

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 25 March, 1982

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — NATURAL RESOURCES

MR. CHAIRMAN, Harry M. Harapiak (The Pas): We'll call the Committee to order. We are on Natural Resources, Resolution 113, Item No. 13. Acquisition/-Construction of Physical Assets. 13.(a).

The Honourable Minister.

HON. AL MACKLING (St. James): Mr. Chairman, before members make further contributions, departmental staff have kindly prepared for me answers to questions that were asked, not necessarily under this item, but I'd like to give that information now.

Questions were asked in respect to Water Resources Branch Estimates and the Honourable Member for Lakeside had asked in respect the number of Water Rights licences issued and the answer is 1,042 issued to date; 77 licences issued in 1981. An estimate of the number of unlicensed works, the answer was 125. The number of Water Rights licences under active review, 30. The number of applications for Water Rights licences, the answer 345 new licences and 17 renewals.

The Honourable Member for Pembina asked a question, the number of Water Rights licences issued for groundwater use in the southwest area of the province, 19; number of private dams in the province which have been licenced, 245.

The Honourable Member for Morris asked about Irrigation Water Rights licences issued on the Assiniboine River, the answer is 65.

The Honourable Member for Springfield enquired about brushing undertaken recently on Cooks Creek. He wanted to know if it was related to construction and also wanted further details in regard to the brushing. The brushing was undertaken on Cooks Creek by the Cooks Creek Conservation District in the winter of 1980-81 beginning near the northern boundary of the R.M. of Springfield and working southward.

The Brushing Program was renewed in 1981-82 and is currently under way and has progressed to the Zore Road or north of 7-12-5 east. Costs in the district 1981 program were \$6,326.57, estimated cost for 1982 is \$20,000. These costs are cost-shared by the province as per the normal arrangements. The Creek is designated a fifth order below the Satan's Creek Confluence and the costs are 100 percent provincial.

Upstream of Satan's Creek, the Cooks Creek is fourth order and costs are shared 70 percent by the province. The anticipated benefits are lowered water surface during higher flow levels. The program is not connected with any proposed reconstruction and is a matter of maintenance only.

The Honourable Member for Springfield also asked about drain 62 in the R.M. of East St. Paul which apparently has inadequate capacity through PTH 59 resulting in spring flooding. The answer to that concern is, this is a municipal drain located in the northeastern corner of the municipality. There is no record in our files that this problem was ever referred

to us. It was mentioned by the Reeve to a Regional Water Manager in a recent conversation. The Reeve stated that it is the view of his council that the culvert through PTH 59 is not large enough but they have not been successful in convincing the Highways Department of this. Our Regional Water Manager, Mr. Stefanson, indicated that the Water Resource Branch could provide a technical assessment if requested to do so by resolution of the council.

The Honourable Member for Emerson enquired as to whether or not any improvements are proposed to the Marsh River Channel as part of the Marsh River Project being undertaken under the Canada-Manitoba Value-Added Crops Production Agreement. The answer is, no channel improvements along the Marsh River are included in the Marsh River Project.

The Honourable Member for Morris wanted to know how much money had been expended on the Domain Drain Project under the Canada-Manitoba Value-Added Crops Production Agreement in fiscal year 1981-82. The answer is, total expenditures in 1981-82 were \$425,000.00.

The Honourable Member for Morris and the Honourable Member for Pembina asked for various items of information concerning the Almasippi Wet Sands Area Project being undertaken under the Canada-Manitoba Value-Added Crops Production Agreement. The questions raised related to: (a) What kind of works to control flows? (b) Are headwater structures being considered? (c) Kinds of crops which would be considered? (d) When does project terminate?

The answer is, the study is to develop and evaluate several water management plans (drainage schemes), to determine effects, costs and benefits. The only works constructed as part of the study are small underground tile drain installations. Works being considered are ditches, culverts to control flows, dyke water detentionaries and tile drains.

Headwater control structures are not being considered since the study is confined to an area where these are not appropriate. Crops used in plot trials are corn, alfalfa and barley. Phase I of the project terminates March 31st, 1983. Phase II if undertaken, will terminate September 30th, 1985.

I think there was also questions in respect to maps. There were a number of questions in respect to aerial photography, Mr. Chairman. The following of the line kilometers or miles and costs for aerial photography.

Supplementary 7 mm reconnaissance photography flown in MGS aircraft using the Branch 70 mm camera system. This photography cannot be used to make topographical maps, 8,000 line kilometers or 5,000 line miles, a total cost of \$34,665.00. Agencies requesting this photography were Municipal Planning, Municipal Assessment, Park's Branch, Agricultural Crown land, Forestry, Northern Affairs, Water Resources and Wildlife.

Contracted aerial photography for mapping purposes, flown during 1981, the spring-fall flying season, 15,510 line kilometers or 9,635 line miles, a total cost of \$111,500.00. The scales ranged from 1-5,000

to 1-56,000; 1-20,000 scale topographical mapping for DREE, 350 line kilometers, 220 line miles; 1-2,000 scale flood damage reduction mapping, 280 line kilometers, 170 line miles; 1-15,840 scale forest inventory mapping, 14,880 line kilometers or 9,245 line miles.

I also have copies of a leaflet, Mr. Chairman, in respect to the maps that are available from the Surveys and Mapping Branch and I'll be happy to see these distributed to the members. I notice also that it says, "The Map People," and it's in red, white, and blue, Mr. Chairman. We'll have to see about that later on.

Mr. Chairman, we are dealing with Item 13, the capital items and the maps, detail has all been distributed in connection with that and we're voting on the capital amount and although the detail has been given to you, of course, the carrying out of this work is subject to the program being proceeded with in this fiscal year. It's still subject to evaluation by the department as the work is brought forward and it's in the budget; it's there, but as and when these projects proceed, of course, there is an evaluation from the department and from the Minister as to how they progress or when they progress.

MR. ENNS: Mr. Chairman, I don't want to disrupt the proceedings to date, but I happen to know that when the Minister of Health presents his Estimates and there is an amount in there for \$800,000 for a personal care home here, or an amount for \$2 million there for hospital reconstruction, as is the case with the Minister of Education, when she presents her Estimates and there are detailed Estimates before them that we are as a Committee being asked to comment on and to pass and to approve, that we then have some assurance that those programs are going to be carried forward. I must admit it's only 12 minutes after the Committee has assembled, but what you're telling me, Mr. Minister, is that you're asking us as a Committee to pass approval for some \$13,255,000 worth of expenditures that you then subsequently reserve the right to change at will without reference to the Legislature, without reference to this Committee and say we're just putting this before you as a projected program. If we check back and find that there's too much in this area or there's too much in a Conservative riding that it's subject to your review.

Mr. Chairman, I think we can resolve this very quickly. If you will think about what you've just said, Mr. Minister, and say that by and large, these are the considered Estimates of the department about the works they wish to carry on in the coming construction year. If you're telling us that the items, the maps that you have provided us with latterly, the drains that we are specifically talking about, are subject to further political and Cabinet review then, Mr. Chairman, there's very little more that we could do at this Committee.

MR. MACKLING: Mr. Chairman, the Honourable Member waxes indignant about something that, of course, he as Minister, and he as part of an administration certainly follow. For example, we have heard the honourable members becoming very indignant about protection for Red River Valley towns. Yet there

was provision made in the former administration's budget for the necessary funds, voted by a similar committee on a previous occasion, and that work was not proceeded with. There was no agreement arrived at with the towns — apparently a lack of communication — yet the money was voted. Now in recent days I have suffered, on behalf of the ratepayers in Manitoba, some embarrassment, that this work having not been proceeded with, although voted many, many, many months before, and no consultation with the local communities, hasn't been proceeded with. And the administration had proceeded on the supposition that this was the right thing to do to let those communities know what the terms and arrangements were. Now for the honourable member to say that if anything is voted by this Committee then it's cast in stone and there can be no change in that, that's a departure that from past practice that I will not accept, because that is not the way the previous administration worked, and that is not the way the previous Minister worked, because the works were voted by this committee. The items were voted by this committee, but the works were not proceeded with. And I am saying, Mr. Chairman, that this is the itemized capital outline, but it's certainly subject to review by the Cabinet as it always has been.

MR. ENNS: Well, Mr. Chairman, it's one thing and I fully appreciate that where different jurisdictions are involved, municipal or federal, and we have cost-sharing arrangements with different jurisdictions that can offset, that can delay implementation of certain voted funds for specific purpose. But the Minister didn't say that. In fact, it was this committee and members of my group that suggested to the Minister that those specific funds that he now alludes to as an example, the upgrading of the valley community dikes, they may not be expended because of that kind of a disagreement. But what the Minister has suggested was that the entire capital budget, the specific drains that are 100-percent provincial responsibility, are subject to review after having been passed in this Committee. That's what I find difficult to agree with. I do not press the honourable minister on the basis of where he has to seek concurrence as he has to. I'm reminding the Minister that is a policy decision made by his government. But I can agree with him that unless the concurrence is there, whether it comes from federal authorities, or for federal reasons, or from municipal authorities, that somewhat places that responsibility out of his hands. That surely doesn't apply to those areas of construction that are being portrayed in these Estimates where it is 100-percent the provincial's responsibility.

