

**THE LEGISLATIVE ASSEMBLY of MANITOBA**  
**Wednesday, June 15, 1977**

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**TIME: 10:00 a.m.**

**OPENING PRAYER by Mr. Speaker**

**MR. SPEAKER, Honourable Peter Fox (Kildonan):** Before we proceed I should like to direct the attention of the honourable members to the gallery where we have a number of young people from the Youth Ministry of Wichita, Kansas, under the leadership of Mrs. Donna Danner.

On behalf of the honourable members we welcome you here this morning.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills.

**ORAL QUESTIONS**

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

**MR. STERLING R. LYON (Souris-Killarney):** Mr. Speaker, a question to the First Minister, the Minister reporting for Manitoba Hydro. Is he now in a position to give the status report with respect to the hydro and fossil fuel generating stations in Manitoba?

**MR. SPEAKER:** The Honourable First Minister.

**HONOURABLE EDWARD SCHREYER (Premier)(Rossmere):** Yes, Mr. Speaker, I received information on that. With respect to the two fossil fuel plants, the one at Brandon and the one at East Selkirk as to the percentage of total capacity at which they are operating, I can advise that during the winter months, that is to say December through to February inclusive, they were operating in the 70 percentile range of capacity, and in March at approximately 60 percent of capacity, in April, Brandon at 50 percent approximately, East Selkirk at 22 percent, and finally May, Brandon at 48 percent and East Selkirk at 33 percent of capacity.

While I'm on my feet I could advise to the Honourable Member for Assiniboia who had asked two questions late last week, the one as to the rate that is paid for power purchase from neighbouring utilities and I indicated it would take some elaboration because the rates vary according to types and also to some significant extent to the time of year. But generally speaking, for example, in the last three months the weighted average cost in mills per kilowatt hour that power purchased has been approximately 8.2 mills, and the amount received, the weighted average on power sold for the month of March at 9.4; in April the respective figures for purchases are 8.7 mills; and for power sold, 13 mills; and for May purchase costs, 10.8 mills, and for sales 11.4 mills.

Now, within that, Mr. Speaker, I should point out that there is a significant variation as between the amount received on export sales: to the United States the average is in the order of 25 mills for the last three months per kilowatt hour; from Saskatchewan in the order of 17 to 20 mills; in the case of Ontario about 4-½ mills. The reason for the latter price being so relatively low is that it has to do with long standing contractual commitment, which comes to an end this year.

**MR. LYON:** Mr. Speaker, a supplementary. Can the First Minister provide a written statement, as I believe the question went, a status report for the last six months, not only on the fossil fuel plants, but on the hydro generating plants as well. It was asked for hydro and then for fossil fuel.

**MR. SCHREYER:** I have this information, if my honourable friend wishes something beyond that I can obtain it. I have given it for the fossil fuel plants, the last three months for the four major areas of hydro generation, namely the Winnipeg River. Capacity factor in March 62 percent, that's for all the Winnipeg River plants, 62 percent for March; 31 percent for April; and 17 percent for May. I did indicate, Mr. Speaker, there was a significant problem by virtue of very low level of operating capacity on the Winnipeg River, those are the figures.

With respect to Grand Rapids, the capacity factor operating at for March 31 percent; for April 15 percent and for May 38 percent. There has been some increase in operation at Grand Rapids, partly, I suspect, because there is some good news with respect to the flows on the Saskatchewan River and the runoff in the extreme western part of the prairies, it was rather unexpected.

With respect to Kelsey, for March operating factor was 100 percent; and for April 91 percent; for May 55 percent.

And, finally, for Kettle Rapids, for March 49 percent; for April 49 percent; and for May 38 percent.

I will undertake to circulate this in printed form as soon as possible.

