

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2: 30 o' clock, Tuesday, March 12, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 30 students of Grade 6 standing, of the Robert Browning School. These students are under the direction of Mr. Wermann. This school is located in the constituency of the Honourable Member for Assiniboia.

We also have 17 students of Grade 7 standing of the Westgate Collegiate. These students are under the direction of Mrs. Funk. This school is located in the constituency of the Honourable Member for Wolseley, Leader of the Liberal Party.

And we have 25 students, Grade 11 standing, of the St. James Collegiate. These students are under the direction of Mr. Wilcosh. This school is located in the constituency of the Honourable Member for St. James.

On behalf of all the honourable members, I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Labour.

MINISTERIAL STATEMENTS

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, as is the custom in this House when we receive the reports from the Dominion Bureau of Statistics on the unemployment situation, it is customary for I, as Minister of Labour, to make a statement. I am pleased, Mr. Speaker, to indicate to the House that Manitoba's unemployment rate is the second lowest in Canada, and stands at 3.9 percent, second only to Alberta whose unemployment rate is 3.5 percent. When one considers that it's generally accepted that three percent is tantamount to full employment, I think that we can be proud in Manitoba that we stand in the position that we do at the present time. Our seasonally adjusted rate for February was 3.1 percent lower than 3.6 percent January 1970, and lower than 4.2 percent in February a year ago.

Manitoba's labour force in February of 1974 was 2,000 lower than the previous month but was 13,000 higher than it was a year ago. The total employment figure, Mr. Speaker, indicates an increase of 2,000 over the previous month and a whopping 19,000 more people employed in Manitoba than a year ago.

I would indicate to my honourable friends, Mr. Speaker, that while we are not complacent and realize that there are still areas for advancement, I think that I can justify that the economy of the Province of Manitoba is still advancing and that we, while not being complacent, are at least one of those areas in the Dominion of Canada that is showing progress. When one considers, Mr. Speaker, our actual rate of unemployed of 3.9 percent and that the average across Canada is 6.8 percent, we have reason to be satisfied to a degree with the forward thrust of the economy of the Province of Manitoba and I suggest this is due to the policies of this government.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. I respond briefly to the welcome news by the Minister of Labour with regard to the labour situation in Manitoba and particularly the unemployment situation in Manitoba. Mr. Speaker, the situation that we have in Manitoba is one that has fortunately been with us for the last little while and one that has of course traditionally been with this province regardless of who is government or not. There are, of course, some other questions that could be asked and might have been included in the Honourable Minister's statements. That is at least some indication as to just what is the government's role in the maintenance of these relatively low unemployment figures by some cataloguing of the numbers of persons employed in the various programs, direct government aid programs, PEP programs, STEP programs and so forth. There could also have been some consideration about possible out-migration figures included in this kind of a statement - which normally is legitimate information, you know - provided.

## MINISTERIAL STATEMENTS

(MR. ENNS cont'd)

I would also indicate, Mr. Speaker, that it leaves one to wonder a little bit, in view of this government's peculiar attitude and objection to the consideration that specific industries have in our province to help our economy with respect to problems of obtaining employees. The Minister takes great pride, and I think with some concurrence on our part, in suggesting that the figure of 3.9 and the adjusted, I think 3.1, comes very close to full employment. Then perhaps, Mr. Speaker, there's all the more reason for some kind of consideration to be given to those specific areas where there has been a standing cry for employees, more employees to take up the waiting jobs - I won't name any specific industries but the Minister is aware of some that I am referring to - that perhaps that should become a greater concern to this government and at least not add to its complacency about the present situation.

Mr. Speaker, with those few comments I do congratulate the Honourable Minister of Labour. I envy the Honourable Minister of Labour; it is indeed an enviable position to be able to be in to rise and report these kind of figures to the people of Manitoba.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I also wish to comment on the Minister's statement to the House and I thank him for giving us the report. I think it's to a great extent satisfaction to all of us here that the unemployment is as low in this province as it is, and I think that a significant factor is not that the unemployment is 3.9 percent but I think a big factor is that there are more people employed today. I think that's the whole significance of his statement. Because, as I mentioned in the Minister's Estimates the other day, we are still not finding the jobs for all the people that are coming on the labour market every year. There's quite a few thousands that are unable to find job opportunities in the province, so invariably they have to go to some other provinces to get this opportunity. So I think the big point here is that we have a considerable larger number of people in the labour force today than we had last year and I think this is some satisfaction to this House.

But a point that I would like to make to the House, Mr. Speaker, I think that the most encouraging factor in the employment field is because we had 7 percent growth in the economic field in the private sector, as was indicated just last week, or this week, by the Minister of Finance, Mr. Turner in the House of Commons, and the result was due to the reduction in the corporation tax which really generated the private sector to expand and employ many people, and this has shown significant results by the growth in the private sector of some 7 percent. This is due to some extent, and to a great extent as far as I'm concerned, because of greater expansion in the private sector, Mr. Speaker.

But the point that the Minister should really concern himself with, and he has not given much answers to the House as yet, as far as the young people are concerned, because as far as the young people that will be coming on the labour market within the next few months or so, which are not in these statistics, Mr. Speaker, and I think that the Minister will have to really concern himself to create some jobs for the people that will be coming on the labour market from our universities, colleges and high schools, and this is an area that will change the percentage, I'm sure; it will change the percentages pretty quick.

So, while the Minister does take some satisfaction, I think that some credit is due and should be given to the Federal Minister of Finance who has reduced the corporation tax and which has created expansion by the private sector, Mr. Speaker.

MR. SPEAKER: Any other ministerial statements or tabling of reports? Notices of Motion, Introduction of Bills. The Honourable Member for Sturgeon Creek.

#### INTRODUCTION OF BILLS

MR. J. FRANK JOHNSTON (Sturgeon Creek) introduced Bill No. 31, an Act to amend The Highway Traffic Act (2).

#### ORAL QUESTIONS

MR. SPEAKER: Questions. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition) (River Heights): Mr. Speaker, I have a question for the First Minister. I wonder if he can indicate to the House when in 1973 allegations regarding the fishing co-operatives in Northern Manitoba and the Department of Co-operative Development were first brought to his attention?

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MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, not knowing the nature of the allegations my honourable friend is referring to, it's difficult if not impossible for me to answer. I would say that there was some indication brought to my attention in the autumn of 1973 that there was some disgruntlement with respect to the operations of the co-op, but nothing that would suggest anything near being something of a fraudulent nature. There was disgruntlement of a general kind and certainly nothing was brought to my attention which would constitute any kind of prima facie evidence upon which to conduct any kind of systematic investigation.

MR. SPIVAK: Mr. Speaker, I put to the Minister: were charges of a criminal nature ever brought to his attention in 1973 regarding any members of the Co-operative Department or the members of the Department of Co-operative Development?

MR. SCHREYER: No Sir, Mr. Speaker, not to my knowledge.

MR. SPIVAK: Mr. Speaker, I wonder if the First Minister would indicate to the House whether prior to the summer of 1972 the former president of the Freshwater Fish Marketing Corporation, Mr. David Corney, indicated that offices of the Department of Co-operative Development were engaged in irregular and illegal activity.

MR. SCHREYER: Well, Mr. Speaker, certainly I have no recollection whatsoever of any intimation of activity of an illegal nature. I do know that there was some disagreement being expressed back and forth between the Freshwater Fish Marketing Corporation and the Department of Co-operative Services as to the point on whom lies the greater onus for the providing of financing in order to enable local fishermen to upgrade and improve their fishing operations. There were those who contended that this was something properly and completely under the aegis of the Freshwater Fish Marketing Corporation, and there were those who suggested that this was a function which could best be brought forward or enhanced by some assistance through the aegis of the Department of Co-operative Services. That's about the nature of the disagreement that was expressed back and forth, but nothing, as I say Sir, of anything to suggest that there was fraudulent activity on anyone's part.

MR. SPIVAK: Mr. Speaker, to the First Minister another question. I wonder if he can indicate whether he or any members of his staff commenced an investigation of the Department of Co-operative Development as a result of allegations that had been made to him.

MR. SCHREYER: Well, Mr. Speaker, there were certain meetings held, again I believe in the autumn of 1973, between representatives of the Freshwater Fish Marketing Corporation and the Department of Co-operative Services, in order to iron out certain problems specifically having to do with bridge financing while awaiting the Federal Government's Department of Regional Economic Expansion grant in the case of the South Indian Lake Co-op, which I believe is in the order of \$400,000 to \$500,000 and there was some bridge financing required in the interim, but those meetings were held not pursuant to any allegations of wrongful activity or illegal activity, but rather were held because there was need to have a better understanding of just who was responsible for what in relationship to the operations of that particular Co-op.

MR. SPIVAK: I wonder if the First Minister is in a position to indicate that the bridge financing that he is referring to, is in fact the references to fraudulent solicitation by members of the Department of Co-operative Development from the Freshwater Fish Marketing Corporation.

MR. SCHREYER: Well again, Mr. Speaker, not to my knowledge, but it would strike me that if the financing involved were truly the bridge financing, that with the payment forward of the DREE grant in the order of \$450,000, that whatever amount had been provided in the way of bridge financing would have been repaid to whichever of the agencies in fact provided the bridge financing, and that is a point which I am not in any specific recollection of at the moment and I can certainly add as well, Mr. Speaker, that at no time was there any prima facie evidence brought forward to indicate that there was some grievously wrongful activity on the part of any officials to my knowledge and recollection.

MR. SPIVAK: I wonder if the First Minister is in a position to indicate whether minutes of a meeting held September 1st between the Freshwater Fish Marketing Corporation and the Deputy Minister of the Department of Co-operative Development were ever placed in front of him or in his hands.

MR. SCHREYER: No, Mr. Speaker, certainly not to my recollection, and I have just been

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(MR. SCHREYER cont's). . . advised of it today, that there were in fact minutes kept of that meeting, and I understand further that the conclusions reached at that meeting were reached mutually and that there is no basis for suggesting that there was wrongful activity, and if there was, that it wasn't upgraded on thirty days' duration in any case, so as to render the entire matter academic even if it did take place in the first place, which is doubtful.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Co-operative Development. I wonder if he can indicate to the House why William Kalinowsky was demoted?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I believe that was a mutual arrangement between William Kalinowsky and his superior, the Deputy of the Department.

MR. SPIVAK: I wonder if the Minister can confirm that William Kalinowsky appealed to the Civil Service as a result of the demotion -- as a result of this mutual understanding.

MR. USKIW: Yes, Mr. Speaker, my understanding is that he did subsequently change his mind and did appeal, and the Commission ruled in favour of the Department, because in fact it was understood that there was a mutual understanding in the first place.

MR. SPIVAK: I wonder if the Minister of Co-operative Development can confirm that William Kalinowsky was the individual member of his department who wrote him a letter saying that there was no wrongdoing.

MR. USKIW: No, as I recall it, Mr. Speaker, I have a copy of a letter sent to the Freshwater Fish Marketing Corporation but I don't recall a letter sent to me direct.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Honourable Minister of Co-operative Development. Could the Minister inform the House as to the auditing procedures the Department follows with regard to fishing co-ops in Northern Manitoba, and specifically is the year end for all the co-ops the same time or does it vary from co-op to co-op?

MR. USKIW: No, Mr. Speaker, I'm of the understanding that the year end differs with respect to each co-operative. There is no standard procedure through the departmental auditing service, depending on when they are launched and so on -- the anniversary date.

MR. PATRICK: A supplementary, Mr. Speaker. Which department of government have performed the audits and are the audits available for all the co-ops now, and would they be available to the House?

MR. USKIW: I didn't catch that, Mr. Speaker. Would the honourable member repeat that?

MR. PATRICK: Yes. Which department of government have performed the audits and are the audits or financial statements available for all the co-ops and can we have them in the House.

MR. USKIW: Well I'd have to take the latter part of his question. The Department of Co-operatives does provide an auditing service. Only where there is a request for an independent audit have we used independent auditors, and we have used independent auditors with respect to two or three co-operatives wherein there were other than provincial moneys involved, namely DREE moneys or federal moneys through Indian Affairs.

MR. PATRICK: One question, Mr. Speaker. The Co-ops that are in financial difficulties, they have some outstanding bills. Will the government be responsible for the financial debts owing to many of the suppliers?

MR. USKIW: Well, Mr. Speaker, I don't believe that the Department has any obligation other than what is a legal obligation by contract.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK (Minister of Finance) (St. Johns): Mr. Speaker, thank you. I wanted to respond to questions asked by the Honourable the Leader of the Opposition, on Friday, March 8th. He asked of me if I would indicate how many authorized signatures are on the cheques drawn -- I'm assuming he didn't really mean how many, but who -- and also if I could indicate whose signatures are authorized for cheques on the PEP program. I took the questions as notice and I might inform the honourable member that under section 48 (2) (3) and (4) of the Financial Administration Act, payments out of the Consolidated Fund are made by cheque, every such cheque is executed by such officers as may be authorized by the Minister for that purpose, and these cheques may be signed by hand or by mechanical devices.

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(MR. CHERNIACK cont'd)

By Order-in-Council 1307 of 1969, the officers authorized to sign the cheques are the Minister of Finance, who is also known as Provincial Treasurer, whose name you may know; the Deputy Minister of Finance, who is also known as the Deputy Provincial Treasurer, Mr. Stuart Anderson; the Assistant Deputy Minister of Finance for Administration, Budget and Finance, Mr. Charles Curtis; the Director of Financial Administration, Mr. Neil Benditt; and the Departmental Accountant, Mr. Wood.

Over 99 percent of the cheques prepared in the department bear the Deputy Minister's signature which is put on mechanically, but in certain other cases, for example where a cheque has been spoiled or in case of emergency or when cheques cannot be issued through the computer, the regular pre-audit procedures are followed, and of course only those persons authorized by Order-in-Council sign these cheques.

There are a number of other bank accounts that have been set up to meet special needs, such as the Field Payroll Accounts - the Department of Highways and Mines have that kind; Accountable Advance Accounts and Emergency Accounts. The Department of Health and Social Development have been authorized to sign cheques on these special bank accounts and the persons authorized would be the responsible officials from the department concerned. They are authorized to sign on these accounts by the Minister of Finance and there is a limit, I'm informed, on all Field Accounts of between \$200.00 and \$500.00.

In response to the second question regarding PEP program grant moneys, these are paid by cheque out of the Consolidated Fund in accordance with the standard accounts payable procedure - that is pre-audit and computer cheques. One PEP program, the rural PEP organization, operating out of the Department of Agriculture, has 13 persons authorized by the Minister of Finance to sign the cheques. Now incidentally, there are a few departments that have clearing accounts which are deposit accounts only. They deposit in certain banks as a matter of convenience and the deposits are either automatically transferred to the central bank account or a cheque is issued from the department, but the only cheques that is permissible to be issued is one made payable to the Minister of Finance.

Now the question of the PEP organization. The persons authorized to sign, as I indicated they are all employees of the Department of Agriculture. The maximum cheque they're authorized to sign is \$500.00 and may I parenthetically say, Mr. Speaker, that every employee of government is bonded for \$1 million per event for fraudulent practices. The persons authorized to sign for . . .