MR. MACKLING: Mr. Chairman, neither this administration, the previous administration or the administration before that was bound by the outline of capital items to proceed with those items. That is just not the practice of government. The honourable members know that there are many reasons why projects may not be proceeded with. They may discover design problems in the works, they may under reassessment decide that because of divided interest, because of whatever, the works may not be proceeded with. I just indicated to the members of this Committee that the

passing of this Estimate does not bind this Minister or this government to proceed with every single one of these items. It may be that some will not be proceeded with and I'm just being very frank with the members.

MR. CHAIRMAN: The Member for River East.

MR. PHIL EYLER (River East): I noticed a small item here in the park budget, Marina Infrastructure, can you give me an idea what that is?

MR. MACKLING: Just a moment, Mr. Chairman. How much — what was that item?

MR. EYLER: Oh, well it's one of many projects for 58,000.

MR. MACKLING: Mr. Chairman, to the best recollection of Mr. Doyle, it's a water supply and parking area item.

MR. EYLER: Marina Infrastructure then doesn't mean docking facilities?

MR. MACKLING: Mr. Chairman, I'm advised that there are some docking improvements being developed by the Federal Government there in the Hecla Park waterfront area, and some docking facilities being built by a private individual, but there's nothing specifically in these capital Estimates dealing with docking facilities.

MR. EYLER: I was just wondering because I know a lot of Winnipeggers take their boats up and they park at the provincial dock up there and they keep their boats there all summer. I don't know if they're paying fees now but they used to stay there the whole summer for free, and it was getting pretty crowded. Are there any plans to collect fees or are they collecting fees now there?

MR. MACKLING: I'm given to understand that at the south harbour, it's a federal work and fees are paid on mooring there. In Gull Harbour, these are facilities maintained by a private operator, but the fee structure has to be approved by the Minister because they are fees imposed in a provincial park concession.

MR. EYLER: You mean the province doesn't own that dock anymore?

MR. MACKLING: Mr. Chairman, perhaps I in my answers didn't provide the kind of information the honourable member needed. There are private mooring facilities, private slips, that an individual has built and he rents out from that. It wasn't built with provincial taxpayers' money apparently; it's built by a private individual and he's renting out space there, but any charge that is made within the area has to be approved.

MR. EYLER: I'm glad to hear that somebody built that and gave it to my friends for free. I know they haven't been paying any dockage fees or anything like that for a few years now. — (Interjection) — no names, it might be too close to the other party. On the other side of the

lake there's a nice mooring place on the Rice River and I was wondering if that's the Rice River where this Rice River forestry road is projected to be built?

MR. MACKLING: Could you elaborate on that a little bit?

MR. EYLER: It's Rice River Road under Forestry, Canada-Manitoba Northern Development.

MR. MACKLING: That's on the east side of Lake Winnipeg and it's going up from the whole river area following up on the east side of Lake Winnipeg. That's primarily for timber extraction for Abitibi. Abitibi is the contractor there.

MR. EYLER: So, that's not for channel loggers or anybody, it's just for Abitibi.

MR. MACKLING: It's just for Abitibi, but it's being built to standards that the province sets so that it can be used for other purposes. It will open up the area for recreational use or other use.

MR. EYLER: So, this road then will be upgraded to an all-weather, all-vehicle road?

MR. MACKLING: It's a resource road, but it's being built to a greater dimension at greater cost than ordinarily would be if we just left it to the standard that Abitibi needed to extract the logging.

MR. EYLER: Ordinary cars could travel on it, or is it just all train vehicles?

MR. MACKLING: Mr. Chairman, on most occasions these roads are reasonably restricted because of the risk involved to people travelling when forestry operations are in being. However, there is a problem attendant in restricting their use at other times for game management and so on. It's a policy area that we have to deal with.

MR. CHAIRMAN: The Member for River East.

MR. EYLER: I was just wondering what the intention was, if this was just for forestry if you were envisioning upgrading it at a future time for opening cottage developments or just where it went. It says Rice River, so I imagine it goes to Rice River.

MR. MACKLING: Mr. Chairman, if we had a map here, ultimately a road will go on the east side of Lake Winnipeg up to the communities that are now isolated and that Rice River Road will be continually added to. Hopefully we will be getting up to — I think the first community is Berens River.

MR. EYLER: I was just wondering then, is this tied in at all with Park Development?

MR. MACKLING: No, Mr. Chairman.

MR. EYLER: Not at all. Do we usually build forestry roads for private enterprise?

MR. MACKLING: Let me read an explanatory note on this road, Mr. Chairman.

"Road construction commenced during 1979-80 to provide all weather access to previously inaccessible forest areas located east of Lake Winnipeg in the vicinity of the Rice River. The Rice River Road will form part of a future road network serving the communities of Bloodvein, Berens River and others. Construction of the Rice River Road was included in the Abitibi Timber Supply Agreement signed by the province and Abitibi-Price Incorporated on May 29, 1979.

"In its five-year operating plan the company intends to complete 25 miles of Rice River road by December, 1983. By March 31, 1981, the company had completed the first 10 miles of road construction and the engineering investigations necessary for the next 8.75 miles under contracts with the province.

"During fiscal year 1981-82, the department in Abitibi-Price Incorporated will jointly construct miles 10 to 18.75 and locate the centre line of the proposed road from the Rice River to Bloodvein, a distance of approximately 35 miles. Funding in the amount of \$500,000 was provided in the 1981-82 Estimates for the province's share of the '81-82 expenditures. Expenditures incurred by the province on the Rice River road prior to April 1, 1981, were sharable on a 60-40 basis with the Federal Government under the Canada-Manitoba Northlands Agreement. It was anticipated that the 1981-82 expenditures would be sharable under the Canada-Manitoba Northern Development Agreement."

I won't read the following note because there's some kind of negative quality to the note and I'm not bound to read it.

MR. CHAIRMAN: The Member for Roblin-Russell.

MR. J. WALLY MCKENZIE (Roblin-Russell): Mr. Chairman, I'm very concerned and very excited about what's going on here in this Committee tonight and we're expected to pass this \$13,255,000 item without very little evidence of what's going to take place, how those dollars are going to be expended, and the many serious problems we have in rural Manitoba this day and age.

The first question I'd ask the Honourable Minister is, where does agriculture, our number one industry in this province, sit with the priorities of this government? I'm looking through these expenditures and I expect it's about 99th on their list because if this government is interested in agriculture which again as I say is our number one industry and they're going to stand up and support the farming industry in this province, there's no dollars that I've got here in this drainage problem which I've been exposed to for many years, is going to even tell these farmers that there's a hope for the future because there's not even maintenance dollars in there for all these drains, not even maintenance dollars.

I have letters here from farmers in my constituency who have had their drains surveyed. The works were promised and they were pledged and all of a sudden we saw the First Minister now in Brandon the other day say, it's all off. So I'd like to get the Minister to tell this Committee where, does agriculture stand in the priorities of this government, in the Treasury Bench?

Because if it's 99th like I understand, then we may as well pack up this Committee and leave because I don't think there's any hope.

I'm most concerned about the drainage system around the Riding Mountain National Park, the Duck Mountain Provincial Park, where there are not even enough dollars in here standing round here and yet the Minister is asking us to expend \$13 million and I just wonder where his priorities are and where are we going to get more information before we pass these Estimates. I don't have enough information in front of me. I have the Water Resources Branch Acquisition and Construction projects and I have the Parks and I don't see any \$13 million in those Estimates, Mr. Chairman. I hope the Minister would first of all respond and give at least me, more detail of how he hopes to expend those \$13 million that I'm getting now, and then I'll have some more questions.

MR. MACKLING: Mr. Chairman, as I earlier indicated the honourable member perhaps wasn't present, details of what is included in this item were handed out.

In respect to maintenance of drains in the honourable member's area, the area for which he represents, we have already passed an item in these Estimates that includes his constituency and all the other constituencies in Manitoba where drains are maintained by the province and also by the conservation districts where we have voted funds in accordance with these Estimates. The Maintenance Estimate that we have voted already — maybe the honourable member wasn't here and didn't recognize that — was \$4.75 million in respect to drains. —(Interjection)— You are familiar with it. Well, we've already provided for that and what we have before us is a capital item in respect to new projects. I've indicated in respect to that what they are and you have details of it.

In respect to your rhetorical question, I don't think I need answer that, Mr. Chairman. I think that the record will speak for itself.

MR. MCKENZIE: Well, it's quite evident to the members of the Committee that this Minister is not going to answer the questions I raised in the House today; I raise them again here. Agriculture is not in the priorities of this government, it's quite clear and it comes out loud and clear.