**MR. SPEAKER:** The Honourable Member for River Heights.

**MR. SIDNEY SPIVAK:** Mr. Speaker, my question is to the First Minister or to the Attorney-General. In view of the public statements that have been made by police officials, both who are holding positions of authority now and those who have retired, and others, with respect to the question of laundering of money and organized crime in Manitoba, would the First Minister consider a select committee of the Legislature to be set up so that those who have made statements will be prepared and be able to make those statements in front of the committee under oath so that at least some

specific information will be forthcoming, rather than the innuendo and the suggestions that have been made so far?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, since the subject matter seems to be a matter of some considerable comment in recent days, certainly there should be, and isn't, any resistance to the idea of some systematic investigation. I believe that the Attorney-General indicated yesterday that he is urging upon the federal authorities that such be undertaken. Whether it is purely federal or of a federal-provincial nature is beside the point. Some such course of investigatory action should be taken, as to whether a select committee in the tradition of Estes Kefauver would do good or bad to this whole process is a separate question.

**MR. SPIVAK:** Well, Mr. Speaker, to the First Minister. In view of what I believe is the concern within this province with respect to the information supplied so far, very little of which has been factual, I wonder if he would not consider the requirement of an investigation which would involve all parties in the House, and would in fact allow either the evidence to be brought forward, or if not, at least to tone down and cool what is developing into a rather hysterical attitude with respect to . . .

**MR. SPEAKER:** Order please. Order please. The honourable member is debating the issue. The Honourable First Minister.

**MR. SCHREYER:** Well, Mr. Speaker, I take note of the comment in my honourable friend's question, that much of the recent publicity has nothing to do with fact. —(Interjection)— I thought the honourable member has suggested that. I can only repeat, Sir, that we do not see a problem with the Government of Canada proceeding with an instigation such as is being asked for now by, I suspect, by all parties in the House of Commons. If there is a request by the Government of Canada for co-operation by the Province of Manitoba with respect to this kind of investigation, our answer is self-evident, we will co-operate completely.

**MR. SPEAKER:** The Honourable Member for River Heights.

**MR. SPIVAK:** Mr. Speaker, to the Attorney-General. I wonder if he would indicate whether he's prepared to table the Arpin Report that he's now reviewing in the Legislature, to the members of the Legislature.

**MR. SPEAKER:** The Honourable Attorney-General.

**HONOURABLE HOWARD PAWLEY (Selkirk):** Mr. Speaker, I'm reviewing that report. I will have to determine whether it will be in the public interest for that report to be tabled. When it is filed in the public arena then it's not only Manitoba citizen's that receive that report but sometimes also the very people that can benefit from the report itself that are in the criminal field.

**MR. SPIVAK:** I wonder if the Attorney-General is in a position to indicate when he, personally, received the report and when he commenced his review of the report?

**MR. PAWLEY:** Mr. Speaker, I would like to mention that the report, I understand, was first received by the Leader of the Opposition and that I saw the report approximately three years ago and there is, to my mind, no information in that report that would be of benefit if it was released publicly and I understand the author of the report, Mr. Arpin, has made the same statement.

**MR. SPEAKER:** Orders of the Day. The Honourable Member for River Heights.

**MR. SPIVAK:** My question is to the Attorney-General. May I ask why he is reviewing the report if he reviewed the report three years ago and that was his conclusion?

**MR. PAWLEY:** Mr. Speaker, I would think it would be rather irresponsible on my part, in view of the public comment and the interest that has been generated over the last few days and the obvious clamour for the release of this report, if I did not re-examine it along with my officials.

**MR. SPEAKER:** The Honourable Member for Wolsley.

**MR. ROBERT G. WILSON:** A question to the Minister of Urban Affairs. Can the Minister confirm, or is he aware that the City of Winnipeg is doing an election enumeration within the City of Winnipeg?

**MR. SPEAKER:** The Honourable Minister of Finance.

**HONOURABLE SAUL A. MILLER (Seven Oaks):** Yes, I read the papers too, Mr. Speaker.

**MR. WILSON:** Well, would the Minister indicate to the House that the province will use this enumeration to save the taxtaxpayer's money by using this information in the upcoming election?