MR. J. DOUGLAS WATT (Arthur): Did the Minister say that the maximum was \$500.00?

MR. CHERNIACK: That's my information - per cheque.

MR. WATT: Per cheque but not per person.

MR. CHERNIACK: Well of course not per person. It's an annual authority, I should think, and they're authorized to sign more than one cheque when they deal with their program. The people involved, the names are: G. A. Arnott, H. Beauchamp, B. Bracken, W. R. Macklem, R. Mitchell, T. A. Nebbs, T. L. Pringle, F. J. Slevinsky, Caroline Steele, W. T. Uhryniuk, A. A. Watkins, L. Vigfusson and H. G. Sigurdson.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I wonder if the Minister of Finance is in a position, and he may very well want the Minister of Co-operative Development to answer this, that once the Consolidated Fund trust cheque for the co-operatives is completed, that its payment is made out of the general fund, it is not within the jurisdiction of the Department of Finance. My understanding is there is \$500,000. . .

MR. SPEAKER: Question please.

MR. SPIVAK: Well, Mr. Speaker, . . .

MR. SPEAKER: The honourable member is debating.

MR. SPIVAK: I am not debating, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: The answer to the question would be that on Thursday at 10 o'clock there will be the meeting of Public Accounts, and the question seems to be one which logically should be asked at that level. Otherwise, if he wishes to write me a letter or talk to me in my office, I will be glad to hear his . . .

MR. SPEAKER: The Honourable Leader of the Opposition.

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MR. SPIVAK: I wonder if the Minister could confirm that there is no signature right from the Department of Finance involved in the moneys, PEP moneys, handled by the Department of Co-operative Development once payment of the bulk cheque is given from the Department of Finance to the Department of Co-operative Development.

MR. CHERNIACK: Mr. Speaker, it's only a few minutes ago that I gave a rather comprehensive answer and I remember very clearly and I think it was very very clear. Now, if the honourable member wants to debate what I said, that's a different thing, but if he just wants to ask questions to get at the same information I've already given, I see no point to that.

A MEMBER: It's beyond his comprehension.

MR. SPIVAK: Mr. Speaker, I wonder if the Minister of Finance can confirm that the \$500,000 PEP fund handled by the Department of Co-operative Development does not have a signatory from the Provincial Government.

MR. CHERNIACK: Mr. Speaker, I repeat the answer I gave a moment ago, that I think that the statement I made is very clear. If it is not clear enough, then by all means he can ask for elaboration, but if he wants to get into a discussion on specific cheques and specific amounts I don't believe this is the place for it, I don't think I should give him the benefit of permitting another two hours and fifteen minutes in the question period.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'd like to direct a question to the First Minister. Can he advise the House how long the government has been aware of the more than \$40 million overrun of Manitoba Hydro in the last 12 months, and if they were aware whether any investigation was undertaken?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, we have been aware that there is a pattern of cost escalation in heavy construction projects in this province, everywhere in this province and everywhere across the country. I've asked for briefings from time to time from the chairman of Manitoba Hydro with respect to the generality of progress on hydro construction sites, and also occasional briefings with respect to the pattern of inflationary cost escalation, etc. and also the nature of project changes, work order changes and the like.

MR. CRAIK: Mr. Speaker, a supplementary question. In view of the cost given by Mr. Cass Beggs two years ago, which were 50 percent of that indicated today, would it not be considered to be appropriate for the government to make inquiry for 100 percent overrun in two years of costs that were given as a basis for undertaking the project?

MR. SCHREYER: Well, Mr. Speaker, I don't accept my honourable friend's figures as being precise, and in any case, Mr. Speaker, if one wants to insinuate that construction cost increases are a reason for suspecting something untoward, I would merely ask my honourable friend to go back to the record of 1966 and look at the figures that were given this House with respect to Kettle Rapids, with respect to Lake Winnipeg Regulation and Churchill River Diversion, all of which figures were given to this House, all of which in their totality were supposed to come in under \$200 million.

MR. CRAIK: Mr. Speaker, might I then ask the First Minister a question relating to a more recent statement by himself in this House 12 months ago and not less than 12 months ago, where he questioned that \$175 million was a high figure and said that it was a fallacious statement and that the fact was that the cost would be less than that and we're told today that they are \$231 million.

MR. SPEAKER: Order, please. The question is argumentative in that context in relation to history. I would hope the honourable members would at least cooperate today. The Honourable Member for St. Boniface.

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker. I direct my question to the Acting Minister of Education. I wonder if the Acting Minister could advise if the Department of Education . . . well whoever is the acting Minister of Education, is the Department pursuing the possibilities and the advisability of constructing multi-purpose school facilities that can be used effectively for both educational and recreational purposes throughout the province?

MR. SPEAKER: The Honourable Minister of Health.

HON. SAUL A. MILLER (Minister of Health and Social Development) (Seven Oaks): Mr. Speaker, the department has been actively encouraging municipalities and school divisions to

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(MR. MILLER cont'd) . . . work together to achieve that very aim, and they have been successful in some areas and in some areas they haven't.

MR. MARION: A supplementary, Mr. Speaker, to the same Minister. Has the department evaluated the results of the joint facilities that presently exist and have been constructed over the last short period?

MR. MILLER: Well, I don't know to the extent of which an evaluation took place. I think the best evaluation is the people living in the community themselves, but if there is an evaluation in the department I'll take the question as notice and report back to the House if I find one.

MR. MARION: A final supplementary on the same subject to the same Minister. Does the department have a program of research on how to improve this multi-purpose use of a school facility that would probably enhance the multi-use services of the Winnipeg schools?

MR. MILLER: The department certainly has been working very closely with school boards and with municipalities wherever possible to encourage the kind of construction that is being discussed, and I know that they have put forward ideas and help in developing the kind of construction that the Member for St. Boniface is suggesting is preferable, and I know that the department has staff resources which can be made available to school divisions and to communities.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, some time ago, a few days ago, the Honourable the Leader of the Opposition asked me to undertake to obtain a copy of the transcript of a conversation aired on the CBC between Governor Link of North Dakota and the host of the local program. I have done so. I perused the transcript and I can say that with respect to the statements or comments made by the Governor of North Dakota that his statements I regard as being accurate and a fair commentary as befitting an honourable gentleman. There is perhaps one reference here which I would take issue with, but later in that same transcript the Governor makes the correction himself in any case. So that is the only comment I have with respect to that question, Mr. Speaker. There is no reason to question the statement made or statements made by the Governor on that occasion. Statements made by other persons on that program are completely another question. I take issue with almost everything that was said.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Health and Social Development. In view of the announcement made yesterday by the Federal Minister of Health concerning a new Guidelines for Day Care, can the Minister now indicate to the House whether the Provincial Government is prepared to announce a permanent day-care program for the Province of Manitoba.

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, the guidelines, the announcement of the guidelines is most welcome. We have been waiting for it; and I expect that within days, literally, we will be getting a formal announcement from Ottawa with regard to this agreement with Manitoba.

MR. AXWORTHY: A supplementary, Mr. Speaker. Could the Minister indicate whether the indicated provincial program would also apply to commercial day-care centres and to luncheon-after-school and home-care programs for children below the school age?

MR. MILLER: Mr. Speaker, there are three questions, one dealing with commercial enterprises. One of the criteria of the Federal Government is that it be non-profit co-operative bodies and therefore that would rule out private commercial enterprises. The second question, whether this would be for luncheon-after-school programs; we have to determine whether or not this is covered. We're not sure at this point in time.

The third, will it be for children under the age of six, that is less than school age? Certainly, that's the age group that will be the target group.

MR. AXWORTHY: A supplementary, Mr. Speaker. Is the Provincial Government then planning to supplement the federal program in these areas that were mentioned in the previous question, if they're not already covered by the federal . . . ?

MR. SPEAKER: Anticipatory. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the First Minister - it's with regards to the statement in Grand Forks last night by the Minister of Mines and Resources. Can the First Minister indicate whether the more aggressive stand taken by the Minister of Mines

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(MR. CRAIK cont'd). . . and Resources regarding the Garrison project is a recognition by the province that likely damage will occur to Manitoba as a result of the flooding of the Garrison?

MR. SPEAKER: The question is being framed in the argumentative again. The Honourable First Minister wish to take up the argument?

MR. SCHREYER: Well, Mr. Speaker, I have too much respect for the Chair to engage in argumentation during the question period but I would like the opportunity to reply to the question if it has been allowed - I assume.

MR. SPEAKER: Well it's on the floor of the House and that's the whole problem with the Chair, that they all get on the floor of the House and then the Chair has no option but to allow answers. Now if this is the way the gentlemen wish to proceed I'm welcome to it, but I wish they would outline the rules so that I could follow them.

The Honourable Member for Riel wish to rephrase his question?

MR. CRAIK: Well, Mr. Speaker, can I ask whether this quotation taken from the wire service is correct, that Manitoba Cabinet Minister Sidney Green says the Provincial Government does not see how the Garrison Diversion . . . ?

MR. SPEAKER: Order please. Again, the question is asking whether a statement in a news account is correct. That's contrary to the rules. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I'd like to ask a question of the First Minister.

MR. SPEAKER: Order please. There can be no supplementary to something that's out of order. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I'd like to ask the First Minister if he could indicate to this House that when the Minister of Mines and Resources was on his sojourn to North Dakota, whether he had occasion to meet with officials of the State Government of North Dakota to discuss the Garrison Diversion Project again.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I think I heard the question in its entirety. My honourable friend was asking whether there are any plans to meet again with officials of the State of North Dakota?

MR. AXWORTHY: Mr. Speaker, if I may repeat for the First Minister, I was asking whether on the occasion of the sojourn of the Minister of Mines and Resources recently into the State of North Dakota whether he has had occasion to meet with State officials of that State Government to discuss the Garrison Diversion project once again?

MR. SCHREYER: Well, Mr. Speaker, I'm not in a position to say whether or not my colleague the Minister of Mines was able to meet with officials of the State of North Dakota. He was addressing a group in the State of North Dakota, I believe attached or relating to the University there. I can advise my honourable friend that our position at this point in time is that we have received through the Government of Canada information from the United States Department of State that no construction that is potentially affecting waters flowing into Canada will be undertaken unless it is clear that obligations under treaty law will be met. We accept that statement as a tentative position and have agreed with the State of North Dakota and are arranging with our respective Federal Governments to ensure that there is a systematic follow-up and monitoring to ensure that there is no deviation from that ironclad commitment given by the U. S. to Canada and to our province.

MR. AXWORTHY: Mr. Speaker, I have a supplementary to the First Minister. Could he indicate to the House, then that in view of the statement made by the Minister last night that the Provincial and Federal Governments would consider all necessary steps that would be required, has the Minister or is the Minister planning to meet with his counterparts, ministerial counterparts in Ottawa, or is he now meeting with ministerial counterparts in Ottawa to discuss this matter and to map out what possible steps would be available to be used?

MR. SCHREYER: Well, Mr. Speaker, the question asked, the answer's very simple. The arrangements are in place for a continuing liaison with officials of the Government of Canada with respect to ensuring that the best and most systematic ways and means are followed to ensure a monitoring, in turn to ensure that the undertaking, the unequivocal, ironclad undertaking by the U. S. is not deviated from in the future.

MR. SPEAKER: The Honourable Member for Riel. The Honourable Member for Fort Rouge.



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MR. AXWORTHY: Mr. Speaker, I would like then to ask the First Minister if he is then prepared to table in this House correspondence documents or communiqués between himself or between the Province of Manitoba and the Federal Government concerning the Garrison Diversion project, so that this House may also know the terms of those agreements and understandings.

MR. SCHREYER: I should think we'd be happy to, Mr. Speaker. It merely requires an Address for Papers through His Honour, and subject to the usual clearance from the authorities of the Government of Canada.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I address a non-argumentative question to the Minister of Finance. Can he advise when the budget will be coming in?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, that is still a matter of argument with my department. It's a question of mechanics. I may say that I had hoped to do it this Thursday; I am changing my mind, I was thinking of Friday; and the probability is that it will be the following Thursday, but I'm conscious that honourable members - that would be the 21st - I'm conscious that honourable members opposite, some of them, are concerned about interference with the Federal Conservative -- (Interjection)-- Yes, which takes place next Monday and Tuesday. If by any chance I find that I'm ready and anxious to go prior to that, then I've already discussed with the leaders of the two opposition parties the possibility of postponing the Monday and Tuesday debates and not to count as budget debates. This side has agreed to that principle so that there won't be any difficulty in that respect. I will inform the House further, certainly give some notice in the event that we go ahead sooner than the 21st.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker, I have a question for the Minister of Northern Affairs. I would like to ask him how much freight has moved north on the Hole River, Ste. Therese Road this week.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RON MCBRYDE (Minister of Northern Affairs) (The Pas): Mr. Chairman, the amount that was estimated by the larger carriers hauling freight into the Island Lake Region, which I assume that's what the honourable member is referring to, their estimate that the total amount of tonnage that they would haul this year was 5,228 tons, as of today's report, if the members will let me finish, was 4,557 - excuse me - 4,572 1/2 tons, and if the member wants to find out for this week he can subtract that figure from the figure I gave him last week and he'll have the amount hauled this week. The remaining amount to go on that road, Mr. Chairman, from the estimates of the larger carriers, is 655 tons, which means that that amount could be cleared up within a very few days and the road is still in operation, and I see no problem that the communities of Garden Hill, Waasagomach and Ste. Theresa Point will be fully serviced in terms of getting their goods in, if in fact the people there placed orders with the carriers and have orders that are coming in.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour.

MR. PAULLEY: I was going to suggest, Mr. Speaker, if there are no more argumentative questions we might go into the Adjourned Debates on Second Reading. I notice . . . honourable members had risen but that would be for . . .

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, my question is to the Minister of Agriculture and it's not argumentative. I'm just asking if he has followed up or what negotiations he's had with the Federal Government in regard to the loss of \$300 million in sales for western grain in the past crop year?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I would not want to respond to my honourable friend on an assumption based on some hypothetical situation or figure.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Honourable Minister of Labour. In view of his announcement to the House just a few minutes ago about the unemployment situation would the Minister now undertake a labour supply study in the garment industry and ascertain if a labour shortage can be met without importation of labour?

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Yes, Mr. Speaker, I would be more than happy. As a matter of fact I would like to indicate to my honourable friend the Member for Assiniboia and all other members that I am studying various reports that have been made in respect of the garment industry and I am hopeful - I say that with some reservation - I am hopeful that the matter will be resolved internally.

MR. PATRICK: Mr. Speaker, I just wish to thank the Minister for that undertaking. Can I - I would like to have the privilege of the House or leave of the House to make a non-political statement, Mr. Speaker.

MR. SPEAKER: Agreed? (Agreed) The Honourable Member for Assiniboia.

STATEMENT

MR. PATRICK: Mr. Speaker, it does not affect my constituency but the reason I'm making the announcement because it was brought to my attention and I was asked to make the announcement, and I just want to bring to the attention of all the members so they're aware of a Manitoba All-Indian Hockey Tournament that will be held in Dauphin on March 15, 16 and 17. This is a big occasion and I know there will be an influx of approximately 2,000 people. I have watched these hockey tournaments in Winnipeg, and particularly in St. James, and I recommend them to all members of the House. And the reason I'm bringing it to the attention of the members is because I was asked to do it, Mr. Speaker.