I'll read into the record a letter I got this week from a constituent in Gilbert Plains by the name of Manzuk who had his drain surveyed in the spring of '81 and the construction Estimates he was told would be in this year's Estimates for the tune of \$50,000 and now he's told by the staff out there that there's not even dollars to provide maintenance for that drain.

So now I come back and ask this Minister again and this government — it's known as the brown drain — if this Minister will tell Mr. Brown and these other people who are out here trying to provide and support our number one industry in this province, agriculture, and that will provide you a lot more dollars than you'll ever get from ManOil.

If the Minister will get back to reality and forget about this socialist dream that we've been listening to since this House opened. Are these farmers in my constituency going to get some capital dollars for

their drains to support the number one industry in this province, which is agriculture?

MR. MACKLING: Mr. Chairman, this government like the previous NDP Government in this province . . .

MR. ORCHARD: It doesn't give a shit about agriculture.

MR. MACKLING: Let that be recorded the honourable member said that. It has taken an attitude that everyone in this province will get fair treatment and so they will. We recognized in the eight years we were in government before in this province that we had a commitment to agriculture that the honourable member seems to forget very quickly. Regardless of the honourable member's posturing, this government's deeds will speak louder than the honourable member's words of bluster. The record will indicate where our priorities lie in this province.

MR. McKENZIE: Mr. Chairman, I ask the Honourable Minister, is the Brown's Creek in the capital works for this year?

MR. MACKLING: No, Mr. Chairman, it's not on the list.

MR. McKENZIE: That's right. Who's telling the truth, me or the Minister that's speaking?

Are there other drains in Roblin constituency or the old constituency I used to represent, Ethelbert Plains, that drains the Duck Mountains and the Riding Mountain Provincial Park. Are there capital works for those constituents, farmers who are pleading out there with some help from this government to keep our number one industry thriving in this province? Are there any dollars? —(Interjection)— I've been through the list.

MR. MACKLING: Mr. Chairman, there are a number of projects and the honourable member can study them for himself. If he's asking if I know whether the projects in his constituency are included, I think we reviewed the detail of all of the projects before. If he has some doubt about them, well I can't detail that now.

I think there's a Silent Creek development there — maybe it was so silent the honourable member didn't hear it — I gather that may be in his constituency. But in any event as I've indicated, these projects are there, we'll vote the funds and we'll develop them in accordance with the usual practice and that is to look at each one of these items, reconfirm the desirability that they can be proceeded with and they are in accordance with our priorities.

MR. McKENZIE: Mr. Chairman, can the I ask this Minister, can I tell my constituents, Mr. Manzuk and others, that their priorities will be met next year?

MR. MACKLING: Mr. Chairman, I'm not going to indicate to the honourable member that whatever his constituent's desires are that necessarily they're going to be followed. I don't know whether he could get that assurance from the previous Minister when he probably made the same request, but not openly

before the Committee, otherwise they would have been completed, Mr. Chairman.

MR. McKENZIE: Mr. Chairman, just to correct the Honourable Minister, I'll forward this letter to him if he wants it for further information.

I am told by this constituent that the drain was surveyed in 1981 and the construction estimates for the Brown Creek were supposed to be provided in this year's Estimates at \$50,000 and all he's got to show is \$26,000 and that doesn't even pay for the maintenance of the drain.

Now can the Minister tell my constituent, Mr. Manzuk, that it's not going to be next year; it's not going to be the next year or the year after, that he as a farmer may as well forget it, as this government has no priority as far as agriculture is concerned.

MR. MACKLING: Mr. Chairman, if the honourable member has a particular concern and if he has a constituent, if he has a municipality that's concerned, of course I will receive, I'll talk to those people, I'll talk to the municipalities, but for the honourable member to badger me and suggest that he has to get a commitment from me for a particular drain tonight, we'll be here a long time because I won't give him that assurance.

The honourable member had four years in which to get that kind of development proceeded with by a government of which he was a member of the government caucus. He failed then and he's asking me tonight to make a commitment. The man is very foolish, Mr. Chairman

MR. McKENZIE: Mr. Chairman, I have one more question. In response to the Honourable Minister, I wonder if he can tell me who else I can go to on behalf of my constituent, and if he will again refute the fact that that drain was surveyed last year and this man was promised that the capital works, \$50,000 would be in this year's Estimates. What more can I tell my constituent?

MR. MACKLING: Mr. Chairman, I am given to understand that the department surveys hundreds of drains every year and some of those drains obviously haven't come forward in this program, despite the requests of many honourable members, I suppose, in this House and the imploring that was made by similar members to the honourable member, to the Minister before me the Member for Lakeside. I'm sure he heard those submissions and I'm sure the department received those eloquent requests. It's obvious by the large number of surveys that were made, that not all of them received the priority that the honourable member wants for his constituency.

MR. McKENZIE: For the last time, will the Minister give me any indication that agriculture has any priorities in his department?

MR. MACKLING: Mr. Chairman, this government considers that agriculture is one of the most important industries in this province, if not the most important industry.

MR. CHAIRMAN: The Member for Arthur.

MR. DOWNEY: Mr. Chairman, I was listening earlier with the answers of the Minister and the questions that were being raised by the Member for Lakeside and during our questioning the other night I was somewhat assured by the Minister that there were certain projects which I was concerned about in the western part of the province were current review or consideration was being given for future Estimates.

I have to tell the Minister that I'm not afraid of losing anything in the western part of the province because you can't lose something that you haven't got, and I can see by the map it's totally a blanked out section of the province.

That leads on to the real issue that's before us, Mr. Chairman, and that is — I hear members of the Government Benches doing quite a bit of squealing around here as if they too have been left out of the Estimates of the Department of Natural Resources and Water Resources — the Minister has tonight. I think he has put on the record something that is of very much concern to me because we're sitting here tonight as members of the Opposition, members of government that are here, can beat us in a vote.

We, Mr. Chairman, have looked at a program which has been proposed, \$13,255,000 and what we are going to see happen is, this government, Mr. Chairman, probably by force, push a vote of \$13,255,000 through for a slush fund — a slush fund — for the Minister of Natural Resources; not as voted for by the members of the government, not as voted for by the members of the Opposition or against, but a slush fund for him to use in any way he sees fit.

In other words what he has presented as programs before us means nothing, if I heard him correctly, and I would like him to clarify, for me as a member of the Legislative Assembly, what he has told us, that he is voting himself a \$13 million slush fund to implement that money where he wants to, to the programs and the projects that have been proposed.

He said and I'm interested in this, he said, "We may not proceed with some." He may not proceed with some, Mr. Chairman, which is understandable, if they can't for some particular reason, move with the program. But is he telling us if he doesn't proceed with that program, that those funds will be switched and it could be that he immediately says, we can't work out half of it, or we can't work on most of them for certain reasons, and we'll use them for other areas.

I listened to him the other night and I took him somewhat for his word that he was meaning what he was saying. But tonight he has immediately now changed direction and saying that he's getting himself a slush fund to use in the best way that he can. I can't support, Mr. Chairman, representing the people of Arthur Constituency, that kind of use of taxpayers' money unless there's an accountability for that. I cannot do that, Mr. Chairman, and I would have to vote against this. Otherwise I would bide my time and hope that we could work out with the Minister, who I again believed, was firm in his commitments to work on water conservation projects and believe firmly in that, and I commend him for that.

It bothers me, it bothers me very much, that he's going to have \$13 million unaccounted for, doesn't

have to answer to anybody for and can use in any way. That is the principle that I don't like and, Mr. Chairman, if this is what the government that we have in Manitoba today is trying to hoodwink, and that's true, hoodwink the people of Manitoba, the whole Estimate process is worthless. We are truly wasting our time and the people's money in sitting in Committee to listen to this kind of fraudulent approach to the Estimates of the expenditure of the people of Manitoba's money and I, Mr. Chairman, would hope that is not the case.

MR. MACKLING: Mr. Chairman, the honourable member is like the Honourable Member for Roblin-Russell, posturing. I'd already indicated that the former administration had placed before a similar Committee, I presume a year ago, outline of works to be undertaken, but there'd be no consultation in respect to the development of those works. The funds were voted, the works weren't proceeded with. All right, and that may be the case again.

I'm indicating that these items are there, they have been recommended, they have been looked at, but they are subject — (Interjection)—yes, there's a general intent that these are good things to be done. But it remains for this government to decide as and when they'll be done, or if they will be done. That capacity is not being removed from government and I'm indicating to you that is the case.

The honourable member says that it's a slush fund. Well, the honourable member knows that every cent of public spending has to be recorded and has to be accounted for. To suggest that I, as a Minister of the government or my colleagues together can spend one penny of public money without a full accounting is absolute nonsense and he knows it. And to say that this fund is going to be available to be spent in an unaccountable way is absolutely false and the member knows it.