**MR. MILLER:** Mr. Speaker, I believe the legislation dealing with provincial elections requires that enumeration take place within 14 days after writs are issued.

**MR. SPEAKER:** The Honourable Member for Assiniboia.

**MR. STEVE PATRICK:** Mr. Speaker, I wish to pose a question to the Minister of Labour. In view that the Steep Rock Mines are celebrating an occasion of 20 years free fatality record and also any serious accidents, this must be a record I believe anywhere in this continent. Is the Minister considering any kind of safety recognition to the employees of that mine and the mine?

**MR. SPEAKER:** The Honourable Minister for Labour.

**HONOURABLE RUSSELL PAULLEY (Transcona):** I believe, Mr. Speaker, that what the honourable member says is correct and it would be my intention as the Minister responsible for the Workplace Safety Act to write to the company and to the union involved and congratulate them on

their record, which I believe, as the honourable members member says, is a first of such a period of time and I would hope that all mining companies and all industries endeavour to duplicate what was done at Steep Rock.

**MR. SPEAKER:** The Honourable Member for Radisson.

**MR. HARRY SHAFRANSKY:** Yes, Mr. Speaker. I rise on a matter of personal privilege as a Member of this House. It had been indicated to me yesterday that I deliberately stayed away from the vote on Bill 49. I did not. The bell was called before I was able to arrive. . Had I been present I would have voted against the bill introduced by the Honourable Member for La Verendrye.

**MR. SPEAKER:** Orders of the Day. The Honourable Member for Riel.

**MR. DONALD W. CRAIK:** Mr. Speaker, I wonder on a question of House privilege, if everybody who missed the vote is supposed to now stand up and state how they were going to vote.

Mr. Speaker, I missed the vote, but I don't find it necessary to say how I would have voted' if anybody's interested I'll tell them.

But my question, Mr. Speaker, I would like to direct is to the Minister of Industry and Commerce. I, two weeks ago, directed a question to him regarding the Provincial Government's position with regard to the Mackenzie Valley Pipeline debate and he advised the House at that time that within a few days a report would be issued indicating the government's intentions towards this question and their brief to the NEB with regard to this matter.

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

**HONOURABLE LEONARD S. EVANS (Brandon East):** Well, Mr. Speaker, I don't believe I indicated that a report would be issued. I indicated that we would advise our particular position in the matter, and upon due consideration we've decided not to submit a formal brief to the National Energy Board in this respect.

**MR. CRAIK:** Well, Mr. Speaker, to follow up on that , as I understand the Minister said that the government would advise of its position with regard to the question of the pipeline locations . . . in view of the fact the NEB and the Federal Government will be making a decision, presumably before September, can the Provincial Government here indicate the results of any analysis they've made of the Mackenzie versus Alcan routes?

**MR. EVANS:** Yes. Mr. Speaker, we are of course going to maintain a watching brief. We've filed a formal intervention. There are certain things we can do during the proceedings.

As always, Mr. Speaker, our concern is that adequacy of supply be available for the consumers of Manitoba. In this particular instance there are many variables, many factors and we believe that a formal intervention by ourselves, a formal brief, would not necessarily contribute to the pros or the cons of it. The fact of the matter is that most of the facts have been well brought out and we believe that we are not that privy to any additional information data that might be available to the companies; data that might be available to the governments in that area . . . I'm thinking of the Northern Territories , the Yukon, the Alberta Government. So it's for this reason that we believe that we shouldn't spend money on legal fees, etc., to be involved in that formal process.

But I repeat, Mr. Speaker, we will be maintaining a very close watching brief on the matter.

**MR. CRAIK:** Mr. Speaker, with regard to the Minister's earlier comments in his last reply, as I understand his reply, the government says that their responsibility is recognized as being that of protecting the interests of supply to Manitoba. Is the Minister saying that the government does not at this point have information available in sufficient or adequate form for the government to determine which one best guarantees Manitoba a gas supply?