SECOND READING - GOVERNMENT BILLS - NO. 7

MR. SPEAKER: Orders of the Day. Bill No. 7 and the amendment thereto. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I wonder if I may have the indulgence of the House to have this matter stand? (Agreed)

MR. PAULLEY: Mr. Speaker, I have no objections at this stage - and I emphasize that - to the deferment of the contribution of my honourable friend from Lakeside; I look forward to it in anticipation. But may I suggest that if any other honourable member wishes to make a contribution that they be allowed so to do.

MR. ENNS: Mr. Speaker, that generosity on my part was, I believe, understood.

MR. SPEAKER: Bill No. 17. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Could I have this matter stand please, Mr. Speaker? (Agreed)

BILL NO. 18

MR. SPEAKER: Bill No. 18. The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, the other day there seemed to be an indication on the part of the opposition that they wanted this bill to go to committee and I held it for the Minister of Highways to speak if he so chose.

MR. SPEAKER: The Honourable Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Mr. Speaker, if there's no one else wishes to speak at this time I would like to speak on it, and probably closing debate on this particular bill.

During the last couple of weeks or so since this bill was introduced for second reading, I noticed that two members, honourable members on the Opposition side, have spoken on it and I would gather from their comments that perhaps the members are not just quite sure what we're trying to do with this particular bill. I thought in the brief comments that I made on second reading that it was a rather simple bill that wouldn't require too much debate, I don't think it's very controversial, but nevertheless there were some questions asked that I would like to hopefully clear the problems that the honourable members might have with this particular bill.

When we talk about, Mr. Speaker, when we talk about industrial roads, we simply mean just that, dealing with industry in that particular area of the province where industrial roads would be of benefit. Now, first of all, I'd like to answer one or two of the questions that the Honourable Member for Virten had asked, and of course I would suggest, Mr. Speaker, that basically in his comments he was completely out of line as far as this particular bill is concerned, and the reason why I say this is because there is another program - and I appreciate

## BILL NO. 18

(MR. BURTONIAK cont'd). . . the honourable member's concern insofar as railway line abandonment and so on, the larger trucks that will be perhaps used if and when some of these branch lines are abandoned, farm trucks I'm referring to, and of course I'm sure that to most of us rural members this is a concern - but I would say this, Mr. Speaker, at this point in time, that I hope that there is a change of mind, that maybe some of these branch lines that were scheduled to be abandoned perhaps in 1975 next year, will not be abandoned. I think that we hope that there is a different type of policy. And just on that point I would like to also suggest that finally the Federal Government in Ottawa has realized that there is a Western Canada, and today and the last few months, in the last few months, Mr. Speaker, we have been working with the Federal Government, not only the Province of Manitoba but also the other three western provinces, Saskatchewan, Alberta and British Columbia, because the Federal Government now also realizes that something has to be done because eventually we will have to allow larger truck weights on our highways and they are dealing with us now, or we are dealing with them, to try and make some sort of arrangement and they are willing to contribute certain amounts of dollars to upgrade some of our road systems in order to make them capable enough to haul these larger loads. But this has got nothing to do with this particular bill insofar as industrial roads are concerned.

Now some of the other questions that were asked by the Honourable Member for Birtle-Russell, and I must say that they were good legitimate questions, I don't think that he was implying anything that could be read into it, but there were a number of questions that he asked, and I think one of his biggest concerns, Mr. Speaker, was the fact that if we called a certain road or a portion of a particular road, as an industrial road, he was concerned what about the travelling public where they have to pay insurance and license and so on. Well, may I say this, Mr. Speaker, that as I pointed out in my short explanation of this bill, that industrial roads are really meant for northern parts of the province, where they would be allowed to haul larger loads, wider, longer and so forth, particularly heavier loads, and I must explain to the members what we actually mean when we talk about larger loads.

As far as the Department of Highways is concerned, we will construct - and I'm talking about the construction of some of these, there will be some construction of these roads, industrial roads, they'll be constructed up to a standard of, say, average PR, but if whatever the industry may be that will be utilizing or using these roads, will want to have them to carry these larger loads, they will then contribute something in whatever the amount may be, over and above a PR standard, and this will be their contribution. We also say that sometimes there may be a situation whereby a portion of a PR or PTH may be declared as an industrial road. I don't know just how much we should be concerned about that because there may not be that situation at the present time, but some time in the future this may be the case; and of course we cannot prevent the travelling public from using this road but this portion of the road will be declared as an industrial road, would be posted so that everybody could, the drivers could take the necessary precautions, and of course, after it's taken off as an industrial road at some time in the future, then for whatever the cost may be of repairing this particular group of people whether it's a company or whatever, will then be asked to contribute the difference in the cost.

MR. GRAHAM: . . . ask the Minister a question at this time?

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

MR. GRAHAM: Would the Minister consider the Hydro Road from Gillam to Kettle to Long Spruce as being that type of industrial road which he is considering?

MR. BURTONIAK: Yes, that's right, because basically it's for the hauling of larger equipment and so on. Now I'm pretty sure that the honourable member is also concerned about some of these roads that will not be used by the general public and I think that there's a saving here because, you know, in my view, I think that in many cases where large equipment, heavy equipment is being transported from point A to point B for a certain type of development, I don't think that we're too concerned about the general public going to those places at the time of their construction, and I think that once that road is constructed, then when that equipment is not moving on that particular road, then of course it becomes either a PR or something and the general public can then use it, because in the first place perhaps the construction of the road could be just a very, very pioneer type of a road, and then once the road is punched through to a certain community, naturally of course the pressure will be there to build up this

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(MR. BURTNIAK cont'd). . . road for the general public. That means it would probably be much more expensive doing it that way, and I don't think it would be penalizing too many people in that respect.

As far as the question on the turning over these industrial roads when that term, as I use it, is taken off, when we do not need this road as an industrial road it will be taken over or turned over to the municipalities - We do not mean any PR or PTH or portion thereof that is declared as an industrial road to be turned back to the municipality. It's any of these roads that are built as industrial roads within a certain municipality; when we don't need them as an industrial road then they'll be turned over to the municipalities and of course I think the municipality is only too happy to have these kind of . . .

QUESTION put, MOTION carried.

BILL NO. 20

MR. SPEAKER: Bill No. 20. The Honourable Member for Virден.

MR. MORRIS Mc GREGOR (Virден): Mr. Speaker, this again looks like routine amendments and I'll just draw the Minister's attention to 258 (1). In talking to some truckers, and this is something that they've been looking for for quite some time, it's been a complaint over many years that I've been here as a Member, and I think it will be appreciated, that particular subsection.

Another question that does come up - they've brought to my attention in any case - is the fact that some of the Autopac sales are going to customers and they in turn are loaded up and going right out of the province for resale in another jurisdiction entirely. And also regarding your special license and it says insurance too, and I think we could agree with this providing this lower insurance up north isn't being subsidized by the regular Autopac customers in the other part of the province, and there's no stipulation of what this price will be. I think one of my -- the colleague from LaVerendrye will be carrying on in some areas that he has some question. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for LaVerendrye.

MR. BOB BANMAN (LaVerendrye): Thank you, Mr. Speaker. I just have several points to make that I would like to make. I'd like to emphasize the point that my honourable colleague made with regard to Autopac sales. At present, private individuals are buying cars at the auto sales; they can then take that car home, repair it in their backyard, sell the car once again privately and are not subject to any safety regulations whatsoever. This matter is of concern to both the trucking association in Manitoba and also to the automobile association, and I think it should be of concern to the Consumer Protection people because somebody ends up buying this car without receiving a safety certificate and without possibly receiving any qualified attention at all.

The other point I would like to make is that the trailer manufacturers in Manitoba have asked this government in a brief approximately six months ago to amend the Act, which would mean that all trailers sold in Manitoba would have to be CSA approved. I would ask the Minister to have a look at this and see what the feasibility of this would be and see if it warrants the attention for a further amendment to the Act.

I would also like to ask the Minister as to what the fixed amount of moneys would be with regard to the student driver program mentioned. I would also ask the Minister to have a serious look at the replacement equipment on vehicles. At present there are certain replacement parts, I think, put on automobiles which I feel should not be made available to the consumers in the province. One, for example, is mufflers. At present many makes of mufflers are sold; some of them exceed the noise limits that the authorities and many local bylaws limit us to. The only way a person can find out if the muffler is too loud is to go ahead and put it on the car. If it does turn out that it's too loud, the law enforcement officers ticket him and he's once again required to take it off and replace it once again. So this is another area that I would like him to check into.

I have several other concerns related to the Highway Traffic Act and basically the safety of the vehicles on the road at present and it's my intention to introduce several bills and resolutions in this session to try and make the motoring public a little safer on the highways.

MR. SPEAKER: Are you ready for the question? The Honourable Minister will be closing debate. The Honourable Minister.

## BILL NO. 20

MR. BURTNIAK: Yes, Mr. Speaker, I will not elaborate any more on this. I would like to thank the members for their concerns and their suggestions. One of the things that we are doing, of course, and I appreciate the fact that the Honourable Member for LaVerendrye is going to be bringing some amendments insofar as safety on our highways is concerned, I also will be having more amendments coming in at a later time dealing with pretty well, I hope, pretty well the same kind of things that the honourable member has in mind.

On the question of mobile homes, I would perhaps suggest that the Minister of Labour could perhaps answer that particular question, Mr. Speaker.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: ...to call Bill No. 9 Mr. Speaker, but I understand that that will be stood. My colleague the Minister of Finance will make the motion to go into Supply.

MR. SPEAKER: The Honourable Minister of Finance.

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

MR. SPEAKER presented the motion.

MATTER OF GRIEVANCE

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

MR. SPIVAK: Mr. Speaker, I rise at this point on a grievance to deal, Mr. Speaker, with the arguments to be advanced that there should be a judicial inquiry with respect to the Department of Co-operative Development and the allegations that have been made both inside and outside this House.

Mr. Speaker, I intend to deal with this matter in the manner of first dealing with the questions and answers given by the Minister yesterday to a whole series of questions from this side, and in the course of doing this, Mr. Speaker, to demonstrate without question that the information supplied to the House in most cases was inaccurate, misleading and, in certain cases, completely untrue, and having made that statement, Mr. Speaker, and having belief that I will be in a position to prove that statement, I then, Mr. Speaker, suggest that there is no question of the necessity for a judicial inquiry to be undertaken. For many reasons Mr. Speaker, because the Minister constantly kept referring to the fact that it was the Department's response to the questions, that the members of his department had given him the answers, and they of course are the very people to whom allegations have been made. And so, Mr. Speaker, I will do this by dealing not with every one of the 32 or 33 questions that were answered yesterday, but with some, but enough I think to be able to indicate the position that I propose to put to this House.

Mr. Speaker, the first question that the Minister of Co-operative Development dealt with was the bankruptcy of the present fishing co-operatives and the question that was asked whether it had been brought to his attention. His answer was as follows: "No co-operatives presently are in bankruptcy proceedings. There are 17 co-operatives engaged in commercial fishing; out of 17 only four are experiencing financial difficulties. These are co-operatives in remote isolated areas. The following is the list in difficulty: Southern Indian Lake Co-operative; Kee Noe Zae; Manitou Sakahikun Co-operative; Ilford. The Department of Indian Affairs has acted as manager during the 1973 season for Kee Noe Zae so that they are really relating most directly to the three remaining that are in trouble."

First, Mr. Speaker, I put the question: is not the Minister relying on a legal distinction between bankruptcy and proceedings in bankruptcy? When one considers that the Co-ops assets will include, Mr. Speaker, receivables from the fishermen themselves, which are not collectible, the question of the insolvency of the Co-operatives becomes obvious. On the statements of the Department, the receivables will show the moneys owing by the fishermen, and I suggest, Mr. Speaker, they are not collectible. The only reason, Mr. Speaker, why creditors have not embarked on proceedings in bankruptcy is that they would be wiped out, and they are not about to try and destroy themselves. They are counting on the only thing which has been sustaining the Co-ops and that is the continued injection of new money into the Co-ops in the form of government grants. And while, Mr. Speaker, the Department of Indian Affairs may have managed for the 1973 season for Kee Noe Zae, prior to that it was in fact managed -

## MATTER OF GRIEVANCE

(MR. SPIVAK cont'd). . . supervised by the Department of Co-operative Development, and the accumulated loss up to that time was certainly under the management of the Minister's department.

The second question answered by the Minister was the following. This was the question: "I wonder if the Minister can indicate whether he's had an opportunity of reviewing the balance sheets and financial statements of co-operatives." Mr. Speaker, remember, he is the Minister of Co-operatives. His answer: "Well I discussed this matter with the department, Mr. Speaker, and I want to say to my honourable friend that we have reviewed those that we have had a financial interest in, and where we have some difficulties, and it's the three that we were talking about earlier, but really, I don't normally look at the balance sheets of all our co-operatives because they are indeed private organizations, and unless we have some public interest in them, they really don't come before me. And to the extent that they come before the department for advice, that of course is an ongoing thing and has always been that way."

Mr. Speaker, the Minister says that he does not normally look at the balance sheets unless there is some public interest in them. He does not construe the public interest. Questions were raised in this House, public moneys are involved, the audit and records are supposed to be kept in his department. Over a million dollars of PEP funds will have been distributed from last year and this year, and they are to all intents and purposes handled by his department. On his own admission financial problems have occurred, yet he said that he would normally not examine the balance sheet unless the public interest was involved. I ask you, Mr. Speaker, how much greater would the public interest have to be so, for him to get involved?

Mr. Speaker, let me now deal with the third question and the third answer. Mr. Speaker, the Leader of the Opposition - and now I'm referring to myself - asked the following question: "My question is to the Minister of Co-operative Development. I wonder if he can indicate whether his department is in the process of attempting to negotiate the sale of the fishing co-operatives to the Department of Indian Affairs, the Federal Government."

The answer from the department, the answer, Mr. Speaker, from the department, not the Minister, the answer from the department is as follows; "(1) No, the department is not nor ever did negotiate to sell any assets of the co-operatives to the Department of Indian Affairs or any other party. (2) All co-operatives are legal and sovereign entities by themselves and the department has no authority to offer for sale assets that do not belong to the department. The department in some instances assists the co-operatives in negotiating for leases of their assets between the Freshwater Fish Marketing Corporation and the co-operatives for the purpose of agency appointment. There have been several meetings between the Manitoba Government officials and the FFMC to discuss the scope of FFMC responsibility. Discussions were held and continuing attempts to convince the Freshwater Fish Marketing Corporation to accept more responsibility in the area of lakeside facilities, plant equipment, transportation arrangements, agency fees, grading, etc. And continuing on "with respect to the three co-operatives that are in trouble and over which we have had some direct input, I should like to advise members opposite that there have been negotiations with the FFMC with the idea of arranging some sort of rental or lease arrangement on the facilities of these four co-operatives. Those discussions are continuing at the present time."