But what this Minister is saying to these members and these colleagues at this time is that although these works are outlined and they look desirable, the Executive Council remains to decide as and when, or if and when, these projects will be proceeded with, and I've made that very clear.

MR. DOWNEY: Mr. Chairman, that's of course, where the difficulty comes. You're asking this Committee tonight to give a blank cheque to Executive Council without the accountability to the Legislature and, Mr. Chairman, the question again is, if a project isn't proceeded with, will those funds lapse and be re-voted again next year and approved by a Committee on the project that you, Mr. Minister, are prepared to lay before this Committee?

MR. MACKLING: Mr. Chairman, I'm not going to give that kind of undertaking. The honourable members know that there are demands that are being made throughout the length of the province for works that have to be looked at. Just today, for example, Mr. Chairman, I met with a delegation, I think from the constituency of the Honourable Member for Pembina; the town of Carman is in the Honourable Member for Pembina's constituency. And, it was indicated to me that there is a desperate situation there in

respect to public expense and I was implored to make a pretty early decision in respect to a very substantial capital expenditure. I don't know whether we are going to provide assistance there, there's nothing in this budget; there's no line here, and it may be that if we decide that we want to shift priorities we will want to do something in respect to problems of that constituency, that area. I'm indicating to you, Mr. Chairman, that we are not bound by the individual items to proceed with them, just as the Honourable Member for Lakeside and his colleagues were not bound in respect to the Red River dikes, the didn't even communicate with those communities the nature of the funding, the nature of the expenses they had planned to pass on to those communities.

MR. ORCHARD: Mr. Chairman, I'd like to ask the Minister that in presenting this series of projected capital works, I take it that he does this with the greatest amount of personal integrity, with the greatest amount of — (Interjection) — good intention to undertake these capital construction works that are mentioned on some six pages of individual works. Now, the Minister indicates to us tonight that although he has presented these six pages of individual works of proposed capital undertakings throughout the Province of Manitoba, that by the act of approving them tonight and getting the support of not only government members who are here tonight, but also Opposition members, that this does not bind him to undertake those capital works.

Now, Mr. Chairman, I can appreciate that if the Minister fails to, for instance, acquire the property to upgrade the Dog Hung Creek Diversion and that he can't accomplish an expropriation during the construction season, I can appreciate that project possibly not going. What the Minister has asked us to do tonight is to approve six pages of capital works which, after we approve them, they are beyond the scrutiny of Members of Her Majesty's Loyal Opposition and he can proceed to Cabinet next Wednesday and throw this whole list of six pages of capital works out. Mr. Chairman, this is what the Minister is telling us tonight that we can approve these six pages tonight and then he is going to take them to Cabinet and they may or may not decide to proceed with them.

Mr. Chairman, I want to ask the Minister right now that - I just want to ask him one simple question - does the Department of Natural Resources, in their Acquisition and Construction line in the Estimates, maintain a carry-over program?

MR. MACKLING: No, Mr. Chairman, there is no carry-over.

MR. ORCHARD: Thank you, Mr. Chairman. Then in other words, Mr. Chairman, if all six pages of these projects which are voted upon by this Committee, by this Legislature, if none of them are proceeded with there is absolutely no priority within the Department of Natural Resources to undertake them next year. — (Interjection) —

MR. CHAIRMAN: Order, order. Order, order.
The Member for Pembina.

MR. ORCHARD: Mr. Chairman, I did not hear the Minister's response to my question.

MR. MACKLING: Well, Mr. Chairman, I couldn't make a response here. The Honourable Member for Lakeside was involved in an intemperate harangue. So I have no reason to try and answer the honourable member during the course of that which was completely out of order.

MR. ENNS: Mr. Chairman, on a point of order. I apologize to the Committee for, yes, what was an intemperate display on my part. But, Sir, in 17 years of having served in this Legislature and Committees of this kind, I have never experienced the kind of position that we find ourselves in today. I've never had a Minister who is responsible for representing some \$17 million of public expenditures before a Committee of the House, and tell us that he is in no way bound by the decisions of that Committee. I find no precedent for that. I must say that I am shocked beyond all imagination. We have it from the back bench; the excuse is another administration brought some of these Estimates up to this point. So, this Minister is bringing these Estimates before us but he's done the incredible thing; he has said that, yes, we'll get them passed and he then he will take them back to his Cabinet and get them approved politically as they want them. Now, Sir, that is an unbelievable position. I just want that on the record.

MR. CHAIRMAN: The Minister of Health on a point of order.

HON. LAURENT DESJARDINS (St. Boniface): If that's a point of order, I would like to speak to the same point of order. I think that maybe we should have a little common sense here. I've also seen 23 budgets and they've all been approved the same thing, except the Minister might be a little more forthright or naive and maybe he's talking a little too much.

Now, everybody knows that before this is approved in the exercise of the Cabinet that you have to prepare your program. This was done. This is the way it was passed in Cabinet. Now it's being passed here and there is a possibility — of course, the Minister said himself that these are the ones that are recommended, these are the ones that he has in mind to do right now. Now things change; that's exactly what he said. He says that things can change. You try to take one and say can you guarantee that'll be done and he can't do that. That has been done for 23 years that I can remember by every single department including my own when I was a Minister. He's brought a program; it is possible that there'll be other priorities. That has been done. He's not saying that he's not going to change the whole thing. It's been done by you people in Cabinet, in government. He is saying that this is the program that he wants to go ahead, but there's a possibility that there might be some changes. That's all he's saying and this is the way it's been going on for 23 years that I know of, by every department including my own. I've stuck with a program and this is what he's doing but you cannot say one will be done. You did the same thing on Health in

personal care construction; you've changed some of those. You have a mandate to do certain things and he's not getting a slush fund or a license to steal. Next year you'll have a chance again and if he deviates from that — the whole thing — then he's on the carpet; he loses credibility. Don't try to make a big thing. You know, you're talking about us; you can keep us here all night or for a long time. That's fine. — (Interjection)— We can waste a lot of time. We can start in a shouting match or we can try to do it in a proper way. People like you that's got the experience; you know damn well that you've done the same thing, but you didn't advise them like he did.

MR. CHAIRMAN: Member for Pembina on a point of order.

MR. ORCHARD: What the Minister of Health has told us tonight is that has happened before. But what the Minister of Health did not tell the Committee is that the Minister said these Estimates will be approved tonight and they will go to the Cabinet for further prioritization and they may not proceed. That has never happened that a series of listed Estimates of committed construction, if that has not passed Treasury Board and Cabinet for approval to be here tonight for the Legislature, then what are we doing here?

MR. CHAIRMAN: Member for Springfield on a point of order.

MR. ANDY ANSTETT (Springfield): Mr. Chairman, to the same point of order. What we're discussing here is a question of whether or not in terms of parliamentary practice, a precedent has been set by what the Minister proposes to do tonight. The Member for Pembina says it's never happened in the history of the Legislature. My experience isn't as great as his. I haven't been here since 1867 or 1870, but I would suggest that exactly what the Minister is describing has been the practice by every government in recent memory in this province. The Minister has perhaps described it in a much more broad fashion by suggesting that all of these things go to Treasury Board. Perhaps he does not mean it in the same sense that the Minister of Highways when he proposes a highways program, does not have the prerogative if he can't get land, can't get right of way, can't proceed with a particular project, may go back and consult with Cabinet or whatever and modify, he may add.

Both of the members opposite who seem so uptight tonight about a parliamentary precedent in terms of the rules of what these Estimates are all about — and I think that's the point of order that's being raised — are members who have been in charge of substantial capital Estimates. They have never, neither of them nor any other previous Minister of Highways has been able to stand in a Committee of this House and advise the House that he will proceed with every item that's in that schedule, that he will not have to go to Cabinet and ask for advice or direction with regard to a project, move in another direction or spend monies on something different than what's in the proposal.

I did not hear the specific comments the Minister made because I was out of the Committee room right at the beginning. The Minister has restated them and

what I heard him restate I see as no different from the parliamentary practice that I've seen followed in this Committee and in this House for eight years.

MR. CHAIRMAN: The Member for Lakeside on the same point of order.

MR. ENNS: Mr. Chairman, I take with some deference the comments of the Member for St. Boniface, the Minister of Health, who has served in this House for many years. Certainly every government of all descriptions have not always been able to carry forward programs that monies have been voted for. I gave this Minister of Natural Resources that out. I said — and he happens to deal in that area — if agreements can't be reached with other jurisdictions with the valley dyking communities for instance, then certain monies may not be spent in these Estimates. That's not what we're talking about. I acknowledge that if for some reason some of the shared programs that involve the Federal Government and if some reason the senior government, the Federal Government changes the rules midstream or delays them, then this Minister or this government can't be held responsible for not carrying these programs. In the same way as when the Minister of Education presents a school building program and a school division can't sort out it's priorities and even though the senior government, a provincial government plans to build a school building but the politics at the local level aren't sorted out, then that's deferred. That certainly happens. It happens with hospital boards.