**MR. EVANS:** Mr. Speaker, there is a lot of conflicting information and I have maintained many a time that the real problem, in my view, is the problem of national energy strategy, national energy policy, which goes beyond this particular pipeline. And I'm particularly thinking, Mr. Speaker, of the whole matter of the very very high degree of exportation of natural gas from this country. Over 40 percent of our annual production from Alberta is exported and I think that area is something that is deserving of exploring, and these are areas that we have attempted to pursue in many Energy Ministers' conferences over the past two or three years.

**MR. SPEAKER:** The Honourable Member for Riel. One final question.

**MR. CRAIK:** Yes, Mr. Speaker. I would like to re-point the question then, with regard to the Minister's prior answer. If we are to take from his answer that his prime objective is to protect Manitoba's interest, does the government have information available to it at this point to indicate which of the pipeline routes best insures Manitoba's supply?

**MR. EVANS:** Well, Mr. Speaker, I was trying to indicate to the honourable member earlier that there is conflicting information and I don't believe we have any special information that can add to the deliberations of the National Energy Board in this matter. If we had some additional special information, over and above the parties directly involved, over and above the Federal Government

and all of its agencies, I can see us, you know, taking a formal position. But at this point in time I think our best position is to watch the proceedings and to intervene as we see fit via questions, etc.

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, the Honourable Leader of the Opposition asked, I think yesterday or Monday — yesterday, with respect to the situation relative to the contingency and rate stabilization reserves. I have checked and found that the answer to that really in a sense was given on the 15th of March at which time the Chairman of the Manitoba Hydro indicated that the net change in the contingency and the stabilization reserves would be in the order of \$5 million draw down on the reserves. The only updating I could make is that that estimate of \$5 million is approximately correct. In fact, it now appears as though it would be more in the order of \$4 million to \$4 ½ million so that it is slightly better than the anticipated level of draw down on the reserves made a couple of months ago.

I might also say in further reply to the Member for Lakeside, that relative to the circumstances surrounding the testing of the first unit — which is really unit No. 6 — at Jenpeg, I have it confirmed to me now, which I indicated in a tentative way yesterday, that indeed the testing is proceeding very well indeed. It is expected to be putting the unit on regular commercial service before the end of this month.

**MR. SPEAKER:** The Honourable Member for Ste. Rose.

**MR. A. R. (Pete) ADAM:** Thank you, Mr. Speaker. My question is for the Minister of Industry and Commerce. I would ask him if it is correct that approximately 930 rugged individual free enterprise businesses have gone into bankruptcy in the first quarter of 1977, up from 655?

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

**MR. EVANS:** Mr. Speaker, I'm not certain whether the Honourable Member from Ste. Rose is discussing the Province of Manitoba or whether he's talking about all of Canada? Well, these figures, I am advised, are published by Dun and Bradstreet. I haven't looked at the recent Dun and Bradstreet report, maybe the honourable member is correct in his analysis of those statistics, so I can't say yes or no. All I can say is that in business developments some firms are born and some firms die and that's the way the world turns.

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

**MR. LYON:** Mr. Speaker, a question to the First Minister arising out of the answer he gave a few moments ago about the rate stabilization reserve. Could the First Minister indicate that the figure which he states was given by the Chairman of Hydro of \$5 million, the draw down figure or estimate thereof, what period did that cover?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** That, Mr. Speaker, it's my understanding that covers a 12 month period. In any case I can indicate that it's my understanding that it is a 12 month period. I can check that further. I can also indicate that it is my distinct understanding that the effect of that is that the contingency and rate stabilization reserve which stood at approximately \$57 million, would now stand at approximately \$53 million. I can check that further as well.

**MR. LYON:** A supplementary. Are we to take it that the draw down of \$4 million about which the Premier just spoke is the draw down thus far in the fiscal year?