Mr. Speaker, I question his assertion that the possibility of sale has not been discussed between his Deputy Minister and the Freshwater Fish Marketing Corporation. And I file a letter, Mr. Speaker, for the benefit of the Minister, dated February 1, 1974, dealing with the assets of 16 or 17 co-operatives. Until the people who were involved at these meetings are sworn we will never know whether the question was one of sale or lease or whether it involved three or four co-operatives or most of them. And further, whether there was any authority from the boards of directors as alleged by the Minister allowing him to negotiate either on a sale or lease of the assets of the co-operative. No. 4. The next question that was put and answered by the Minister. By way of another question of the Minister, I wonder if he can indicate whether the managers of the fishing co-operatives are in fact managers appointed and selected by the Department of Co-operative Development. The answer, by the Minister: "No, the board of directors of Co-operatives hire the managers. 2. In some instances the Department assists in hiring or locating managers. This however is done with the consent of the local boards."

## MATTER OF GRIEVANCE

(MR. SPIVAK cont'd)

Mr. Speaker, the answer that was provided by the Minister begs the basic question. Do the board of directors of the fishing co-operatives really understand the issues before them? We are dealing with largely unsophisticated people who substantially do what the department suggests. In the case of the Southern Indian Lake Co-operative, the co-operative development officer of the department was ultimately hired as the manager and he resigned from the department. In the case of Ilford, the co-operative development officer became the manager. In the case of Kee Noe Zae the co-operative development officer became the manager.

Mr. Speaker, the board of directors of the co-operatives will sign anything placed in front of them by the Department of Co-operative Development; but even with that, Mr. Speaker I doubt if authority for much of what has been done could be documented by the department if a judicial inquiry took place. And involved in all of this is the money running through the hands of the department that may have been misapplied and rightfully belong to the fishermen of the north. Mr. Speaker, --(Interjection)-- Well, for the honourable member. . .

MR. SPEAKER: Order.

MR. SPIVAK: . . . for the Honourable Member from Thompson, yesterday I held a document dealing with Ilford which indicated that at the time of the annual meeting in 1972 it was impossible for the board of directors to meet because no one was present.

A MEMBER: Nobody was there.

MR. SPIVAK: No one was there. And then finally what happened is that a power of attorney was given to the department and they then managed and ran everything. So when you say it's an insult to the people up north, I say it's an insult to the intelligence of this House to suggest that for all intents and purposes the board of directors of the co-operatives are independent and in effect have a separate entity. They are run and controlled by the Department of Co-operative Development and by the Minister.

Mr. Speaker, the next question and I put it as it was put by the Minister when he answered it. "I then wonder by way of another question to the Minister if he can indicate how many of the fishing co-operatives managed by his department are audited by external auditors rather than by internal auditors of his department?" The answer. "No co-operatives are managed by the department - and I think I've dealt with this already and I'll deal with this even further later on. In some instances the department assisted in direct management through development offices where no management personnel were available when needed. In 1973 co-operative development officers acted as manager at Ilford for the summer season at the request of the board. This was to be only until a manager was located. Three co-operatives were audited by outside auditors. Kee Noe Zae in 1972 in summer of 1972 season. Southern Indian Lake. And I want to repeat this, Mr. Speaker, and I want the Honourable Minister to listen to what I'm going to say. Southern Indian Lake for the period ending April 30, 1973 was audited by two different firms, Ernst and Ernst on behalf of DREE, Burch, Findlay at the request of the Department of Co-operative Development. Of course there was one other one here which is the Indian Rice Producers Co-op, never audited by the department. The balance of the co-operatives audited by the department, Mr. Speaker.

Mr. Speaker, I'd like to if I may, file, because I'll make reference to it later on, the financial statement of October 31, 1973 of the Ilford Co-operative prepared by the Department of Co-operative Development. And Mr. Speaker, because I'm going to make reference to it in a few minutes, I'd like to file as well the financial statement for Southern Indian Lake Co-operative as of March 31, '73, which is eleven months, filed by the department. Mr. Speaker, I now say that the answers that were provided by the Minister are not true. And I want to repeat, Mr. Speaker, that the answers that the Minister provided are not true.

A MEMBER: Shame. Shame.

MR. SPIVAK: Mr. Speaker, Burch, Findlay and McFarlane did not complete an audit of Southern Indian Lake for 1973 and I challenge him to produce such an audit. Mr. Speaker, the statements I have filed were put together and I'm now referring to the eleven months of Southern Indian Lake - were put together by the department to obtain a DREE grant. Right now, Mr. Speaker, within the department there is a new auditor who has been hired for the last couple of months who's attempting to bring the records of Southern Indian Lake together. There is no external audit for 1973. The records cannot be reconstructed and the source documents are not available. And the statements that the Minister gave were false.

## MATTER OF GRIEVANCE

A MEMBER: Right.

A MEMBER: Shame.

MR. SPIVAK: Mr. Speaker, I already have indicated that it is the tradition in our proceedings in a Legislature and House of Commons that when a Minister brings in information that is not correct that he should resign. Mr. Speaker, I now put it again, that the reference made that an audit was completed by an accounting firm indicated in the answer by the Minister, was not true. And, Mr. Speaker, I regret to say that it would be unlikely that anything the Minister said is going to be able to really stand the test of a judicial inquiry. Mr. Speaker, our concern is that if the information I suggest is so, is correct, then the problem of whether the fishermen have been robbed with the moneys that have actually gone through the department is an issue which has to be settled independent, by the government themselves. Mr. Speaker, without an inquiry how will one ever know what these true facts are?

A MEMBER: Hear. Hear.

MR. SPIVAK: Mr. Speaker, the next question and the next answer. "By the way of another question of the Honourable Minister, I wonder if he can indicate whether the officials of his department who provide this assistance have brought to his attention any misuse of trust funds by the co-operatives?" The answer is: "No, no misuse of trust funds. Moneys collected, unemployment insurance, Canada Pension Plan, income tax are placed in regular accounts and dispersed by the local manager or board. This is normal business practice in both co-operatives and other corporate structures. Some co-operatives owe remittances to the Receiver-General. In these instances payment is made out of proceeds of next seasons operations. That is, Mr. Speaker, trust funds are paid out of next seasons operations. The Manitou Sakahikun in the amount of \$11,297.70, the Ilford Co-operative Limited also owes to the Government of Canada an amount of \$10,078.36; Kee Noe Zae is in the amount of \$16,000, again to the Government of Canada; Southern Indian Lake is \$9,500, again to the Government of Canada. These are for the particular deductions. Now those particular aspects have been discussed with me, Mr. Speaker, but nothing out of the ordinary has happened in this particular instance at least as the department advises and they are still under review." And I want to point out, Mr. Speaker, "as the department advises" --(Interjection)-- Yes, as the department advises. The Minister's prepared to stand up and say that the department has advised him.

Now, Mr. Speaker, the answer is a complete smokescreen.

MR. CHERNIACK: Why?

MR. SPIVAK: Well, Mr. Speaker, I must say to the Honourable Minister of Finance when I'm completed if he wants to defend the fact that statements have been made here that are not correct . . .

A MEMBER: By your people.

MR. SPIVAK: Well, Mr. Speaker, the allegations made originally were against the officials of his department and if the Minister stands up and says that all I have done is receive information from the department officials then I think the Minister's competence has to be questioned.

Mr. Speaker, the Minister has indicated a number of breaches of trust involving funds withheld under the federal statutes for unemployment insurance, Canada Pension, have occurred. These are new revelations. These are additional to the breach of trust alleged in the Minutes of September 1st meeting that has already been referred to. It is almost incidental to note that the explanations offered by the Minister is utterly preposterous. He tells us that co-ops who have taken deductions from fishermen to pay to the Federal Government have failed to make such payment, but that they will make payment in the future of funds already owing by deducting them from the future earnings of the fishermen. Mr. Speaker, if they have not already made those deductions the officers of the co-ops have contravened federal statutes. If they have made such deductions and failed to make payment they are in breach of trust and personally liable. If they were to deduct these amounts next year they would be deducting them for a second time. But finally, how can they make deductions next year when the co-ops have ceased operation? The question remains, Mr. Speaker: what of the breach of trust referred to in the Minutes of the meeting of September 1st?

The next question, Mr. Speaker. "I wonder if he could indicate to the House", referring to the Minister, "whether any officials of his department who provide assistance to co-operatives



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(MR. SPIVAK cont'd). . . have brought to his attention any claims by the Federal Government for moneys owing to them not paid by the co-operatives?" The answer to this is, "Yes, from time to time income tax office requests assistance in collecting overdue payments. In these instances the department passes the request on to co-operative management. Because of isolated conditions the department through its development offices has assisted the Federal Government in obtaining payment or passing on the request. At this time the Federal Government has placed third party claims on three co-operatives, Ilford, Southern Indian Lake and Manitou Sakahikun." I'm sorry about the pronouncement, Mr. Speaker. Mr. Speaker, I have been up north and I've been in some of these communities.

Mr. Speaker I must tell you that my comments on the previous response would apply to this as well. I want to point out, Mr. Speaker, that in the statement that I filed on Ilford, if one looks at trust liabilities you'll find a great variation between the trust liabilities shown and that referred to by the Minister. In a statement prepared by his own department the trust liabilities that are shown are \$25,000, not \$10,000 as indicated. It may very well be, Mr. Speaker, that \$15,000 has been paid in the interval, but I question that, Mr. Speaker, and I wonder whether in fact this is not another case of the information being given by the Minister not being accurate, misleading and for all intents and purposes not true.

Mr. Speaker, another question: "I wonder if the Minister can indicate whether any of the officials of the Department who provide assistance to the co-operatives have brought to his attention any disbursement of dividends by co-operatives and out of capital rather than of earnings?" The answer to this is, "No, Mr. Speaker. It was done at least not that I have been aware of - it was done, at least, not that I can be aware of nor has the department any knowledge of this happening. Dividend payments have always been based on earnings provided that the cash position was not impaired. In co-operatives dividends are paid on earnings and not on share capital." Mr. Speaker, in connection with Southern Indian Lake there appears to be money missing - and I'm going to be referring to that in a few moments - and only a judicial inquiry can tell how it is to be accounted for.

A MEMBER: Hear. Hear.

MR. SPIVAK: Mr. Speaker, another question: "My question is to the Minister of Co-operative Development. I wonder if he can indicate to the House whether there has been any fraudulent or misuse of Government of Manitoba funds or Federal Government funds by any fishing co-operatives in the Province of Manitoba?" Mr. Speaker, the answer of the Minister. "The department advises as follows: No, to the best of my knowledge there has been no fraudulent or misuse of government funds by co-operatives."

Mr. Speaker, my understanding is that moneys are advanced in trust by the Freshwater Fish Marketing Corporation to its agents. Whether such moneys are the property of the Government of Canada is a matter of opinion. The question is have moneys been fraudulently obtained and have trust funds been misused. This question has not been answered. In a matter of the PEP grants, and I believe we are talking of over half a million dollars last year and a half a million dollars this year, I understand that these moneys are placed in trust accounts for the co-ops and civil servants have access to cheques drawn on these accounts and cheques have been signed in blank and funds have been dispersed in this manner. The Minister reports to the House that civil servants in question inform him that they have not misused the funds. Would he expect them to say anything else? And I suggest, Mr. Speaker, that here we need a judicial inquiry.

Mr. Speaker, I do not have in my possession right now, but I will have for the Minister a letter from one of the members of the Co-operative Development forwarding written cheques in blank to the co-operative.

Mr. Speaker, the next question: "I wonder if he can indicate whether there has been meetings of his department with the heads of the Freshwater Fish Marketing Corporation, its officials, the Department of Indian Affairs dealing with the allegations of mismanagement, incompetence by the Department of Co-operative Development in its assistance and supervision of fishing co-operatives in northern Manitoba." Mr. Speaker, when the first question was put to him he didn't answer in the same way that he answered the other day. --(Interjection) -- Oh no you did not. He answered the truth. Mr. Speaker, yesterday he said the answer was yes. Three days ago he said the answer was no. --(Interjection)-- Yes he did, Mr. Speaker.

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(MR. SPIVAK cont'd)

Many meetings between the Department of Co-operatives and the FFMC have been held reviewing all matters of northern fisheries. Allegations only relate to one meeting, Mr. Speaker. The specific meeting referred to in question was held on September 1st to deal with Southern Indian Lake Co-op. Peter Moss at the meeting brought a number of things to the Deputy's attention, many which were hearsay. The main points alluded to, mainly the obtaining of funds fraudulently, was reviewed and definitely cleared and proven false. The department advises that there has been no further communication in this respect and that no allegations were made formerly and all of the misunderstandings at that time were cleared up at the particular meeting.

Mr. Speaker, if that was true, I wonder if he can explain what caused Mr. Kalinowsky to be demoted. Will he relate the nature of the conversation on this matter between Mr. Kalinowsky and himself? Will he table a copy of the letter that he referred to following this meeting which came into his possession from a civil servant, obviously written to somebody else, but arising from the meeting of September 1st, and can he justify now his initial answer when the question was put as to any allegations with respect to the misuse of funds and the possibility that in fact there have been, Mr. Speaker, there have been a question of management incompetence of the department discussed.

Mr. Speaker, I want the Honourable Minister to understand, you know, we are not here trying to win debating points.

A MEMBER: Oh no?

MR. SPIVAK: Yes, Mr. Speaker. The Honourable Minister is smiling. --(Interjection) -- No, I'm not, no. Mr. Speaker, I want the Honourable Minister to indicate that I have already said that some of the statements he's made is false. I don't see him jumping, Mr. Speaker, I don't see him rising right now. I don't see him saying that what I'm saying is not true. But I'm saying that what he said was not true, and I'm saying, Mr. Speaker, that what he is trying to do --(applause)-- Mr. Speaker, I want to put the question to him, Mr. Speaker, and I want him to understand very directly that he has a responsibility to answer questions in the House, if he so decides to answer, in a correct manner, in a correct manner. And, Mr. Speaker, I suggest that his answers have not been correct and have been misleading.

Mr. Speaker, we'll continue.

MR. USKIW: Will the honourable member permit a question?

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MR. SPIVAK: Later. Mr. Speaker, yesterday the Honourable Minister read 36 questions out and 36 answers and I think that I should be allowed to complete my presentation, and, Mr. Speaker, at the end --(Interjection)-- Yeah, and at the end, Mr. Speaker, I'll be prepared to submit to questions and to answer them to the best of my ability.

Mr. Speaker, "I wonder" and this was the question that the Minister put, "I wonder if the Minister can indicate whether he has received a report of a meeting held on September 1st, 1973 between the office of the Freshwater Fish Marketing Board, the Department of Indian Affairs, the Department of Co-operative Development dealing with charges and accusations of mismanagement, incompetence in connection with the operation of the Southern Indian Lake Co-operative?" The answer to that is, "Yes," Mr. Speaker, but three days before he said, "No, Mr. Speaker, I didn't receive any report". He said, "I didn't receive a report three days" - now he says, "yes". Okay. "Many meetings took place on the matters of management, finance production and these are ongoing in nature and are not singled out."