But, Mr. Chairman, that is not what we heard today. What the Minister of Natural Resources said today is that the entire amount, the \$13,255,000 are not binding on this Minister, and that he reserves for himself the right after having gone through this whole exercise — and I thought we've had a pretty good exercise in this last little while — that he can go back and then discuss with the Member for Inkster and decide, hey, you know the Tories got a few too many drainage ditches in their part of the constituency; that we don't have to do something for the Member for Morris; we don't have to do something for the Member for Roblin. Let's just now prioritize where we're going to spend the \$13.5 million. That is what the Minister of Natural Resources said and, Sir, Mr. Chairman, I ask you — and if need be we'll adjourn the Committee to hear the transcripts of precisely what the Minister said — that is what's upsetting us and that is a difference. I've been a Minister of Highways; I've been a Minister of Natural Resources; I know what can happen with the problems of bad weather, even if I was committed to build a road and I can't build a road. I know that you can have contract failure. I know that you can have trouble with acquisitions of lands but, prompted by the Member for Inkster, the trouble with these Estimates is that they've been prepared by a previous government and so we should not be binding ourselves to those Estimates. Now, I say, Mr. Chairman, that makes this exercise a charade; that's not what this exercise is all about and I insist on . . .

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

HON. A. R. (Pete) ADAM (Ste. Rose): Mr. Chairman, last year in this Committee, dealing with the Estimates of the Minister of Northern Affairs, I recall that we had quite a lengthy debate on an item in the Estimates of \$5 million where we were never able to find out how that money was going to be spent. A request was being made for \$5 million by the Minister of Northern Affairs and we, after dealing with that item for hours under the Canada-Northlands Agreement, were never able to find out what this money was intended for and we still don't know, at this particular time, how that money was spent. I am surprised that the member, especially the Member for Lakeside, who is a longtime member here, realizes that these things happen from time to time and, I would just point that out so we don't have to go 23 years ago to find out what happened, it happened last year.

MR. CHAIRMAN: Mr. Minister, on that same point of order.

MR. MACKLING: Well, Mr. Chairman, I don't think anybody has been speaking on a point of order, they've been arguing. Let me just indicate and recap what I've said. I said that we've got spending Estimates before us, Capital spending Estimates, we may not spend all of that money, there may be projects that, for whatever reason, we may not proceed with; we've given an outline of what the proposals are, what the department is coming forward with, but they may not be proceeded with for any number of reasons. And those reasons have to be decided on a political basis and on the basis of a political decision as to whether or not we can afford to proceed with them.

The honourable members know that fairly shortly we'll be discussing a budget and, of course, we have to raise taxes to provide spending funds and if the government decides that, because of our spending constraints, we cannot proceed with all of the Capital items that are otherwise desired, so be it. Let me point out that's the fiscal side of, Mr. Chairman, that's the fiscal side of it in respect to the individual items. There are some of these items that are in this list that have been on a list for three years but haven't been proceeded with because of various problems, and I referred, Mr. Chairman, to one that the honourable members have made a great fuss about in this Legislature - the valley dykes - and yet they had it in their Estimates to go ahead with and yet there had been no consultation with those communities; nothing, and yet was that a breach of what that government had done. They had asked the members of a committee to vote \$900,000 for a project that was going to go ahead the following year; it didn't go ahead. Instead of that the members of this honourable opposition stand up in House and berate this government for having initiated something in respect to that commitment.

For the honourable members to say that because they vote on these items the government is bound to proceed with them, that is ridiculous and they know it. And they are grandstanding, Mr. Chairman, and they know they're grandstanding.

MR. CHAIRMAN: Member for Pembina, are you ready to proceed?

MR. ORCHARD: Mr. Chairman, I believe we are still on the point of order.

MR. CHAIRMAN: There has been no point of order, do you want to proceed?

MR. ORCHARD: Then, Mr. Chairman, I will just enter the discussion then.

MR. CHAIRMAN: Proceed with the items we are discussing then.

MR. ORCHARD: Thank you. What the Minister said, in his first couple of minutes, that he astutely avoided saying in the last justification of the most major faux pas I've ever heard a Minister make in the six sessions I've been here; what he didn't say in the second round which has alarmed us is that he didn't mention that when we pass this \$13,255,000 line of Estimates that he then takes it to Cabinet for them to make the political decision as to whether they proceed with the spending —(Interjection)— Mr. Chairman, will you please rule the Minister to order, please I believe I have the floor, thank you. Mr. Chairman, we have been presented with six pages of projected spending on Capital Works to the value of \$13,255,000.00.

The Minister has told us that once we pass this that he will then go to Cabinet and have these Estimates politically prioritized as to which goes, which stays and which gets pulled out and where they might have to spend the money again. The Minister for Health said tonight that things happen and, Mr. Chairman, we don't argue with that. My colleague, the MLA for Lakeside, said if a federal agreement falls through, if a municipal agreement falls through, if a land acquisition fall through, that's fine, a project may not go ahead. And that is the way it happens in the Department of Highways and Transportation as a number of people who have had that responsibility know. But, Mr. Chairman, never, never, never I don't believe in the history of this committee, and the Estimate system, has a series of Capital Estimates come forward and then go back to the Cabinet after we have approved them for prioritization, for deletion and for re-allocation. It has been practiced whilst we were government, Mr. Chairman, to take a Capital program to Cabinet, to Caucus, to Treasury Board and to get it approved before it's entered in the Estimates.

Now, this Minister is saying that we write an arbitrary line in the Estimates, we develop a series of Capital Expenditures and the, after we get the opposition sucked into passing it, we go back to Cabinet and we could change it. That's what he told us tonight, and I don't believe that this is happening to democracy in Manitoba.

Now, Mr. Chairman, the Minister of Health said that this happens all the time. Well I want to point out to the Minister of Health that last year we developed a Highways project; after it had gone through the hoops of Cabinet and Caucus and Treasury Board, we decided that the Split Lake Road should be built and you know what we did. We didn't pull other roads out of the project we approved additional funding for it. That is the way a government can change their priorities that the Minister is saying has to be changed.

On the basis of this kind of a move by this Minister, I

move Committee rise, Mr. Chairman.

MR. CHAIRMAN: The Minister of Agriculture.

MR. ORCHARD: No, you have a motion for Committee to rise, Mr. Chairman.

MR. CHAIRMAN: We'll call for a voice vote, then. All in favour?

MR. ORCHARD: Recorded count, Mr. Chairman. I have support.

MR. CHAIRMAN: The Motion is, are we going to have the Committee rise?

A COUNTED VOTE was taken, the result being as follows:

Yeas, 12; Nays, 17.

MR. CHAIRMAN: I declare the Motion lost.
Item 13.(a) The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman, it seems that there is not much point in appealing for a little bit of common sense because it seems that some people have made up their mind that they're not going to have any today. Let me remind some of them that there was an election in October, 1977. There was a Budget that had been approved before. There was a change of government; a government that came in and froze everything that was supposed to be done in the Department of Health, for instance, and then there was a change when some of them were allowed, and a change in my honourable friend's constituency to take care of a Personal Care Home that had never been recommended by the Manitoba Health Services Commission. We criticized that like it was our right, but we did not say that you did not have the mandate to do what you want when you're in government, and that's exactly what happened; and now the Minister stated that he's got a program that has been recommended, he's saying he can't go on and swear that every single one of these things will be done, he's saying that he might go back to Cabinet to review things.

I'm doing the same thing in my department, in some areas there are certain things I'm not too sure, and I'm asking for money because I think this is what's going to be done, that I'm going to review it and I'm not going to do it if I'm convinced that it's wrong. You've got to start somewhere. This is exactly what's happened. The government had a mandate. Your government had a mandate; they did it. I'm not criticizing it; I'm just pointing out to you, when you play Holier Than Thou and say this has never happened. There was a thing that was passed by the House, all the Members of the House, for a 5-year construction plan, certain things were going to be done that year, the money was voted in the House; what did the government say, "There's a freeze, we're not moving, we're not doing a damn thing." You had the right to do that; you were criticized; it helped you lose an election, but don't say that we haven't got a mandate, that a government in power hasn't got the right to change if

there's a policy. That's sheer hypocrisy and you know it, and you know it more than anybody else.

MR. ENNS: Again I defer to the experience and the wisdom of the Member for St. Boniface, the Minister of Health. The only difference is we had the guts in 1977 to come in, when we presented our Estimates, that showed those frozen programs, that showed those deferrals and we took the flak for it. We took the flak for it every day and you fellows in Opposition reminded us and the media reported it. The difference here is we're being asked to pass a \$77 million set of Estimates that the Minister has just acknowledged he has no intention of carrying out, and that's the difference, and that's what exercises us. Well, Mr. Chairman, that's why I suggest, with all due respect, because there's precedent for that, that the Committee rise; that we check what actually the Minister said; that we check the pre-edited editions of Hansard tomorrow and we find out what was said, because that is what caused this explosion in this committee which has, otherwise, been a reasonably good commission.

