a probability of getting decent service, and I say that if we were wrong in feeling that we had reasonable grounds for keeping this man then we will have to pay for it. We feel the same way, Mr. Speaker, about other people who have been working for us.

I would like to say that the basic difference is the one that was mentioned by the Member for Brandon West. What he says is that if you're dealing with public money you have to deal with it publicly. I think that this government has dealt more publicly and more questions have been asked with regard to expenditures of the Manitoba Development Fund than in any other area of government. There's no other area where we give reports four times a year, no other area. But we ourselves have opened up this Fund for the purpose of seeing to it that it is a brake on ourselves, because, Mr. Speaker, if we know -- and I say that this is a most important feature -- if we know that we have to come into this House and tell the Legislature what we are doing then we are very careful before we do it.

If the previous administration had followed that rule I say that Duff Roblin would not have got that CFI complex through his own caucus, that they would not have passed it. But is that the real difference that is now being expressed by the Member for Brandon West because we have agreed with him in its entirety. Not only have we agreed with him but I say we have implemented.

(MR. GREEN cont'd) But I say that, Mr. Speaker, and I'm concluding that that's not his real grievance. That his real grievance is not that there is a Manitoba Development Fund, that that Fund can be useful in developing the industrial potential of this province. What he is complaining about is that they don't have their filthy hands on the Fund and they can't give it to their friends as they were prior to the administration . . . --(Interjection)-- They're not complaining about the Fund, they're complaining that they don't have their grubby hands on it.

Mr. Speaker, it's not being complained about, it is not being complained about by any other free enterprise administration in this country. There are development funds at the national level, there are development funds at the provincial level. None operates with the openness of the Manitoba Development Fund, and none of the other free enterprise administrations which you people are claiming to represent have given the kind of information that the Member for Brandon West is complaining about. Which leads me to think, Mr. Speaker, that it's not the Fund that he's complaining about, it's the fact that he doesn't have access to it and that they are not able to do what was done with it in the period of their administration and that is use that Fund to operate as a welfare program for free enterprise and not to develop the industrial potential of this country.

MR. SPEAKER: The honourable member's time is up. If the Honourable Member for Brandon West has a question it would have to be by leave of the House.

MR. MCGILL: Just a question for the Honourable Member for Inkster.

MR. SPEAKER: Is it agreed? (Agreed). Very well the Honourable Member for Brandon West.

MR. MCGILL: In view of the honourable member's remarks, is he prepared to support this bill?

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: I have already indicated that this government and the legislation in the hands of this government has done more than enough and is a sufficient protection for me to see to it that the kind of information that the honourable members says should come out will come out, and I don't have to support this bill to get that.

MR. PAULLEY: It was there anyway.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, the Member for Inkster has exhibited the kind of footwork for which he is particularly noted in this House by completely evading the central issue and the core of the question that is before the House at the present time. He dealt with everything else except the bill that is before the House, the one that is particularly under debate.

Sir, the essence of the argument presented by the Member for Inkster was that we are providing more information than the previous government did. Sir, we never trumpeted throughout this country the argument that we were going to provide all sorts of open government and all kinds of information. We accepted the Manitoba Development Corporation as it was passed by legislation, as it was drafted and passed by this House - I wasn't here at the time . . .

MR. SPEAKER: Order, please. Order.

MR. JORGENSEN: The legislation was drafted and passed by this House, accepted -- I presume including my honourable friend the House Leader who now is becoming very vocal as usual. But it was this government upon assuming office that suggested that they were going to reveal everything. They were going to bare their souls to the people of this province. Sir, that has not happened. That has not happened. Under no stretch of the imagination can the Member for Inkster say that they are providing more information than was provided under the previous administration.

Sir, our efforts to attempt to get information from this government is well documented and the refusals of this government to provide information is well documented, Sir, if they were in cannibal country, if they were in cannibal country they would commend about \$25.00 a pound for their skins, and the reason they would commend that price for meat is because it's so doggone hard to get em to come clean. We've had experiences, Sir, with this government providing the kind of information that they have so loudly proclaimed across the length and breadth of this province that they're going to provide for the House. They haven't done it, they haven't done it, except when it's convenient for them to do so, Sir. --(Interjection)-- Yes, that's right. That, Sir, -- the House Leader has now given an indication, has given an indication of the kind of information that this government is prepared to provide.--(Interjection)--

MR. SPEAKER: Order please.

MR. JORGENSEN: They are prepared to provide all the information that the House wants about the previous administration. If they have any sins of commission they'll provide that information. They, Sir, will provide it readily, if it costs a million dollars to provide it through a court, it'll be forthcoming. But, Sir, when it comes to providing information -- (Interjection)--

MR. SPEAKER: Order, please. I would like to remind one particular member that the interjections make it very difficult for me to hear. I will listen to him privately at 10:00 o'clock. Is that a bargain? The Honourable Member for Morris.

MR. JORGENSEN: Sir, we know the kind of information that honourable gentlemen opposite are prepared to provide to this Chamber. It's a regrettable performance in the light of the loud proclamations that they made upon assuming office. We heard over and over again this was going to be an open government. This was going to be a government that was going to reveal all. Sir, the only revelations that have been forthcoming from honourable gentlemen opposite are those that are intended to create a pleasant climate for themselves, those that might shed them in the kind of light that they like to be shed, as saviours of this country, saviours of this province. But any time that we ask for information that in any way might reflect otherwise curiously enough there seems to be a disinclination on the part of honourable gentlemen opposite to provide that information. Just look at the Orders for Return. The latest count I had, that there is at least ten from last year that are not provided yet. Information. Of course the whole essence of this Legislature is to seek information from the government, the purpose of this legislature . . .