Mr. Speaker, I want to refer to his answer, and it was on page 1131 of Hansard when he said: "No, Mr. Speaker," this is his first time, "I don't believe that I received any official report from anyone because no one was commissioned to bring a report to me." --(Interjection)-- Yes, but no one ever asked him whether he received any official report. The word "official" was never used, that was his word. That wasn't the word used in the opposition side, and what he's basically trying to do is try to skirt around answering the question properly. But then, Mr. Speaker, when the minutes of the meeting were produced and the Minister was caught with the fact that the information he supplied was not accurate he then changed his answer. Mr. Speaker, the answers given three days afterwards are different and irreconcilable. The answer preceding that was referred to by me on March 7th . . .

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

MR. USKIW: Well the Honourable Leader of the Opposition is suggesting, Mr. Speaker, that I have misinformed the House, and I should like the honourable member to review the way in which he put the questions originally and now the way in which he is putting those questions together and relating them to the House.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I will now put the question and I will put the first answer and I think I can deal with the second answer as well. Okay.

The question: "I wonder if the Minister can indicate whether he has received a report of a meeting held on September 1st between the officers of the Freshwater Fish Marketing Board, the Department of Indian Affairs, the Department of Co-operative Development dealing with charges and accusations of mismanagement, incompetence in connection with the operation of the Southern Indian Lake fishing co-operative?" The first answer, Mr. Speaker: "No, Mr. Speaker, I don't believe that I received any official report from anyone because no one was commissioned to bring a report to me." The second answer three days later, the answer to this is: "Yes, many meetings take place on the matters of management, finance production and these are ongoing in nature and are not singled out." And, Mr. Speaker, I want to point out this only occurred after the minutes of the meeting were made public. Is he really trying to seriously say that on March 7th he knew nothing of the matter?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Mr. Speaker, on a point of privilege, the honourable member stated that I had indicated that I had no knowledge of the issues raised. My answer was that the department had not drawn to my attention any such report or finding. That's quite a difference, Mr. Chairman.

MR. SPIVAK: I wonder, Mr. Speaker, on the question of privilege, whether he's prepared to say that Mr. Kalinowsky in dealing with the question of his demotion did not bring the contents of that meeting to his attention?

MR. SPEAKER: Order please. I'm afraid that we're getting into a crossed debate and I can't allow that. The honourable member has a grievance, he can carry on with his grievance.

MR. SPIVAK: Mr. Speaker, now I'll deal with the next question. "I wonder if he can indicate whether any officials of his department brought to his attention allegations that advances that were forwarded to one fishing co-operative were solicited fraudulently by members of his own department?" The answer, Mr. Speaker: "Yes, by way of a copy of a

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(MR. SPIVAK cont'd) . . . . letter from an employee of the department denying the accusation." 2. "I am now told that no money was ever obtained fraudulently as advanced from the Freshwater Fish Marketing Corporation. Every time money was advanced to a co-operative the reasons for the request for the advance was explained to the Freshwater Fish Marketing Corporation in detail. At no time was money advanced used for other purposes than the purpose for which it was requested."

Mr. Speaker, this has already been dealt with and I would suggest that the only way that this can be effectively dealt with would be to have the people under oath before a judicial inquiry answer this question. Because, Mr. Speaker, I think that if this happened, that the information that is given would indicate that the answer that was given on March 7th should not have been given in the form it was by the Minister.

The next question: "I direct a question to the Minister of Agriculture regarding the Department of Co-operative Development. Is it true that the Department of Co-operative Development is certifying financial statements from fishing co-ops but it is impossible to reconstruct any of the accounts." Answer: "The Department does prepare and certify statements based on information provided by the co-operatives. Deficiencies in accounting records are reconstructed during audit and recorded according to accepted principles of accounting."

Now, Mr. Speaker, I will deal with this. The Minister's answer states and implies that there is an arms length relationship between his officials and from the fishing co-operatives which I suggest that they have been responsible for creating. In response, Mr. Speaker, I want to table a memorandum, dated July 1973, and this is the only copy I have and I would hope that the Clerk will be in a position to make a copy for the Minister as well as to leave for the record of the House and for myself. It's signed by the Deputy Minister, Mr. Speaker, and it basically assigns the staff personnel to the various managerial and directional functions in the co-ops itself. Mr. Speaker, a Judicial Inquiry will reveal that these officers had signing authority that in many cases neither the members nor the regular directors had any idea, and I'm now referring to the fishing co-ops, had any idea of the nature of the detail of the transactions managed and controlled by the officers of the department. To say therefore the department prepared and certified statements based on information provided by the corporation is correct, but it's misleading because the personnel doing the providing and certifying were one and the same. (Hear, Hear)

Mr. Speaker, another question that was referred to: "I ask specifically whether he is not supervising the accounts and certifying the financial statements in the case of Southern Indian Lake." "No, Mr. Speaker, the accounts are supervised by local management of Southern Indian Lake." Mr. Speaker, as I've indicated, the department is trying desperately now to put the records of Southern Indian Lake together. They cannot find source documents, they are in one helluva mess. The fact is, Mr. Speaker, although the Minister in his statement says, and I quote: "Financial statements for 1973, audited by a CA firm." That is not true. The next statement for April 1974 not prepared and not due. Financial statement for the period ending April . . . 1973 was audited by a CA firm, and I suggest to you, Mr. Speaker, that the only statement they have is a statement that was prepared in which I've released for an 11-month period for March by his department which was used for DREE to be able to try and get the remaining DREE funds. And, Mr. Speaker, I challenge the Minister to produce the audited statements produced by his department.

Mr. Speaker, the next question is: "I have a question of the Honourable Minister of Agriculture. I wonder can the Minister indicate to the House how many of the loans guaranteed by his department for fishing co-ops, the banks and credit unions are now in arrears." Answer: "Of a total of 20 loan guarantees totalling \$1,632,900 outstanding as of the date March 8/74, three are in arrears - Ilford Co-operative in the amount of 5,000, the other two are not fishing co-operatives; one is Crane River Feed Lot and the other is the Interlake Pulpwood Co-operative - a total of nine loans guaranteed to fishing co-ops for an amount of \$1,124,900.00."

Mr. Speaker, I'm prepared to accept tentatively that the Minister's statements accurately reflect the present situation but I would ask one further question: Has there been any re-negotiation, financial renegotiation with respect to the loans that were owing and the arrears that were owing by the co-operatives, and if so what are the particulars for us to understand the full extent of the financial obligations owing and the arrears that really are in existence?

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(MR. SPIVAK cont'd)

Mr. Speaker, I now deal with an issue which is significant and one which will involve two questions and a rather lengthy answer, and it deals with the question of the cost, the illusive cost of Southern Indian Lake and the co-operative. Mr. Speaker, the first question: "My question is to the Minister of Co-operative Development. I would like to ask the Minister if the management services and supervision provided by his department to the Southern Indian Lake Co-operative included the drawing up of the contracts and the tender specifications for the building of Southern Indian Lake Co-operative." The answer: "The department gave assistance in preparation of tenders and specification and contracts as per request from the Board of Directors of Southern Indian Lake Co-operatives. Consulting firms and Federal Department of Fisheries approved specifications and designs."

Now another question which was asked by the Honourable Member for Birtle-Russell was as follows: "When the Minister is taking that as notice will he also take as notice the question of whether the tenders if any were called came to his department and if so how many bids were received and if there were any could he indicate what the tender price was for the construction of the Southern Indian Lake Co-op?" The answer: "Yes, tenders were called for the main fish plant building, tenders came in as follows" - and I'm now repeating his answers, "A.K. Penner and Sons - \$268,000; Peter Leitch Construction - \$268,000; Malcolm Construction - \$268,000; B.F. Klassen Construction Limited - \$264,292; F.W. Sawatzky - \$257,864; Baert Construction - \$359,000." The above tender prices did not include refrigeration and mechanical. The Engineers Unies Limited had estimated refrigeration and mechanical to have cost approximately \$250,000. Had the co-operative awarded a contract to one of the tendering companies the final cost of the total project would have been 1.3 million as has been suggested in the House. It must be remembered that over and above the main plant building with refrigeration and mechanical the following was also acquired or constructed. Dry goods warehouse, heated grocery warehouse, repair shop and dining hall, all for a cost of \$388,960.00. This contract was awarded to Perma Structures Limited of Winnipeg after all other tenders were refused and so advised by letter of September 3, 1971. All of the above was done after consulting with the Board of Directors, the Federal Fisheries and DREE. At that point there were other major expenditures necessary to bring the total project loss into the operating complex. These were not part of the original tenders and not part of the contract with Perma Structures Limited. These consist of the following, all of which were approved by the Board of Directors of the Co-op and DREE as well as the Federal Fisheries, the Clean Environment Commission and the Department of Health, land site preparation, creek diversion, plant and office furniture and supplies, docks and conveyors, petroleum distribution plant, freight boats, two refrigerated trucks, one half ton truck; truck van for transporting employees from plant to town; communication equipment, power lines, lot and house boat for manager in lieu of a car to inspect station. The final cost of the total project, Mr. Speaker, in the Honourable Minister of Co-operative Development's words, was \$786,272.00. As a result of refusing the original tenders, as a result of the department acting as project man on behalf of the co-op, seeking the lowest prices through negotiation with contractors, the total project was considerably less than the one million dollars, a saving of several hundred thousand dollars.

Mr. Speaker, the estimates and the cost figures given by the Minister are misleading and completely incorrect. Mr. Speaker, there is material on file within the department if examined by the Judicial Inquiry, which would indicate the following, Mr. Speaker, and I'm going to indicate to the Minister what his own files will show. First it would show, Mr. Speaker, that the cost of 1.3 million would have resulted had the original bid - 1.3 million would have resulted had the original bid of \$257,000 been accepted. In fact the renegotiated price of \$388,000 although including some additional out buildings did not include some basic provisions such as site preparation, docks and mechanical equipment included in the original estimates. The department has rejected bids and in renegotiation neglected these items and the Minister neglected to mention this.

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(MR. SPIVAK cont'd) . . . .

Mr. Speaker, I want to if I may deal with the original Estimates that the department had, the renegotiated price that it arrived at and I want to indicate on the basis of what the Minister said would be the cost and suggest to you, Mr. Speaker, that there is \$200,000 missing, and I'm going to suggest as well, Mr. Speaker, that in total there is some \$600,000 that have not been and is not accounted for on the basis of the information supplied to the House and only a Judicial Inquiry is going to be in a position to be able to determine this.

Mr. Speaker, in dealing with this I have to ask the Minister why he rejected the projective cost of \$350,000 to \$400,000 in 1971 and replaced the plant facility with three more out buildings but less site preparation and site services required for proper operations, but cost some \$388,000 plus dock. Mr. Speaker, I think I'll deal with this in a different manner, I think it would be better to do it this way.

Mr. Speaker, I want to go through if I can the original estimates, the prices that were renegotiated, the extras that occurred and a figure, and in doing this I would simply indicate that I'm talking about site work, main plant, refrigeration, process equipment, miscellaneous, fuel storage, net shed, bank house, residence, floats, warehouse, repair shop, dining hall, office furniture, docks, conveyor, freight boats, trucks, half ton van, radios, power line and manager's boat. That's all the items that he referred to. Mr. Speaker, the original estimate was \$351,400; the renegotiated figure by the Minister was \$388,960.00. There were extras because of the renegotiation because these matters were not included and should have been, of \$92,000.00. Mr. Speaker, I'm allowing for all intents and purposes another \$100,000 to cover office furnishings, a conveyor and freight boat and trucks and radios which were not really part of that contract. Mr. Speaker, the information I would have would suggest that had it been added to the original estimate it would have been \$443,000.00. Even with the renegotiated estimates to Perma Structures it was \$580,000, yet the project is reported to have cost \$786,000; and I'm going to prove in a few moments, Mr. Speaker, that it cost \$1,200,000.00. And, Mr. Speaker, I want to point out that this was based on an original estimate of \$200,000, the original forecast was \$200,000; and, Mr. Speaker, even if the Department chose the most expensive and least satisfactory means of constructing the basic facilities, there are reports of inadequate services and waste treatment facilities, how can he explain an expenditure of an additional \$300,000 on a few furnishings and boats?

Mr. Speaker, the Minister has already reported that there is an \$800,000 loan to Southern Indian Lake guaranteed by the government. There was a grant received from DREE of \$424,000.00. Mr. Speaker, if you take the loan of \$800,000 and the grant from DREE, you have \$1,224,000.00. I want to now repeat, Mr. Speaker, what I've said. A facility which was estimated by the department to cost about \$200,000, could have been constructed for \$443,000, was apparently provided for \$581,000, but the Minister reported a total cost of \$786,000, yet by a combination of the loan guaranteed by the government of \$800,000 and the grant of DREE of \$424,000, it cost \$1,300,000.00.

A MEMBER: Unbelievable.

MR. SPIVAK: Mr. Speaker, the final figure of \$1,300,000 was reported to the Department of Indian Affairs and to DREE and I would like to table with the Clerk a letter from Mr. W. C. Thomas who I believe is with the Department of Indian Affairs, a letter to the President of the Southern Indian Lake Co-op. This is the only copy I have and I would ask that copies be made for the Minister, for myself and left in the records of the House, in which he states and I quote - and the Leader of the Liberal Party - in which he states, "You have a 1.2 million dollar packaging plant, including building and freezing and holding services", and this was dated August 7, 1973.

Mr. Speaker, I'm not going to suggest that the honourable members opposite are going to be in a position to digest all the information and I'm suggesting that a judicial inquiry would; but I want to make this point and make it very clear. There is on the basis of this information, Mr. Speaker, some 500 to 600 thousand dollars that is missing, that is not accounted for. Mr. Speaker, that five or six hundred thousand dollars was either put in in additional costs that the Minister is not aware of, because he stated that it would only cost \$780,000, and, Mr. Speaker, is borne of the fact that the co-operative has a loan of \$800,000 from a credit union guaranteed by the bank, and without question there was documentation to prove that \$424,000 was given by DREE. Mr. Speaker, without question a Judicial Inquiry is needed.

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A MEMBER: To find the missing \$600,000.00.

MR. SPIVAK: Mr. Speaker, the next question . . .

MR. SPEAKER: Order please.

MR. SPIVAK: "Mr. Speaker, can the Minister confirm that the loans when obtained from the Freshwater Fish Marketing Commission by his own department were used for direct benefits for the fishermen and as a result, resulted in shortage of adequate cash flow for effective operations of the fisheries complex?" Answer: "All advances made by the Freshwater Fish Marketing Corporation are made to co-operatives and not to the department. These advances are made to enable co-operatives to assist fishermen getting started at the beginning of the season."

Mr. Speaker, as with other answers, this one is based on a completely fictional separation between the department and the co-operatives. Mr. Speaker -- well the honourable minister can grunt, Mr. Speaker, but those are really the facts. "Mr. Speaker, I direct a further question to the Minister in charge of Co-operative Development. Can he indicate whether he is aware of any trust liabilities certified by the Department of Co-operative Development that are not now available for payment?" Mr. Speaker, and I put the question, "is the honourable member referring to the same co-operative that he alluded to a few moments ago", and the Member for Riel replied, "I am in this case referring to the Ilford Co-operative".