MR. CHAIRMAN: The Minister of Agriculture.

HON. BILL URUSKI (Minister of Agriculture): Mr. Chairman, the Member for Lakeside, and members on the this side, conveniently try to forget what has happened and what has been the normal procedure going on in this House. Mr. Chairman, the Minister of Health indicated what was done with respect to the nursing home projects; but, Mr. Chairman, not only that, that budget was approved, it was approved by this Legislature; and then there was an election, and then all those items, even those nursing homes which were tendered, were stopped. They were stopped, Mr. Chairman, and we didn't even have a chance to vote on the change in the program, subsequently, Mr. Chairman, even though those items that were passed by this Legislature were tendered, they were ready to be constructed and they were killed. They had to be re-tendered, there were additional costs, and, Mr. Chairman, the Minister of Natural Resources brings in a program and indicates that, "Look, barring unforeseen items, this program will go ahead, but certainly we will want to review the items as they proceed."

Mr. Chairman, are the Conservative members in this Legislature saying that they didn't make any political decisions vis-a-vis items that were passed in Legislature? What a bunch of hypocrites. You were elected as politicians and you made political decisions. You froze nursing homes that were tendered; you killed projects and then you re-activated them and you even brought in additional programs that weren't even voted in this Legislature.

Mr. Chairman, the Members of the Conservative Party are saying that they never made any political decisions vis-a-vis programs that were approved. Mr. Chairman, there will be changes in many programs that are brought into this House. The general thrust is voted upon and, from time to time, there will be circumstances that will change almost any program. The former Minister of Highways should know that there have been items on the Highway's budget going back 7-8 years that have not been proceeded with and they're still on the damn program. No matter how the

Minister can squirm, well he says, "Yes they're on the program." Well, we're not proceeding with them. Mr. Chairman, he can't tell me that it takes 8 years, that an area's been wet or we can't buy land for 8 years because some projects don't proceed that long. It is the will of the government not to have some projects to proceed and he can't tell me that wasn't done on many of the projects. You look at the Highway's projects over the year, Mr. Chairman, regardless of who was in government. You can't tell us, here, that when a program is voted on that there won't be changes in the program and the changes won't be made. Who makes the decision, Mr. Chairman, if it isn't a political decision of the members who are elected as politicians in the Legislature? Mr. Chairman, who do you want to make the decisions?

MR. DOWNEY: Thank you, Mr. Chairman. I want to be very brief because what I have heard here tonight, and I think it's certainly, as I understand it, the responsibility of a government, they are people that are elected to this Legislature, to spend the money of the people of the Province of Manitoba in the best interests of all those people regardless of political stripe, but in the best interest, and they are held in trust, for that job. I have no problem with a government that doesn't move with any particular project. I agree totally, that is their responsibility or their decision not to proceed. But, Mr. Chairman, the point that has to be made is that if they are going to use those funds that weren't used in that particular project, they cannot go to Cabinet, Mr. Chairman, and make the decision to buy \$13-million worth of NDP signs to plaster all over the province, and that is what they're telling us, Mr. Chairman. They are a government for the NDP party people.

MR. CHAIRMAN: Order please. We are speaking on Number 13 and you're off base. We are not speaking on a point of order. That has been challenged and lost. We are now on 13(a).

MR. DOWNEY: I will speak to 13, Mr. Chairman, I will speak to that very plainly. I have been told by the Minister of Natural Resources, and I agree with him, that if he wants to cancel any project, the same as the Minister of Agriculture, he is quite free to cancel any project and not spend those funds. In fact, that is saving the people of the Province of Manitoba money which they don't think is spent in their best interest. Mr. Chairman, the second statement that I have heard is that the Minister of Natural Resources can take his \$13 million which we are voting for here right now; if, tomorrow he strikes out all the programs, can go to Cabinet, and use that money for any political rim of that Cabinet. Mr. Chairman, I cannot support that in the system that I live within today.

MR. ENNS: Mr. Chairman, let's try to bring some order into the Committee. I appreciate the comments that are being made. Yes, elected members certainly have the right to change priorities, but I challenge members opposite to show on the Estimates that we brought in, that did not reflect the spending intentions of that government. We came in in October — (Interjection) — You're right; I won't argue with you,

there were intentions by the previous NDP administration. You have to remember, it was an election year. There were more sod-turning ceremonies in this province than you saw in your life. There were more personal care homes going to be built, more hospitals going to be built than you would believe; those were your intentions and you're quite right, a new administration came in and we deferred, we stopped, we folded some of them. But show me in the Estimates that we then subsequently brought in, in February and March, where those items that we were asking a Committee of the Legislature to pass on, where those Estimates were included and passed on. You cannot find that, my friend. You cannot find that, Mr. Chairman. That is the point.

Mr. Chairman, I have the floor. If this administration did not want to accept the Estimates that were 95 percent prepared for them by the previous administration, that's one thing; I accept it. If they said we'll cut out half of them, or we'll freeze half of them, or we'll take them out of Morris Constituency and put them in St. George, that's fine, or we'll put them in Gimli, that's fine, but that's not what they're doing. I'm appealing to the First Minister right now. The Minister is bringing in a set of Estimates and that is a little different than a government that comes into power and says, "Hey, we have inherited a group of programs that we don't agree with," and they have the mandate of the people, and they cancel them, they defer them or they change them. That is certainly the right of any newly-elected government. But it is not then, appropriate, I submit, Mr. Chairman, then to come into Estimate point in time, and then parade those programs on as though they were going to be ongoing and then have the audacity to say that, after two weeks of hard work in Committee, these programs are, of course, all subject to political review; they're meaningless; that we're not going to proceed with them on the basis of what Cabinet decides. We've given all the necessary exceptions to that. We understand that certain projects can't be proceeded with. We have not asked or tied this Minister down to building every drainage ditch, every bridge, in this set of Estimates. We know that land acquisition, we know that arrangements with other jurisdictions, federal or municipal, can prevent projects from proceeding. I know that, and all experienced members know that. But there is a difference, Mr. Chairman. The Honourable Minister of Health says, "Yes," and I agree with him. He had on his program, and by the way, Mr. Chairman, there's a big difference between programs that are on a five-year program, particularly in the field of health, or something like that, but I am talking about actually programs that were on that year. Fine, they were in that year and we cancelled them and then we did not bring them back in the Estimates that we presented. —(Interjection)— All right, but that was our first opportunity to bring new Estimates in the House, in February of '78, and we said we rejected what the previous administration is doing. These are the Estimates that we asked the Committee to pass. That's not what this Minister is asking us to do and I find it a charade, Mr. Chairman.

MR. USKIW: In observing the project map here, it's obvious, Mr. Chairman, that 28 out of the 36 projects

are located in what we would refer to as Tory land, constituency-wise; 28 out of the 36. The Minister has indicated that he cannot assure that every one of those projects will, in fact, take place; that he cannot guarantee that; and that, yes, it may be that he will have to revise his priorities. I think he said that, Mr. Chairman. That is fundamental to the system under which we function. For whatever reason, at any time, the government may decide to change their priorities in spending. All we are voting here is authority to spend, not compulsion to spend, but authority to spend, and that authority could be shifted from one place in the operation of government to another place, depending upon the circumstances, Mr. Chairman. The government of the last 4 years did that very thing by announcing that they were not going to complete certain things even though they were voted on by the Legislative Assembly, by the Committees on Supply.

Yes, they came in and they said, "We don't intend to complete those projects; we're going to put these projects on hold; we're going to have a freeze; we're going to lay people off because we're short of money." That's what was said, Mr. Chairman, notwithstanding all of those things were approved item by item in the Estimates review process. So this is authority to spend, Mr. Chairman, not direction to spend; it's authority. This program, Mr. Chairman, is an indicative program of what is expected to be done over the next 12 months, as they all are.

MR. CHAIRMAN: The Member for Burrows.

MR. CONRAD SANTOS (Burrows): Thank you, Mr. Chairman. I never speak, as you notice, I am trying to learn my way around in this Committee. I would like to make it clear the distinction what an Estimate is. An Estimate is simply a legislative authorization to spend, as distinguished from a mandate to spend where you have no more discretion. It is simply a legislative authority to legalize this spending, the Estimate proceeding, you don't have to spend it but the authority is there, because if the discretion of the Minister who has a Ministerial responsibility in his own department is to be tied down in a straitjacket and will have to do everything that is in the Estimates and there are certain events and circumstances that are beyond his control, it doesn't mean that he has to spend all the money in the Estimates. To remove from the Minister the discretion is to deny that the government has the authority to govern. I mean the ruling majority.