**MR. SCHREYER:** Yes, I believe that is correct, Mr. Speaker, but there is, I believe, expectation that there will not be any worsening of this particular figure during the remainder of the year, partly because there is some amelioration of precipitation and water flow conditions; there is almost, one could say, unexpected improvement in Saskatchewan River flows. The coming onstream of additional capacity in a run of the river sense, or downstream sense, at both Jenpeg and Long Spruce, in one case before the end of the month, in the other case certainly before the end of the autumn, should all make for these improvements in conditions.

So I say further to the Honourable Member for Assiniboia that contrary to any rumor such as on the CBC last Sunday about the possibility of browning-out this coming winter, that there is no such anxiety whatsoever. There may be a problem in northwestern Ontario, as was suggested on that program, we do not know, but certainly we are not anticipating that problem in Manitoba.

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

**MR. CRAIK:** Mr. Speaker, I direct a question, I think it should be directed to the Minister of Health. I wonder if he can indicate whether there has been a withdrawal of services by the Federal Government to Treaty Indians of the Province of Manitoba with regard to free pharmacare services, in other words free drug services to Treaty Indians of Manitoba, unless they live on the Reserve itself. Mr. Speaker, the question directly is, if that is the case, can the Minister indicate what the implications are to the province of this service being withdrawn?

**MR. SPEAKER:** The Honourable Minister of Health.

**HONOURABLE LAURENT L. DESJARDINS (St. Boniface):** Mr. Speaker, I will have to check into this. I could tell my honourable friend and members of the House that we have been for a number of months now discussing, between the two levels of government, all the questions of medical care of the Indian population of Manitoba, and I think that we are progressing.

**MR. CRAIK:** Mr. Speaker, I wonder if the Minister would also determine whether, in fact, the service has not already been withdrawn, and whether it was withdrawn without any advice to the people affected by it?

**MR. SPEAKER:** Orders of the Day. The Honourable Member for Roblin.

**MR. J. WALLY MCKENZIE:** Mr. Speaker, I have a question to the Honourable Minister of Health and Social Development. I wonder if the Minister can advise the House how he intends to wind down the Mincome program at the end of the year?

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. DESJARDINS:** Mr. Speaker, as we know, this was a pilot project of three years duration and after that term the program will be definitely wound down. It is going to be studied by different levels of government and what will come of it I couldn't tell the House at this time.

**MR. MCKENZIE:** Mr. Speaker, another question to the Minister. Has the Minister advised the House does he intend to notify these people or have they already been notified that the program will be phased out at the end of the year?

**MR. DESJARDINS:** They have been notified when they first agreed to work in this program, they have known that this was just as a pilot project.

### ORDERS OF THE DAY ADDRESS FOR PAPERS

**MR. SPEAKER:** The Honourable House Leader.

**HONOURABLE SIDNEY GREEN (Inkster):** Well, Mr. Speaker, if you want to deal with the Address for Papers . . .

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

**MR. HARRY E. GRAHAM:** Thank you, Mr. Speaker. I beg to move, seconded by the Member for Minnedosa

THAT a humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between Alexander Kasser and any members of the Executive Council of Manitoba between January 8th, 1971 and the present.

**MOTION presented.**

**MR. SPEAKER:** Is it acceptable? I wonder if I can get some direction from the Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, there is no problem with respect to the first Address for Papers, and since it does not involve another level of government we do not have to put the usual caveat on it.

With respect to the second one, I would have to indicate that there is a problem with respect to — not with respect to correspondence that has to do with the Government of Manitoba and one Alexander Kasser, but as between the Government of Manitoba and other persons or parties whose dealings in this may have been made without any inclination whatsoever that it would somehow become the subject of public scrutiny. It is not that we have a problem in any respect other than it is just not normal nor good that practice to reveal that kind of negotiations by a written communication. Therefore, I do put a caveat on it, that with respect to number one, no problem; with respect to the second order, that we will not bring forward any documents that have to do with third parties that, in turn, have nothing to do with Mr. Kasser.

**MR. SPEAKER:** Is that agreeable? The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Now, Mr. Speaker, if I may, I will introduce the second one.