Mr. Speaker, the answer: "Ilford Co-operative has trust liabilities set out in its records of \$10,000,000 - 10,078.36. No money is available at present to retire these liabilities. These are trust liabilities!" "The Department has at no time assumed responsibility for the liabilities of this co-operative." That may be true, Mr. Speaker, in the sense of what he is suggesting but the Department had power of attorney, and if the Department has power of attorney I don't know how they're not assuming responsibility for the liabilities. And I've already indicated that in the Ilford statement that has been filed as of October, the trust liabilities are \$25,000 and not \$10,000.

"Mr. Speaker, I direct a question to the Minister of Agriculture in charge of Co-operative Development. Is it true that the Fish Co-ops at Southern Indian Lake were paying fishermen 13 cents per pound instead of 17 cents per pound, which indicated that the co-operatives were shortchanging fishermen in order to pay for debts caused by mismanagement? Answer: Co-operative board of directors set prices to fishermen at lakeside based on posted FFMC Winnipeg price less expenses. The department exercises no control. The Co-op was paying 13cents for medium white fish which was later adjusted by directors to 17 cents. FFMC establishes fish prices f.o.b. Transcona, less freight from local plant. Co-op has to charge freight from lakeside stations to main plant. The Co-op also has to deduct from fish prices the cost of operating the lakeside station as this is not covered in the FFMC agency fee structure."

Mr. Speaker, in answer to this question the Minister admits that the Southern Indian Lake Co-op was paying 13 cents instead of 17 cents. He then offers an excuse, an excuse rejected by the FFMC in the Minutes of September 1st meeting, an excuse involving freight rates on lakeside stations. Following rejection of this excuse, the price was raised, but no restitution was made for the long period preceding in which the lower price was being made. Mr. Speaker, the Minister has effectively substantiated the charge of theft that has been made.

Mr. Speaker, I must tell the Honourable Deputy House Leader that these charges will stand the test of a Judicial Inquiry and the problem at this point, is that the honourable members opposite are not going to be prepared for a judicial inquiry, and I'll tell you why. Because they are afraid of this, very much afraid of this.

MR. SPEAKER: Order please.

MR. SPIVAK: Mr. Speaker, I now would like to refer to another question put and answered by the Minister. "I wonder if the Minister could inform the House why Powers of Attorney of the Board of Directors were taken by his development officers to be able to run the co-operatives?" Answer: " Powers of Attorney were never taken to run co-operatives. They were taken at the request of the directors in some co-operatives to assist them with negotiations in areas of transportation agreements, federal assistance programs, remote locations of co-operatives, lack of telephone and other communication systems, which presented problems in dealing with the outside world. The department assisted in a few instances through the Power of Attorney Agreement. I'm also advised, Mr. Speaker, that the facility

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(MR. SPIVAK cont'd) . . . of operation has been used, I'm told away back, dating to 1964 by the same department even when it was a branch of the Department of Agriculture and that is not a new procedure."

Well surely, Mr. Speaker, in identifying the wide range of powers given by the power of attorney, can it be any longer pretended that the co-ops were free private agents. By his own admission his offices had power to buy, to sell, to solicit trust funds, to write cheques, to sign promissory notes, in fact, power to conduct any business of the co-operatives. They had in fact, the power to do all those things that it has been alleged were done improperly by them.

Mr. Speaker, I believe that I have documented a case that cannot be refuted by the Minister, that basically indicates that the information given by him in answer to a series of questions were misleading; that further indicate at this point, if the government is not prepared for a Judicial Inquiry, complicity in allowing the mismanagement and incompetence and potential theft from fishermen to have continued. Mr. Speaker, the allegations of theft were not made by myself, they were made by the Chairman of the Freshwater Fish Marketing Corporation.

A MEMBER: To whom?

MR. SPIVAK: To the Deputy Minister, to the Deputy Minister. Mr. Speaker, they were made to the Deputy Minister. Mr. Speaker. . .

MR. SPEAKER: Order please. Order please.

MR. SPIVAK: Mr. Speaker, I want to, if I may, just refer for a few moments to the Minutes of the meeting and to the statement alleged to have been made by Peter Moss.

--(Interjection)-- Well I wonder, did the Deputy make it to Peter Moss? I mean, if there was a meeting between Peter Moss and the Deputy and some individuals, did the Deputy then make these allegations to Peter Moss or did Peter Moss make them to the Deputy?

Mr. Speaker, all I'm doing is reading from the minutes of the meeting and I have not heard the Minister say that these minutes are not an accurate summary of what took place.

A MEMBER: Let's have an inquiry. Let's have an inquiry.

MR. SPIVAK: Mr. Speaker, I wonder if robbing the fishermen up north is a stupid allegation? I wonder, Mr. Speaker, if allegations of robbing the people up north, or the fishermen up north who I suggest are completely unsophisticated and not able to deal with this, who in fact, have placed themselves in the hands of the members of the department of Co-operative Development, is really an allegation, is really an allegation that should be brushed off by an arrogant government and by an arrogant group of ministers who believe that there's no such thing, or can be no such thing as wrongdoing by any of the officials and who are prepared to cover this matter up, and who were aware, Mr. Speaker, of the allegations and charges that have been made and were not prepared to act. Mr. Speaker, there was an election in 1973 and, Mr. Speaker, they didn't give a damn about . . . (Applause)

Mr. Speaker, I look at the Minister of Northern Affairs, I look at the Minister of Northern Affairs, Mr. Speaker, I look at the Minister of Northern Affairs and ask with his 300 people, 45 of whom were on contract, going up to the north and travelling into the communities, that at one point they did not find or hear information of complaints from fishermen of what was taking place. His answers have indicated that he did nothing, they were not brought to his attention. His answers were that he was prepared to ignore them, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. McBRYDE: His answer was -- the member I guess was supposedly quoting from me -- that I never heard of any problems with Co-ops in the north. Mr. Chairman, I said that there were problems with some Co-operatives in the north. The thing that I said I didn't know anything about was the gutter accusations of fraud, that the gutter politicians opposite are making.

MR. SPIVAK: Mr. Speaker, the Minister or the members of his department did not hear information from the fishermen complaining about the money being received, about the lack of financial information. Mr. Speaker there are documents that already, not been tabled in the House and released by myself which indicate that a meeting of the department officials, the department officials now, of the Department of Co-operative Development: they dealt with the complaints of the fishermen at Southern Indian Lake who basically said that they received no financial statement nor monthly account. Mr. Speaker, you know one question has to be asked, you know, at what point and how much has to be proved to convince the government that it is time that they started investigating those people who they themselves have relied on for the information that's been supplied.



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(MR. SPIVAK cont'd)

Mr. Speaker, the financial transactions that I referred to are a maze which we in the House will not penetrate. The Honourable Minister of Co-operative Development is not a guy to be trusted, certain matters are clear. It will be noted that many of the Minister's answers are qualified - and I want to point this out Mr. Speaker, that many of his answers were qualified by the words "My officials advise me." Mr. Speaker, given many of the allegations involve the Minister's officials, he really is suggesting that they should be looked to for an independent accounting of what took place. Before an inquiry their testimony would be relevant and important, but to take it as the sole basis of their own defense, Mr. Speaker, is a procedure that is both incomprehensible and unacceptable.

First the Government of Manitoba loaned \$800,000 or guaranteed \$800,000 to the Southern Indian Lake Co-op. We have the Minister's statement on that. Second, DREE advance \$424,000, that's public information, The total is not less than \$1,224,000 and maybe more. The Minister says the plant, the buildings, the trucks, the other buildings, the boats - in fact, all of the real assets required cost them \$786,000.00. Where is the balance, Mr. Speaker - some \$600,000.00. And, Mr. Speaker, I ask the Minister, where are the records? Where are the records? Where are the records? Where is this certified external account by auditors that I suggest does not exist, and where are the records, Mr. Speaker.

In addition we have recorded minutes, and I'm referring to the minutes of September 1st, containing charges of fraud and theft. We have no documentation, Mr. Speaker, which show that these allegations have been dealt with by the Department and all we have is an indication that it was satisfactory in the words of the Minister, but I suggest, Mr. Speaker, that based on the words of the Minister some of his answers are incorrect, misleading and cannot be trusted, Mr. Speaker, with respect to the question of the cost of the Southern Indian Lake Co-op, I know the consultants advised against the project management, that they later recommended that the project be stopped. Mr. Speaker, this is only one of several reports of mismanagement, bungling and a waste of materials. This is a most serious matter, Mr. Speaker.

A MEMBER: An election was on and the seat had to be won.

MR. SPIVAK: What's involved is breach of trust, false statements by the Minister, misleading statements by the Minister, allegations of theft, allegations of loss of records, and absence of audit. I am making an allegation right now that their records have been lost and they cannot be reconstructed. And I'm also, Mr. Speaker, saying that there are absence of audits. Mr. Speaker, it brings to mind an earlier case in Manitoba called Patton and Cox. Mr. Speaker, that so-called Brandon Packers Case, and I want the members to reflect on the outcome of that case, and I want to ask them to keep in mind that no civil servants and no members of the Executive Council were involved in that case.

Mr. Speaker, I charge that in the case of the Southern Indian Lake Co-op, there is a prima facie case at this point, of a breach of trust, and there is a prima facie case that the civil servants have in fact mismanaged and have in fact misrepresented information that has been supplied to this House. Mr. Speaker, I demand and the Progressive Conservative Party demands, a Judicial Inquiry of all the events. I demand, Mr. Speaker, the prosecution of any of those who may have in fact been involved in any criminal activity. And further, Mr. Speaker, and I think more important - and I say this directly to the members opposite because I have a feeling that in all of this they have ignored one basic trust they have and one basic obligation they have -- I demand, Mr. Speaker, that a review be made by Judicial Inquiry so that it can be determined whether any fishermen have in fact been cheated, short-changed or gypped as a result of the actions of the officials of the Department of Co-operative Development; and I demand that there be given an undertaking by the government that there be full restitution to the fishermen involved so that the government can discharge an obligation that there is an onus on their part with respect to the management of the fishing co-operatives and to their involvement.

MR. USKIW: Mr. Speaker, I wonder if it can be permitted that I ask the honourable member a question without exhausting my right to speak on the subject matter?

Would the honourable member, the Leader of the Opposition, not agree that if there was any substance to any allegation, as he alleges, that indeed a letter should have come from someone making the allegation and that some court proceedings should have been undertaken by that individual. And the fact of the matter is, Mr. Speaker, and the honourable member

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(MR. USKIW cont'd) . . . knows it, that no such event took place, and I'm wondering why he is not prepared to table in this House the allegation made by whoever is making it so that we would know what the honourable member is talking about. Now I would suggest to the Honourable Leader of the Opposition he owes the House an explanation.

MR. SPIVAK: Mr. Speaker, for the record, I tabled the minutes of the meeting of September 1st, 1973, dealing with a number of allegations that have been made, by Peter Moss, Chairman of the Freshwater Fish Marketing Corporation, and I want to particularly indicate, and if I can, No. 15, advances given to the Southern Indian Lake Co-op were solicited fraudulently by V. Hryshko and W. Kalinowsky, who I believe are senior officials of the department and I believe Mr. Kalinowsky was demoted after this, And the same were not used in fishery but to pay capital cost of construction. Mr. Speaker . . .

MR. SPEAKER: Order, please. I wish the honourable members that have to shout would leave the Chamber. I am trying to hear what is being said and it's almost impossible. Now those people that want to be childish should not be here. The Honourable Leader of the Opposition,

MR. SPIVAK: Mr. Speaker, I want to also refer to Item 11 where it said three cent camp deductions were not justified. They were opposed by fishermen and not in accordance with the Freshwater Fish Marketing Corporation pricing policy, and I've already point out that as soon as this meeting was over the government immediately changed the procedures and the fishermen then did get the additional amount of money.

Mr. Speaker, I could go on. These charges are damning against the government. They warranted an investigation, they warranted action which the Minister obviously was not prepared to do, and to that extent I question the complicity of the Minister in not recognizing that what was really being charged in this, aside from mismanagement and incompetence, was that innocent fishermen, in the main native, unsophisticated, who do not understand, you know, the techniques or the accounting procedures, do not understand the maintenance of records and the way in which they are kept, who do not understand the way in which banking procedures are followed, but who were putting their faith and trust in the Department of Co-operation Development officers, may have been put in jeopardy and may very well have been gyped, shortchanged and robbed, as suggested further on in these minutes. And by the way, Mr. Speaker, for the record, these minutes refer to stealing--I haven't got the exact clause but I can, if the individuals want to, if members opposite want me to find it--but refer to stealing, and I use the words "stealing from fishermen." It's in these minutes. --(Interjection)--

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, would the honourable member agree to a question? Would he indicate whether he has, during his lengthy discourse today, himself alleged that members of the Cabinet have been aware of these charges that he has made, and if so are they his allegations or somebody he's prepared to name and quote?

MR. SPIVAK: Mr. Speaker, the allegations of the Cabinet being involved were made by the media, not by myself, and those allegations were made, Mr. Speaker, as a matter of fact were made I believe on Friday night on television and were referred to in the press, and I must say, Mr. Speaker, that if those allegations are true, I believe that action has to be undertaken and I believe that . . .

MR. CHERNIACK: Can you name them?

MR. SPIVAK: Well, Mr. Speaker, I would like the government to be in a position to stand up and say that those allegations were untrue.

MR. CHERNIACK: Would you name the . . .

MR. SPIVAK: No, I think that I would refer the honourable member to the newspapers, and I would refer him to -- I'm sure there can be a re-broadcast made of the television statements made.

Well, Mr. Speaker, I must suggest, Mr. Speaker, that I think if the allegations that have been made are fairly serious, and I think that if there is nothing to be concerned about, that the honourable members opposite better at least reply in kind.

MR. CHERNIACK: You won't name them?

MR. SPIVAK: Well, Mr. Speaker, I don't think that I have to name them. I'm simply saying that I know the Honourable Minister of Finance, with his usual ingenuity, is quite able to look at the newspapers of a few days back and to read them. I'm sure that he can be able to

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(MR. SPIVAK cont'd) . . . comprehend that, and he can also call for a re-broadcast of the television broadcast and any radio broadcast that he wants. He has that ability and he has certainly people within his department to do it. And I think after examining that, he will then know that the allegations were in fact made by members of the press.

MR. CHERNIACK: But you don't know.

A MEMBER: Look it up.

MR. SPEAKER: The Honourable Member for Thompson.

MR. KEN DILLEN (Thompson): Would the Member for River Heights yield to a question? He will? I didn't get an affirmative . . . Yes. When these allegations were brought to your attention, I understand that this has just been in the last couple of months, did you question Mr. Moss as to why he didn't take the necessary action to bring this to the attention of the courts?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm not in a position to know what action Mr. Moss took. I don't know whether he contacted the RCMP, I don't know if there was any further correspondence with the Minister. But I would suggest to the honourable member that the only way you'll know that is by having a judicial inquiry and when individuals have to be sworn under oath.