MR. MACKLING: Mr. Chairman, let me indicate that what the Honourable Member for Burrows has said and others of my colleagues have spoken is certainly right. What we have presented here are Estimates as to the costs of projects that the department has looked at and are recommending for the subsequent year. That is not to indicate that these projects will of necessity, proceed. There may be problems with acquiring land, with working out arrangements that are satisfactory in respect to these programs. What members are being required to do is vote in respect to individual lines of spending. Each member has been given all of the detail early by my staff, and you have

separate lines and within those separate lines the Minister has always had discretion to move in respect to varying projects, in the line.

If you look for example, Mr. Chairman, at the detail that I have supplied to members, land drainage reconstruction, there is flexibility on the part of the Minister and his department to vary the programs there, to proceed with some, not proceed with others and so on. I or my Ministry cannot switch programs; can't switch from bridge replacement program funds to land drainage reconstruction. I can't do that within the department. But that prerogative remains with the Executive Council. The Executive Council can do that. We have been elected with a mandate to govern.

Mr. Chairman, I find it very interesting. The honourable members from the Opposition feel that they're still in government and they still feel that they are directing the spending Estimates of this government. That is not so. We are making the decisions in respect to the spending of this government, and we will spend or we will not spend depending upon our findings. To suggest, Mr. Chairman, that when the process is in the works and tenders are called, regardless of what the contract price is, we have to proceed with that project. You know, the arguments that the honourable members present are ludicrous. They know they are. They are trying to govern now from the Opposition. Well, the people on November 17th made a decision and that decision is here and we will decide on the basis of these projects whether they can be proceeded with; whether they ought to be deferred; that is a discretionary act on the part of the Executive Council and I am not, nor would my government, be bound to spend every cent that's voted in any Estimate. For the honourable members to suggest that, oh, that's always been the case is just utter and complete nonsense and they know it.

I indicated that simply because these items were here, did not mean that necessarily they were going to be constructed in this construction year. That's what I said. I said there has to be consideration given to each one of these items as and when they are ready, and part of the consideration is the cost, what the tender price is and so on. For the honourable members to say it's automatic when we vote this money, that we are bound then and the administration is bound by our decision; that's a bunch of rubbish and you know it.

You never followed it and I set out the example; I set out the example, Mr. Chairman, and I'll set it out again. The honourable members presented an item in last year's Estimates for \$900,000, yes, based upon a formula that they knew and they had the members here vote on that item, but then they didn't proceed with it, Mr. Chairman. Why? They took it to Cabinet and Cabinet decided that item was not going to proceed, because they lacked the political will to proceed. Now, Mr. Chairman, the honourable members are saying that if there's a capital item in our Estimates, then they will have to proceed.

MR. CHAIRMAN: The Member for Lakeside on a point of order.

MR. ENNS: Well, the Minister made a very specific allocation that the previous administration, the previous Minister, took a particular item to Cabinet. I

asked him to document that charge.

A MEMBER: That's not a point of order at all.

MR. ENNS: Yes, it is. It happened to be a very important point of order.

MR. MACKLING: Well, then why wasn't it proceeded with, Mr. Chairman?

A MEMBER: Because it never got to Cabinet; no decision was made.

MR. CHAIRMAN: It's not a point of order. Mr. Minister.

MR. MACKLING: Mr. Chairman, if it didn't go to Cabinet, let me finish — (Interjection) — Just a minute. Mr. Chairman, if it didn't go to Cabinet, a political decision was made by the Minister that wasn't foreseen. He didn't even share with his colleagues then, Mr. Chairman. And now to suggest that because there's a line or there's a project in these Estimates that Ministration of the day is bound to proceed with, is a bunch of rubbish and he knows it.

MR. CHAIRMAN: Minister of Health.

MR. DESJARDINS: Mr. Chairman, I think that everybody had their fun. I think that those who wanted to make a point have made it. We're getting away from the Estimates and I move that question be put Mr. Chairman.

MR. CHAIRMAN: Agreed? (Agreed) Order, order please. Order, order please.

13(a) to 13(c) were each read and passed. Resolution No. 113—pass.

RESOLVED THAT it be granted to Her Majesty a sum not exceeding \$13,255,000 for Natural Resources for Acquisition/Construction of Physical Assets for the fiscal year ending the 31st Day of March, 1982—pass

Now we have to go back to the Item 1 of the Minister's Salary.

MR. MACKLING: No, the Committee's not rising. Item 1, Mr. Chairman.

MR. CHAIRMAN: We're in Item No. 1(a)(1), Minister's Salary.

The Member for Emerson.

MR. DRIEDGER: Thank you, Mr. Chairman, we've just been exposed to something that, not having had the experience of the Member for St. Boniface, but in the short time I've been here, I cannot envision the kind of thing that has gone on here tonight. All kinds of activity, pros and cons, have been discussed on points of order, etc. What bothers me very much, Mr. Chairman, is the fact that if this Minister had decided that he wanted to change their priorities as was indicated that sometimes governments do when governments change, that would have been fine. What this Minister did, he did not change. He presented Estimates to this group here tonight, presented the Esti-

mates that he wanted us to approve. We've gone this charade for two weeks trying to give good deliberation, good discussion. I thought we had a good association with this Minister and his people. I think everybody in the Committee room enjoyed what was going on

MR. CHAIRMAN: The Member for Emerson has the floor. So, we'd like a little order please.

MR. DRIEDGER: Mr. Chairman, I have to indicate that there was a sort of acceptance that we would possibly pass these Estimates today because things have gone relatively well; there has been a good understanding. But, when the Minister in his opening remarks indicated that, listen, what we've done here basically is nothing and I will take it back to Cabinet and we will reassess this whole thing; that's when the ire of everybody got aroused and I think quite rightfully so. It's unprecedented. We've had a few unprecedented things in the Committee already in the last two weeks but this must be something else.

I understand, you know, the Member for Springfield indicates that we cannot use arrogance, it's not a parliamentary word. I don't know what else you could call what the Minister has done. I thought we had a relatively good understanding with him, we were working along relatively well with the Estimates and then he turns around tonight, when he could have had his Estimates completed, turns around and he indicates to us, listen boys all this work that we have done until now means nothing; after you've passed this Estimate here, I'm going to go back and we're going to change our priorities. Unprecedented! Unbelievable!

Is this what the Minister also indicated to the municipal people along the Red River Valley when he met with them? That \$900,000 that they were supposed to pay; that he was going to reconsider? There is absolutely no way that we can show any kind of confidence in this Minister. He has been rather feisty from time-to-time in terms of the way he has been acting but we accepted that. We also accepted the fact that he has not been the Minister that long and we showed a certain amount of tolerance during the Estimates for some period of time and we did. I think it was relatively enjoyable; I think the Minister enjoyed it; we had good discussions; we had our fun once in a while. But what happened tonight is contrary to anything that has ever happened before; that the Minister can turn around and say, hey, what we've done here, I'm going to take it back to Cabinet; we'll review it; we'll make changes.

If he wanted to make changes, why didn't he put it in the Estimates and we could have looked at them and you could have pushed anything through. That's not what he did. He brought these Estimates forward and then indicates on the last night, supposedly - I think in his mind the last night and it was in ours for a while too - that now we'll take it back, we'll review it and we'll make changes in it. And that is what created the whole rhubarb here; we've spent almost two hours on this whole thing. We've had all kinds of illustrations made on each side. The Member for St. Boniface illustrated the things that had changed when governments changed. We grant all that; we never argued that. What we argue is the fact that he presented these

Estimates and then indicates tonight that once you've approved them I'll take them back to Cabinet and we'll change our priorities. That is what he indicated and you can read Hansard and you'll check and find out exactly what happened.

Mr. Chairman, for that reason it is going to be some time before we pass this because, all of a sudden, the Minister has shown his true colours. I tell you something, the municipal people and the people of Manitoba will not accept that kind of thing. If we are in opposition, fine, we accept that role; we accept the judgment of the people in November, that's acceptable, we have our obligation here. But a Minister that will sit here and say, hey, whatever you do here, if this is going to be the format that each Minister is going to use, pass my Estimates and then we'll go and change the rules. Hey, not acceptable, and there's going to be a long, long summer before this is all going to be over if this is how the attitude of the government is going to be; a government that indicates open government. We've seen open government with this Minister when he opposed —(Interjection)— open, yes, too open. Open government when he imposes a 10 percent cost of the projects that he's imposing on the dyking in the Red River Valley, that is open government?

MR. CHAIRMAN: Order.

MR. DRIEDGER: Mr. Chairman, I'm having trouble concentrating when the Member for St. Boniface is interrupting all the time. —(Interjection)— I am. I have my right to speak my piece and I've listened to you speak yours and now it's my turn.

MR. CHAIRMAN: Order. The Member for Emerson has the floor.

MR. DRIEDGER: That Minister, that Minister will never have the confidence of the municipal people again, I can assure him of that, after what he has done here today and the way he has treated the people, the municipal people in the Red River Valley.