MR. SPEAKER: Order! Order!

MR. JORGENSEN: Well, the Attorney-General suggests, and I will repeat what he said because I want it on the record; he said it would take his department about a year to provide the information that is being sought. Sir, I'm willing to make a bet that if that information would shed the government in a favourable light, that information would be provided within a week. That's been the experience, that Sir, has been the experience. I don't want to dwell on that particular subject. The Attorney-General is becoming agitated --(Interjection)-- He is going to have an opportunity because this debate will continue and the Attorney-General is going to have a chance to reply, as I know he will, because my honourable friend is one of those who cannot resist the temptation to make himself heard on every conceivable subject.

Now then, Sir, I would like to . . .

MR. SPEAKER: Order, please. I should like to extend the invitation for 10:00 o'clock to the honourable gentleman as well.

MR. JORGENSEN: The subject matter of the -- or the particular aspect of the Manitoba Development Corporation that I want to deal with is somewhat different and somewhat removed from what has been discussed up to now. The Honourable Member for Inkster talked about CFI and he talked about other matters unrelated to the bill before us and I want to deal with another aspect of it.

The Minister of Industry and Commerce when he introduced an amendment to the Development Corporation Act in 1970, on page 3456 of Hansard of that day, indicated that one of the changing roles of the Manitoba Development Corporation was going to be in the area of decentralization of industry. That the Development Corporation was going to be used as a tool of development in rural areas. I just want to quote you his words of that day: "We believe a well-conceived leasing program can be used as a stimulus to regional development since it can provide an incentive for locating small manufacturing plants at sites outside major urban areas."

Friends opposite have been making a great deal about the fact that Flyer Industries have located in the Town of Morris an assembly plant and on every possible occasion they have trumpeted loudly about the value of that particular industry to the Town of Morris. Sir, I would like to have the opportunity of saying a few words about the value of that industry to the Town of Morris.

More recently the Department of Industry and Commerce through their Community Regional Analysis Program - and I ask you to use the initials of that particular program to identify it - have gone through the southern part of the province in an effort to determine the opportunities for rural development, or the opportunities for industrial development throughout the rural area. --(Interjection)-- My friend from Swan River says it's a joke. I don't

(MR. JORGENSEN cont'd) want to particularly associate myself with those words. I would have hoped that it would have been an honest effort on the part of the government to do something about rural development, about doing something about decentralizing industry throughout this province. There have been several meetings held throughout the rural areas of the province and I have attended several of them in my constituency and it's been rather amusing. It's been rather amusing, some of the suggestions that have come forth. For some reason or other they seem to believe that industrial development and opportunities in rural towns can be achieved by painting the buildings orange and black and yellow and red. That's really going to do a lot for encouraging industrial development in the rural areas. Sir, the fact is that through the Manitoba Development Corporation, and in the words of the Minister himself when he introduced the amendment to that Corporation Act June 29, 1970", he was going to use the Manitoba Development Corporation as a tool for industrial development in the rural areas." What has happened?

MR. SPEAKER: Order, please.

MR. JORGENSEN: What has happened, Sir, what has happened is that in the Town of Morris where they have an opportunity to put their money where their mouths are, that plant is being phased out. That plant is being phased out, there's going to be a \$4 million development in Fort Garry to take the place of the Morris plant and the buses are going to be assembled in Fort Garry rather than in Morris.

Now then, Sir, if this government are serious and really interested in rural development, you would think that they would use the tool that they have at their hands. They own that plant. They've got 74 percent of it. They're going to loan the Western Flyer Industry another 3 or \$4 million to construct a 150,000 square foot plant in Fort Garry, and if they were serious about rural development that plant would be going up in the rural areas because they have the opportunity of providing that kind of industrial development. --(Interjection)-- Well the House Leader keeps parroting the word "Minnedosa". What about Minnedosa? --(Interjection)--

MR. SPEAKER: Order, please. Order.

MR. JORGENSEN: He keeps parroting the word "Minnedosa" as if that had some particular significance. The only significance that I --(Interjection)-- Well, Mr. Speaker, I wonder if the House Leader is going to be making a speech at this time or is he going to wait until at least he's been given the opportunity.

You know, Sir, for a House Leader, for a House Leader he ought to be ashamed of himself and I wonder, I wonder if there's going to be a possibility that on some occasion very soon the First Minister of this province is going to see to it that he's replaced because his conduct in this Chamber, his conduct in this Chamber is perhaps the largest single reason for the disorderliness that takes place in this Chamber. He contributes to most of it. --(Interjection)-- I would suggest, Sir, that the course of action that the House Leader could follow is to set a good example in this Chamber by refraining from his constant parroting interjections when somebody else is speaking, have the patience to listen until other members are through speaking and then take the floor in his turn and deliver his speech, while ineffectual, as arrogant as his speeches normally are, but at least we give him the courtesy of allowing him to complete his remarks in a manner that he wants to repeat them. And I wish he would extend that same courtesy to other members of the House. At least as a House Leader he should set that kind of an example.

Sir, I see that it's 10:00 o'clock and I . . .

MR. SPEAKER: The hour of adjournment having arrived, the House is accordingly adjourned until 10:00 a.m. tomorrow morning.