MR. SPEAKER: Order, please. Question before the House is to go into Committee of Supply. The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I rise on a point of order prompted by a statement just made by the Minister of Agriculture, and I will quote what he said. He wanted to know if it would be possible to ask a question without exhausting his right to speak, and I want to point out, Sir, that unless the Minister speaks now he has exhausted his right to speak. This is a grievance --(Interjection)-- I'm not trying to cut him off. I'm simply pointing out the rules which my honourable friend the Minister of Finance knows nothing about and cares less about.

A MEMBER: He's doing you a favour, that's all.

MR. JORGENSEN: I quote, Sir, from . . . Citation 234 of Beauchesne, on page 199, subsection (2) and it says, "It often happens on the motion that the Speaker leave the Chair for Committee of Supply that members air grievances without moving amendments. A member may speak on railway rates, another on naturalization and so on. Five or six different matters may then be brought to the government's attention, but once a debate is concluded in one matter and another matter intervenes, members cannot again discuss the former. No member is allowed to speak more than once on the motion." Sir, I submit that if the debate is allowed to conclude today, that ends the debate on a grievance on this particular matter, and it cannot be revived on another occasion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: . . . deference to my friend who presumes to know all that there is about the rules --(Interjection)-- I suggest, Mr. Speaker, it is always in order for an honourable member to ask for a point of clarification dealing with the remarks that another honourable member has made in his discourse. The Honourable the Minister for Agriculture asked for a clarification of the content of the remarks of the Leader of the Opposition.

MR. CHERNIACK: I asked during the speech and he said wait until I'm . . .

MR. PAULLEY: And that was asked during the discourse of the Honourable the Leader of the Opposition and he suggested that the matter, the question should be raised at the conclusion of the speech of the Honourable the Leader of the Opposition and that was done. The Honourable Member for Thompson also asked permission of the Speaker who undertook the grievance whether or not he would consider replying to a question. The member --(Interjection)-- You don't know what he was talking about, my honourable friend. The point is that the Honourable Member for Morris is attempting to prevent the Member for Agriculture and the Member for Thompson of taking part in this matter under consideration, and that he's exhausted his right under a grievance. I say --(Interjection)--

MR. SPEAKER: Order, please.

MR. PAULLEY: As usual I know a hell of a lot more about the rule of parliamentary procedure than you do and also, Mr. . . .

MR. SPEAKER: Order please. Order please. ORDER. I don't know why it is necessary for me to have to shout so that members will hear that I'm asking for order. Or do

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(MR. SPEAKER cont'd) . . . I need a stepladder to get up high enough so members can see me? Or do we need more spectacles or more light in this Chamber? But let us get with it. The Honourable Minister of Labour continue on his point of order.

MR. PAULLEY: Mr. Speaker, in connection with the motion to go into grievances on supply, it is true, it is true that a member can only speak to a grievance on one subject matter, but that does not, Mr. Speaker, prevent another member from speaking on the same grievance matter or the same subject matter either today or on some other day. That is permissible under the rules of Beauchesne. --(Interjection)-- No. He doesn't have to speak now, Mr. Speaker. I suggest that all that is necessary is to change basically . . .

A MEMBER: The rules.

MR. PAULLEY: You ignorant so and so.

MR. SPEAKER: Order, please.

MR. PAULLEY: A member can only speak once on a particular subject but it doesn't preclude another member from speaking on it at some other time. And I suggest, Mr. Speaker that you take this under advisement to see as to whether or not I am correct, because it has happened in this House and a precedent has been established.

MR. SPEAKER: Order, please. I am not taking anything hypothetical under advisement. There is no ruling to be made. The honourable members asked questions. That was allowed. If they wish to go on this particular grievance they are entitled to do it now. If they want to go on a grievance of their own, that's their particular choice. Are you ready for the question on the motion? The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker. . . a point of order, Sir, and my point of order was simply to determine whether or not the Minister would be compelled under the rules to proceed with his portion of the debate today, otherwise the debate on this subject is closed because we cannot raise the subject matter on another occasion.

MR. SPEAKER: Again, I have . . .

MR. JORGENSEN: Once a subject matter has been raised Sir, then it must be proceeded with, it cannot be interrupted by a delay in the proceedings of the House or intervening of another debate. The debate has to continue until it is completed and once it has concluded it cannot be revived again. That, Sir, is in our rules. And of course the Minister of Labour, as is usual, completely misinterpreted the remarks and the point that I was attempting to make. And, Sir, I think a decision must be made on this because I don't want to see the Minister precluded from participating in this debate and under the terms of the citation that I've just quoted in Beauchesne he would be precluded from continuing this debate on another occasion, and I want to insure that he's not --(Interjection)-- Well, he can continue his remarks of course on the Estimates. There's nothing precluding him from continuing with that on the Estimates. --(Interjection)-- Well. . .

MR. SPEAKER: Order, please.

MR. JORGENSEN: If the Minister says that's all he's saying then why did he raise such a fuss if that's all he's saying. My point was simply that on this debate, on this debate, that unless he proceeded with his remarks today he would not be able to rise on another grievance on another occasion. But there is absolutely nothing stopping him from continuing those remarks on the Budget Debate, on the Estimates, Supplementary Estimates - not in Supplementary Estimates because there isn't an occasion provided there.

MR. SPEAKER: Order, please.

MR. JORGENSEN: But on Capital Supply and on Interim Supply.

MR. SPEAKER: Order! There is no requirement in our rules that a member has to go on a grievance. As far as I am concerned if the Minister wishes he may go, if he wishes to debate it under another heading or under another debate he's entitled to debate it at his will and pleasure. As a grievance he cannot raise it again, that's true.

MR. JORGENSEN: That's the only point I was making, Sir.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I hope the Honourable Member for Morris isn't suggesting that I am now precluded from introducing my own grievance motion in the balance of the session?

MR. JORGENSEN: . . . the Minister and that's why I want this clear understanding right now. The Minister is precluded from raising the same subject. Only one subject can

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(MR. JORGENSEN cont'd) . . . be raised during the course of a session and you can't come back to the same subject again. That is in accordance with the rules.

MR. SPEAKER: All those in favour please say Aye. Against say Nay. The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Speaker, I'm sorry that I - I'm not sure if I'm sorry or not - that I missed the comments of the Leader of the Opposition in regard to the matter of co-op services and co-operatives in the northern part of our provinces. However, I believe that in the last few days the matter that he raised here this afternoon he has raised in the media, he has raised in the question period at other times so that I have enough of an idea of what he has been talking about to make a few comments.

The other day, Mr. Speaker, when we had a discussion one of the members on this side raised the fact that members opposite seem to be still filled with a certain amount of hatred, hostility, disappointment, that was leading them to behave in a pretty unreasonable or unrealistic and I suppose beyond their normal behaviour in the past in this House; and some of the members at least one, cheered and responded as if this were the case. And I'm afraid, Mr. Chairman, that what we've been witnessing at this Session of the Legislature is this change in attitude, change in approach, change in tactics, change in strategy that has come out, I can only suppose from the last election campaign. Certainly, Mr. Speaker, we witnessed wild accusations occasionally in the past in my experience in this House. A couple of them came from the present Member for Lakeside and then Member for Lakeside and some of them came from other sources in this House. They were proven wrong, Mr. Speaker, and the matter was left to rest at that stage. I'm not an experienced political hand as some of the members opposite or some of the members on this side of the House, but what I've witnessed this session is the worst kind of political behaviour that I have seen since I have been a member of this House, since I have experienced in any involvement or connection I had any way with public life. It almost makes me ashamed to admit that I am a politician when I have to listen to the kind of wild accusation, the kind of gutter politics, the kind of slander that comes from members . . .

MR. SPEAKER: Order please.

MR. McBRYDE: Of course this could be seen as an effective political tactic when you make a wild accusation; you get on the front page, when the correction comes out it's on page 45 and the average citizen doesn't happen to notice it on page 45 so he has to assume that there must be some truth somewhere in the wild statements that are made. If the honourable members opposite throw mud at the wall long enough in the public mind I suppose some of that is going to have to stick. Even if people are unfairly hurt in that process, even if peoples' reputations are damaged, even if they lower the level of political debate in the Province of Manitoba and make the practice of being a political person, a public servant, a degrading thing to be in the Province of Manitoba, they figure they have gained a few political points by that process. And that is what we have witnessed at this session of the Legislature and as I said I would expect from past behaviour that kind of method of operation from the Member for Lakeside: I did not expect it, Mr. Speaker, from the whole Conservative Party, I did not expect it from the Leader of the Conservative Party, and it is very disappointing that new members have found no difficulty in stepping into this method of approach, this political style that the people of Manitoba are now being forced to live with in terms of a political approach to dealing with the problem of our province. And I think that it's a good example, it's a good example to take the original accusations that the Leader of the Opposition led off with in this session in terms of political activities and of civil servants and contract personnel' working in the Department of Northern Affairs. And in that case I think it must be evident to everyone now, the Leader of the Opposition promised and promised and promised and promised to prove his case; when he found he had no case, he forgot about it, he dropped it. He got all the political mileage he needed, he slandered people within the Department of Northern Affairs and within the government so he had achieved a few political points in a matter that I find disgusting, a matter that I hope that the people of Manitoba will find disgusting in their political leaders.

How does the Minister of Co-operative Development deal with a whole barrage of detailed questions on a moment's notice? The only thing that the Minister of Co-operative Development can do is take the speech of the honourable member, examine the accusations

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(MR. McBRYDE cont'd) . . . that were made, bring forward the facts -- but the disturbing thing is that he has already done that, these accusations started last week. The Minister of Agriculture stood up here yesterday and read answers to the questions that were full of implications from the members opposite, and answered those questions in some detail. But of course, if you want to read today's press, the Leader of the Opposition gets full coverage for his accusations, and then about five or ten paragraphs down it says: The Minister of Agriculture also spoke and said these were not correct. Well there's political mileage in doing that, if one wants to stoop to that level of gaining political mileage. And I think that's what we've come to in this House, that we've come to in the province, that's what we've come to under leadership of the Conservative Party.

Mr. Speaker, someone made a reference to election. I have never won an election on the basis that is presently the operational method of the Conservative Party in Manitoba because, Mr. Speaker, I suppose I have a basic belief that if you're honest and straightforward in public life people will remember that. The more times you make wild accusation, the more times you make unsubstantiated charges and they're shown to be wrong, people will soon start to understand what kind of a person you are, what kind of a leader you are and what kind of a party you're leading.

So how can the Minister of Agriculture -- now of course will go back and gather the material, gather the information in relation to these latest charges, come back to this House, present his information and then the next day the Leader of the Opposition will stand up and make the same charges over again or he'll make some new charges that are just as wild and just as unfounded. So the Minister will then have to go back, gather the information, show that the member was incorrect, but that won't stop him. He is determined by fair means or foul means to try and advance his political future. I think he's making a mistake, I think the people of the Province of Manitoba will not buy that kind of method of operation, I think that they will soon become disgusted with the kind of politics that is going on by the members of the Conservative Party, and particularly the Leader of the Conservative Party.

Now the member opposite referred to the matter of throwing mud and, Mr. Chairman, that has been the only thing the opposition has been able to muster from their side of the House this session. They have not been able to muster policy alternatives, they have not been able to muster criticism of programs except attempting to keep throwing mud.

One of the things that should be made very clear to anyone trying to follow the events of the last few days in relation to the accusations made by the Leader of the Opposition, one thing that must be made clear is a clear distinction between management problems or financial difficulties in co-operatives in northern Manitoba and accusations of illegal behaviour -- and the member opposite, and I believe deliberately, the member opposite keeps trying to confuse and all the members opposite keep trying to confuse this issue. Because one day they would ask, and they did: Was the Minister of Northern Affairs aware of financial problems in the co-operatives of the north? The answer being yes. And then the next -- the implication that the Minister was aware of some fraud or some illegal behaviour -- and there's quite a distinction, and I hope the people trying to follow this debate can get clear that distinction between a matter of illegal, fraudulent behaviour and a matter of problems of management, a matter of financial difficulties in co-operatives in Northern Manitoba --(Interjection)-- yes, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, I wonder if the Minister as Minister of Northern Affairs is satisfied in his own mind that the fishermen of Manitoba interests have been protected and that they may not have been gypped, shortchanged or stolen from?

MR. McBRYDE: I believe that I implied when we first had the hearings on the Freshwater Fish Marketing Corporation that I believed that often fishermen in Northern Manitoba had been gypped, lied to and stolen from, and I said that at that particular hearing that took place.

I think it's important that members opposite, you know, who don't have understanding of or any understanding really of matters in northern Manitoba have a little bit of understanding and I think that the understanding would be that the effort at co-operative development has been taking place over many years in the Province of Manitoba. As I mentioned in my comments last evening the members when they were in government were involved in bringing forward the the program of co-operative development and it was one of the few positive and worthwhile

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(MR. McBRYDE cont'd) . . . things they did in the northern part of our province. I can't remember the exact year that that program started but I know it has been going on for quite a considerable amount of time; and I know that I have been one of those who had some criticisms of that department as I did of the Northern Affairs Department at that time in the manner that it related to people in some communities in northern Manitoba, because it's quite a different thing to be able to offer advice and to be able to tell people and have them accept what you would wish them to do as opposed to offering advice. And my feeling was -- and I had expressed this to the present Minister responsible -- that there had been a tendency on occasion of that department to exert too much influence in terms of co-operative development; and I know that the persons in the department have been concerned about that and attempting in every way to rectify that situation, and in turn to allow the co-operative to become co-operative in the true meaning of the word so that those involved would understand exactly what it meant to be a co-operative, would have the decision-making responsibility and would have strong boards of directors that could manage their own affairs. And this is the direction that the department has been moving in and I give them credit for doing that, but it's not been without problems; it's not been without problems in terms of the ability of local management; it's not been without problems in the terms of the marginal economic viability of the operation in the northern part of our province; and as the Premier indicated the other day it's a worthwhile effort but it's one where we're aware, we're quite aware that there are many problems involved in assisting the co-operatives in northern Manitoba to develop.

I suppose there's one other matter that members opposite should understand now that they're engaging in this kind of politics that they're engaging in, is that in the small remote communities in many or quite a few of the small northern communities the community infighting is a very strong and quite often a vicious and unfortunate event that takes place in small communities. And in my capacity previous to being elected and in my capacity as Minister, I do hear charges and accusations; I do hear that the President of the Bingo Committee has in fact taken off with \$10, and I do hear that the Mayor -- we're sure that the Mayor must have mispent some of our funds. And I suppose maybe the member of the opposition is aware of this because it is sometime used in these vicious and often inter-family, inter-large family squabbles in the small remote communities; this is a political tactic that's used and maybe the member of the opposition, the Leader of the Opposition has learned that tactic in this session because he seems to be practising a similar method of operation. But every time I hear that kind of accusation I don't demand a judicial inquiry, in fact most of the time what happens is that the person being accused wants an examination of the books so that he can show in fact that there was no mismanagement of the funds that were under his jurisdiction -- although I was at one time, Mr. Speaker, aware of a community leader who had taken some of the funds, the community was informed, the community made him pay it back. They didn't have a judicial inquiry into that matter but forced the member to pay it back, and in fact left him in that position because I guess they felt that they could have more trust in him from that point onwards. So if the members opposite are looking for dirt, and this seems to be their main preoccupation this session, then they can find it. They could travel into almost every northern community and find someone willing to make an accusation against other members of the community, against any department of government, against almost anyone because this has happened and I'm aware of these kinds of instances in the northern communities. So if I am aware of these, I don't see it as a case for a full judicial inquiry; it's a matter that has to be checked in discussion with the local people, the matter resolved at that local level, and often you'll find that the accusations were unfounded and as wild as the ones that we're hearing in the last few days.