Mr. Speaker, I beg to move, seconded by the Member for Morris,

THAT a humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Government of Manitoba or its agents and any persons, firms, and corporations relating to offers, options or negotiations to purchase the assets, operations and timber rights of CFI (now ManFor Ltd.) between January 8th, 1971, and the present.

**MOTION presented.**

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Well, Mr. Speaker, I have indicated our position on the second one. We will respond to the Address for Papers, but not insofar as it would involve records and documents and papers that have to do with negotiations, or proposed negotiations, by third parties having nothing to do with either the province or Mr. Kasser.

**MR. SPEAKER:** Is that agreeable? (Agreed) The Honourable House Leader.

### THIRD READING - AMENDED BILLS

**MR. GREEN** presented Bill No. 26, An Act to amend the Apprenticeship and Tradesmen's Qualifications Act for third reading.

**MOTION presented.**

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**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. R. (BUD) SHERMAN:** Mr. Speaker, I move, seconded by the Honourable Member for Morris that debate be adjourned.

**MOTION presented and carried.**

**BILLS No. 29, 32, 37, 45, 47 and 54 were read a third time and passed.**

**MR. GREEN:** Mr. Speaker, I would now — (Interjection) — It's really a Private Member's Bill which I didn't intend to . . . I'll leave that be moved by the private member who introduced it, he is not here at the moment. I should have done that with one previously too, but it doesn't make much difference.

### **BUSINESS OF THE HOUSE**

The honourable members may recall that in 1973 the Member for Rhineland had a bill on the Order Paper which we moved and didn't want passed, so I would like to indicate that we should move into Statutory Regulations and Orders and that this afternoon we would reserve the afternoon for Agricultural Committee for some hearings if people attend, but clause by clause consideration of the bills. If we are not through with Statutory Orders and Regulations by this morning, then I would want to go into Statutory Orders and Regulations this evening as well, if we are through then I would want to go into Law Amendments this evening. So, perhaps we should come into the House this afternoon and then we will know at 2:30 this afternoon what we are going to be doing this evening.

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. WARNER H. JORGENSEN:** Mr. Speaker, it is extremely unlikely that Statutory Regulations and Orders is going to be completed by 2:30, and I wonder if the House Leader could consider the possibility of having the Agricultural Committee and the Statutory Regulations and Orders meeting at the same time. I don't think that that is any great problem if the transcribing arrangements can be set up.

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. GREEN:** No problem at all doing that, I did not want to . . . I sort of had an understanding with honourable members that I wouldn't call two committees where they are considering clause by clause rather than hearings, where votes are being taken, but I welcome the opportunity to do that, and we could meet in Statutory Regulations as well this afternoon, and therefore, continue Statutory Regulations and Orders this afternoon. Then, I would like the House to stay in Session this afternoon to meet back at 5:30 to see where we are because it may be possible to get to another committee this evening. So, I am not going to adjourn the House this afternoon, what I will do is we will just go to committee with the Speaker on call and will come back at 5:30, after the afternoon's activities, but I welcome the suggestion of the House Leader of the Opposition. So, we will meet in Statutory Regulations and Agriculture Committee this afternoon.

**MR. JORGENSEN:** It is understood then, Statutory Regulations and Orders will meet in 254, and Agriculture can meet in 200.

**MR. GREEN:** I am sure that would be very satisfactory for the members of the Committee on Statutory Regulations.

Mr. Speaker, I would move then . . .

**MR. SPEAKER:** Before the Honourable Minister moves, I believe there is a couple of changes or one at least. The Honourable Member for Flin Flon.

**MR. THOMAS BARROW:** One change on Law Amendments, Mr. Speaker. The name Dillen to replace that of Bostrom on Law Amendments.

**MR. SPEAKER:** Is it agreed? (Agreed) The Honourable House Leader.

**MR. GREEN:** Mr. Speaker, I move, seconded by the Minister of Industry and Commerce, that the House do now adjourn.

**MOTION presented and carried** and the House adjourned until 2:30 this afternoon.