Now I would like to apologize to members opposite that I cannot respond in detail to all the accusations that the Leader of the Opposition has made in his method of operation in this House, and the Minister of Co-operative Development cannot respond to all those until he gets all the facts and figures again. And as I said, it's probably a very frustrating exercise to do that, because then there will be some more wild accusations the next day and the facts have to be got back and gathered and presented again.

I would like to ask that the media dealing with this situation attempts to give it fair and reasonable coverage, not the kind of coverage for example they have been giving the winter road program in the northern part of our province, which in no way could be described

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(MR. McBRYDE cont'd) . . . as fair or accurate coverage. But I would hope that in this case they might be able to attempt to give some fair and accurate coverage of the situation and of the Minister's reply to the wild accusations that have been made, so that the people of the Manitoba, the public of Manitoba can see how the Conservative Party in this province is operating, can see the kind of vicious accusations that are being made and not substantiated, and that they can see the facts of the matter when they are presented to this House and can judge them; can judge the opposition for what they are, can judge the opposition for what they're doing in this particular case.

MOTION carried.

MR. SPEAKER: The Honourable Member for Logan.

INTERIM SUPPLY

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: I'm wondering if committee would find it convenient now if we can proceed with the resolution on Interim Supply and then proceed with the reviews on the supplementary supply for the year ending this month. If that's acceptable, Mr. Chairman, may I then ask that we deal with the resolution on Interim Supply which the Clerk has. The resolution on Interim Supply, could we deal with that?

MR. CHAIRMAN: Is the House prepared to proceed? (Agreed) Resolved that a sum not exceeding \$196,940,950 being 25 percent of the amount of the several items to be voted for the Departments as set forth in the main estimates for the fiscal year ending 31st day of March 1975 laid before the House at the present session of the Legislature be granted to Her Majesty for the fiscal year ending 31st day of March 1975. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, in dealing with the question of Interim Supply, I would like to deal with the question, that was raised by the Minister of Northern Affairs in his last remark, in the last item.

MR. CHAIRMAN: Order please. The Honourable Minister of Finance on a Point of Order.

MR. CHERNIACK: Yes, the resolution before us deals with the Interim Supply to provide the administration the opportunity to have moneys for the twenty five percent of the main estimates before us. Now I don't know whether you're prepared to interpret this resolution to be all encompassing and covering all matters before the committee in all of the estimates. I raise that only because I point out that there has been ample debate, or considerable debate on other matters on the Department of Agriculture and others and will proceed once we complete these.

MR. CHAIRMAN: The Honourable Member from Morris.

MR. JORGENSEN: Yesterday when the Minister spoke he suggested an order in which he was going to deal with this, somewhat different than what he is now proposing. I'm not going to quarrel with that. The Minister is right to introduce either Interim Supply, Supplementary Estimates or Capital Supply in the order in which he chooses to do so. Sir, if he chooses to deal with Interim Supply at this time, then I think he should be reminded that Interim Supply involves one quarter of the estimates of all the departments of government, which opens up debate on all those departments and there is no prohibition against members speaking on any subject that they choose to speak on, on this particular item.

Now, one caveat or one restriction that is imposed of course on the opposition, is that debate at this stage -- my understanding -- is included within the 90 hours of debate but there is nothing preventing members from dealing with any subject of government during this stage of the debate.

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, if I may, I believe that the Honourable Member for Morris is perfectly correct -- (Interjection) -- I don't need any insolence from any of you over there. I do suggest Mr. Chairman, that the Honourable Member for Morris is correct because the government is asking for Interim Supply dealing with the totality of the estimates. The only reason that there may be some suggestion in question, is that the Leader of the Opposition indicated, following the remarks of the Honourable Minister of Northern Affairs, he wanted to go back and to reply - it is within his capability to do so, but as the Honourable the Member for Morris has pointed out, this will be all inclusive in the totality of the 90 hours.



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(MR. PAULLEY cont'd) . . . I don't think, Mr. Chairman, anybody would indicate that the Leader of the Opposition does not have the right to pick out the estimates of Northern Affairs or Health and Social Development and of course, Mr. Chairman, this also is within the realm of the capability or the involvement of any other member of the House as well.

MR. CHAIRMAN: I think the point is well taken. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm sorry that the Honourable Minister of Northern Affairs is not in the Chamber but I think that some of the remarks warrant a reply from this side, not because the political charges of outrageous or outlandish statements is one that necessarily requires a reply -- this is part of the debate and this has of course been the attitude on the part of the members opposite. But, Mr. Chairman, the reason it requires a reply is because of what I consider to be the responsibility of the Minister of Northern Affairs. As I understood the Department of Northern Affairs, it was set up to in fact be the agent to protect the interests of the people of the north with respect to the whole range of government services, and government departments. My understanding, Mr. Speaker, was that the Department of Northern Affairs was to deal with the problems of the people of the north with respect to various departments. As a matter of fact, Mr. Speaker, it was the obligation of the Minister to try and accomplish many objectives, one of which was social animation among the remote communities to try and develop within them a sense of responsibility and understanding of their rights so that they would be able to take advantage of government programs, federal and provincial, that may be available to them.

Mr. Speaker, the allegations and the charges that have been made are very important to a significant number of people living in Northern Manitoba and Mr. Chairman, it ill behoves the Minister of Northern Affairs to stand up and suggest that the allegations that have been made do not warrant attention from him as Minister of Northern Affairs in dealing with the people that he's supposed to be there to protect. Mr. Speaker, he didn't stand up and suggest I've discussed this with the officials of my department, I've discussed this with the Minister of Co-operative Development, I've had a meeting between the officials of my department and their department, to try and deal with allegations -- I am here protecting the interests of the fishermen that I represent. And Mr. Chairman, one of the things that I want the honourable members opposite, and I want the Member for Churchill and I want the Member for Thompson and I want the Member for Rupertsland to stand up and say without question, that they never discussed this matter with the Minister of Northern Affairs. I want them to indicate that they never really discussed this matter with the Minister of Co-operative Development. I want them to indicate that insofar as they are concerned there is no problem in Northern Manitoba with respect to the fishing co-ops, and that there is no doubt in their mind that the interests of the fishermen are protected, and there is no possibility in their own mind that there may have been some wrongdoing in which the fishermen may have been stolen from or gypped as a result of the procedures followed. Because, Mr. Speaker, it goes to the very heart of the way in which the government's operating -- the attitude that has been taken here on the part of the government with respect to this issue is one very simply, you know, there cannot be any wrongdoing, because the NDP are a control and because we are responsible people and it doesn't make any difference how many documents you produce, it doesn't make any difference how many statements you contradict, it doesn't make any difference how many documents are put forth as information or how many incorrect statements are made in the House by the Minister. It doesn't make any difference, we're the government -- we know that there's no wrongdoing. And when I say, Mr. Speaker, that the government has a trust here that is far more important and significant, and the Minister has a trust that is far more significant than they would like to relate -- and, Mr. Speaker, the fact is that the information that's been supplied has been presented on the table, and it has been presented in this Legislature, and in effect it is not refuted -- and surely the Minister should have been standing up and saying: Well, you know if this is true then the people I represent are being short changed; if this is true, we as a government must undertake our responsibility to see to it that their rights are protected. If it is not true, then I'm in a position then to make the statement against the Leader of the Opposition, that you did a bad thing by bringing this matter up. But what did he do? He stood up and said, you know, it's a question of throwing mud -- it's a question of outrageous charges. He then talks to me or talks to the opposition about the infighting that occurs within the

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(MR. SPIVAK cont;d) . . . communities. Mr. Speaker, not only does the infighting occur within the communities, it occurs within the native organizations, and the Minister has been one of the people responsible for stirring up part of the infighting in those organizations -- and I'll stand by that statement. So it ill behooves him to stand up and try and lecture me, when he and his department, Mr. Speaker, when he and his department have been involved in deliberate attempts to create ill-will and to create ill feeling within the native organizations and at different levels in order for him to be able to basically control the direction of what has happened.

So, Mr. Speaker, with respect to this issue, because I think the ball is in the government's court, and they can do many things. They can have a Judicial Inquiry. They can dismiss it if they want to, as they dismiss everything else, they can try and get some additional answers to maybe indicate that there were some errors made -- and, Mr. Speaker, I want to point out that there were errors made; let's talk about the errors that were made. There was a question asked about a 60,000 dollar conveyor, and the Minister stood up and said it only cost \$15,000. Well, Mr. Speaker, I'm not sure, and I'll say that to the Minister that his information is accurate, because if he looks at the Southern Indian Lake statement, that I filed from his own department, he'll find that docks and conveyors are listed at \$62,000 and my understanding is that the docks did not cost the \$40,000 or \$45,000 difference, so that the information would indicate that the conveyors cost more. But that was wrong Mr. Speaker. I can tell the Honourable Member something else, that his information of the explanation of why it wasn't used is not true. The reason that it wasn't used is that somebody forgot to put the fuse in, Mr. Speaker, and that's the problem area.

What I'm saying, Mr. Speaker, is that there may very well be some errors in some of the information that the opposition has filed, but they do not go to the heart of the matter, Mr. Speaker -- that what the government must concern itself about is that in the whole range of the Department of Co-operative Development, handling all moneys that went through from PEP Programs, from Federal Government programs, from the sale by the Co-operatives of the fish itself or the way in which the Co-operative acted as the agent for the Freshwater Fish Marketing Corporation and the flow of money through and out, that there may very well have been the situation in which the fishermen's interest was not protected.

And so, Mr. Speaker, if the members opposite are satisfied against the documentation that has been presented, then I would suggest to you that I don't know what has to be presented to them to indicate that there are in fact problem areas that go beyond just the problem areas of trying to manage something that was difficult. Things happen in the north that are more difficult than in the south, no one is going to deny that, and there always will be problem difficulties, and I'm not suggesting it. But we are talking about the problem of communities, and the Minister of Northern Affairs has to admit that were unsophisticated, who really do not understand. Mr. Chairman, the Minister now has people from the YMCA through the Human Relations Centre going to the communities to discuss the Northern Affairs Act and he is paying the member of the Communities \$5.00 a day for them to come to meetings in which people who are receiving \$37,000 from him by way of professional salaries are talking with the people about their problems. Okay that is an admission, Mr. Chairman, that what is required is a very difficult task, that what is required is to try and deal with people in a way that would not be normal within the communities in the urban areas in Winnipeg and in the southern part of this province. Having said that, how can it be expected that directors of co-operatives have any idea whatsoever really what's happening. They are being placed in the hands of the department, they are putty in their hands and they have been managed by the department, and it is an absolute fiction on the part of the Minister to even suggest that he or the department were not involved. And so, Mr. Speaker, I say to the Honourable Minister, he would have done better in representing the people that he must represent as Minister of Northern Affairs, to have stood up and said: "Yes, I'm prepared to check this; yes I'm prepared, because it's a serious allegation and because of concern -- rather than take the position that no, you know, it's not so. Mr. Chairman, this is not a case where an accusation has been made and no documentation has been filed.

And so Mr. . . . --(Interjection)-- Yes.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: I wonder whether he would indicate to the House whether it was also

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(MR. USKIW cont'd) . . . a fiction that the local co-operatives in northern Manitoba were running their own affairs when they were the government. I mean, they, the Conservative Party.

MR. SPIVAK: Mr. Speaker, there's no way that the Minister of Agriculture can fob the disaster that's in front of him on us - this is an NDP disaster, let me tell you, Mr. Speaker. And I want you to know, Mr. Speaker, that insofar as the Minister is concerned -- well I don't care whether the Minister says that the operation was like this before. It doesn't really make any difference because, Mr. Speaker, let him at least admit that it really is in his hands, and in his department's hands, and let him admit as a matter of fact that there has to be some concern expressed because of the accusations that have been made to determine whether the fishermen's interest has been protected. And let not the Minister of Northern Affairs immediately stand up and basically then suggest as he did: Well, you know -- you know -- they make outlandish statements, they make outrageous statements, they don't prove a case. My God, what do we have to prove? We haven't proved anything. We filed the minute of the meeting that were not referred to by the Minister in his first answer. We filed powers of attorney, after the Minister said he did not manage it, manage the affairs. We file information which indicates that the cost as alleged and suggested by him is not correct. We filed -- and we have made allegations that he does not have in his possession records that he says.

Now in the minutes that were referred to, there were questions of theft suggested, the word "stealing" was used, the word "fraudulent" was used; we have asked questions as why one of the senior officers referred to was demoted after the meeting and the Minister says he was demoted as a result of an agreement with the Deputy Minister -- and then he said, he may be thought about it again, and then he filed an appeal to the Civil Service. Can anyone really believe that? Can anyone really believe that he agreed with the Deputy Minister that he should be demoted and then afterwards he disagreed and then he went and he filed . . . ? I mean who are we trying to kid at this point?

Mr. Chairman, it comes down to what I suggested earlier, we are dealing with a maze that the Minister cannot guide us through, and the honourable members opposite don't know -- and if the Minister of Northern Affairs is truly a Minister of Northern Affairs, I say to him in all honesty, he does not know, nor do the members who represent the northern areas, they do not know and they are going on the blind faith that there cannot be any wrongdoing. And in this respect, you know, in this respect, Mr. Speaker, if they are prepared to accept the Minister's position, are prepared now at this stage, Mr. Chairman, to essentially put themselves in the position of saying that the government can do no wrong, that the department officials can do no wrong, that the fishermen's interests have been protected, that the allegations that were made not by the opposition-- and I want to state that, the allegations that were made not by the opposition, but by the Chairman of the Freshwater Fish Marketing Commission in the minutes of the meeting that were held, that those allegations were not true.

Now, Mr. Chairman . . .

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Would the member tell me how he expects us here to respond to his allegations, knowing the credibility of the Leader of the Opposition?

MR. SPIVAK: Well, Mr. Chairman, if the Minister does not believe that the allegations-- if the Minister does not believe now that he has been given wrong information by his officials, and does not believe that he has been put in jeopardy as a result of that and that doesn't warrant action on his part, then he is a far dumber man than I think he is. Yes, because I must tell you, Mr. Chairman, I indicated at the first that resignations were going to be required, and I suggest that the Minister had better put himself in a position of knowing whether he came into this House with misinformation, which he gave to this House and which if that is the case, then Mr. Speaker, there is only two courses of action that he can undertake, and I come back to something very fundamental. Are the members opposite really prepared to protect the fishermen's interest now in allowing an independent investigation, or is it going to be in-House? There's only one other person whom I know relied on his own officials, and he's the President of the United States and look where his officials are now.

MR. CHAIRMAN: Order please. The hour being 5:30 I am leaving the Chair to return at 8:00 p. m. this evening.