Until now, I think we could accept what had happened. But what happened, you met with the municipal people and you indicated that you were prepared to proceed with some of these projects and you were going to review the costing of the 10 percent. But now what has happened is, after what has happened here today, is he going to go back to the people in the municipality along the Red River Valley, the dyking people, and tell them; well, listen now, I'm going to take this back to Cabinet and review my Estimates again, my priorities? That is what he told us today and that is what the whole problem is about and I am very very perturbed with this kind of thing.

Initially, in my closing remarks on the Minister's Salary had a much different slant than I have to give it right now. I'm totally perturbed and a government and a Minister that says, we're open, they show nothing but flagrant arrogance in terms of dealing with the people of Manitoba. They made all kinds of commitments during the election campaign and since that time there has been a steady regression of the things that they've committed themselves to, including the beef program, and here we have another example. They just continually keep backing off on

these things.

The First Minister, as well as the Minister of Natural Resources, will have to be accountable for the actions today and the actions that they are proceeding with at the present time. The people of Manitoba are being disillusioned; they've been led down the garden path and their expectations have been raised and you will have to be accountable to the things that you are doing. Mr. Chairman, I'm actually having a bit of a problem in exactly how to express my views as to what has happened here. Really, I have difficulty with that because here we have, supposedly, a democratic system where we can view the Estimates, both parties are debating this type of thing, and after this whole thing has gone through, it just totally boggles my mind. We want to make very sure that the people in Manitoba know what has gone on here today. If he had worded it any other way, if he wanted to change it, but to flagrantly come up here and wave the flag to us and say, listen approve this and then I will go back to Cabinet and change it. Unacceptable, and we will make the people of Manitoba aware of this and this Minister will not have the confidence of the people of Manitoba or of anybody as far as I'm concerned.

Thank you very much.

MR. CHAIRMAN: The Member for Morris.

MR. CLAYTON MANNESS (Morris): Thank you, Mr. Chairman. Well, I've sat back and I've listened with great intrigue tonight at some of the goings on and I must say I'm terribly disillusioned. I've seen things here tonight that I didn't believe I could see. You know, when I was campaigning, as I come in as a new member, and I've campaigned around, our party sometimes was accused of being a little bit closed, close vested, but what I've seen tonight from this government certainly takes the cake, it really does. We've worked now for two weeks through these Estimates and, not knowing the history of what has been done in previous years, I guess, I was under the impression, however false, that when we passed most of these items that, in fact, they would be completed and accomplished as such.

I can understand in the Capital works area; I have no difficulty in understanding where, in some situations, particularly in Natural Resources and in the Water Resources section, where you're fighting the elements in a lot of cases and other technical matters that situations will arise from time-to-time that will prevent one project from moving on. And naturally, I come from a farming environment and we know that the best laid plans from summer and spring and fall, from the winter previous, are sometimes not met and often are not met through many reasons, reasons particularly though related to weather. It's the any number of reasons comment made by the Minister, I guess, that I find so disturbing and I can understand when emergencies arise and there's maybe need for monies to be brought forward from department to department that, at those times, if the government in power makes that known to the opposition and certainly to the people of the province at large, that naturally those pre-passed Estimates, in Sessions such as we are finding ourselves in at this particular point in time, naturally that you will want to pull where you can

in periods of emergency.

But that's not what the Minister has said tonight. He said there could be any number of reasons and he said maybe there'll be other priorities that arise and I suppose I can understand that, too. Priorities I think he was saying in the sense of resource priorities, other projects that maybe, through one reason or another, they deem to be of greater benefit. But I ask, why haven't those been laid out now, and then select the ones that you will? But that hasn't been done either. We've heard allegations towards the former Minister that, in fact, it were his estimates, they were too far gone you couldn't change them, and yet I know you've been in government now for four months and nobody can tell me that you had no opportunity to know what was coming up, this day was here. The day was coming and yet the Member for Inkster says, former Minister, you had your opportunity, these are your estimates we didn't have time to change them. That can't be true, surely that can't be right.

So, I look specifically at the projects in mind which I asked in great detail the other night of the Minister. I asked him about items 10, 11 and 12 on his Capital Projects list, and also 21, 22, 23, 24, and 25, and he told me, he says, yes, these have been allocated for this year, these are the things that we intend to do this year. And the interpretation I took out of the word "intend" was that this is 1982-83, that once it receives the endorsement and the ratification of this particular committee it's a fact, notwithstanding the fact that situations can arise, and those situations, again mainly of a weather nature, in this particular Capital Estimate or in an emergency that we can't foresee. But what he tells us today is that, no, we can pass these Estimates right now and he has the liberty to go to Cabinet in the period of two weeks and bring in any priority, other than the ones that are listed here, and fit it into the shortcoming or to the disqualification of any of the ones here.

And if that's the case then, I guess, I have to say I find this whole process reprehensible and this Committee basically a joke because what are we doing here? So, specifically, we go on to these projects and we move into the Valley Dyking Projects. Members of the Committee will remember this, I gave the Minister full compliments here the other night because I think some seven days ago, the second or third day of this Committee, when the whole problem related to the cost-sharing formulas related to the dyking and the responsibilities that may, in a financial sense, have to be picked up by the towns in question and we drew it to the Minister's attention and, of course, he used as his defense, weak as it was at that time, that there were definitions of equity that allowed this sort of thing to happen with the citizens of Winnipeg. Although they had been protected by the province at large, by way of the floodway, they still had made some contributions to their secondary dykes and that I accept.

Just the other night he gave me further indication that part of the decision as to whether, in fact, the government would give further consideration to the requests of the municipal officials, that he, in fact, under his department would go out and attempt to attain the costs to the citizens of Winnipeg, in total, and on a per capita basis; and I accepted that in good faith also. After having spoken to many of the officials

of the municipalities and the towns concerned who met with the Minister last Friday and who came away relatively well-satisfied that the Minister, at least, was going to represent their case again in Cabinet, so much so that some of them asked me, and I accepted their request, they asked me not to push the Minister too hard. That's great, I thought I had done all I could do and there was nothing more for me to do in that particular case.

Then we move into the House today and the questions were asked of the First Minister; had Cabinet considered this issue? The First Minister, in his eloquent style of never answering a question, said, no, the Minister responsible would make that decision. Now, I don't know where we're at at all. We have a Minister on one hand saying that, in fact, it is going back to Cabinet and, under detailed questioning here last week, said probably it would be considered by Cabinet in the next ten days, the same number of days that he left with my officials; the First Minister asked in the House today if it was going to Cabinet saying, no, that the Minister himself would look after it. So one becomes suspicious.

Then we move into the final, what I thought would be the final sitting of the Committee tonight, and we're told immediately that, no, all the efforts that you've put into sitting, to going through the details and, again, as the Member for Lakeside has said on so many instances, that we are not here to question dollar for dollar, we're here to question policy and intentions and general directions. And I think the Committee led by our critic has done full well by that comment, we've lived up to our word. But the rules changed a little bit tonight when the Minister comes forward and indicates to us that, no, these projects may not go ahead. I try and balance off all the things that have happened over the last week and I've come to the conclusion that, in fact, what is going to happen is that there will be no change in Cabinet regarding the change in funding; that the government is betting that there is going to be a showdown with the valley towns and that they will not, in fact, go forward with these projects and all this money will be available to use on the other priorities that are not listed, that we have no understanding of whatsoever. Can you blame anyone for being a little suspicious?

Let's leave for a while the flooding concerns and move . . .

MR. CHAIRMAN: The Member for Morris has the floor.

The Member for Morris.

MR. MANNES: Thank you, Mr. Chairman. Then we go specifically into the projects listed 21, 22, 23, 24, and 25 — the Domain Drain Demonstration Project, the Roberts-McTavish Drain, the Mills-Wheatland Drain, the Upper Bryson Drain and Upper Elm Creek — all of these particular capital projects, ones which the Minister well knows are of interest and of vital concern to me and to the constituents that I represent. I guess I probably can't ask him any longer if he has anything more to add.

But I posed my question very specifically the other night whether in fact, these projects would continue in 1981-82 and I asked him even further what appro-

priations would be considered for 1982-83 and he told me, he told me quite openly. I suppose what disturbs me the most as a rookie and someone quite naive, of course, maybe there are a few of us around, I did something probably pretty foolish. I called all these municipalities, their secretary-treasurers the other morning and I said, "Guess what's happened?" The capital projects have been laid before us, I've asked questions, we've been told what the appropriations will be for the next year and these, we've got the assurances of the Minister that these projects will continue. Not only that continue, given of course that weather or technical reasons allow. I even went further to tell them what appropriations they could expect in 1983-84.

So I made four phone calls to the Municipalities of McDonald, to Gray, to Morris, to Richot, and told them this good news, the news of which I was certain because I thought that was the purpose of a Committee like this, that's right, the purpose of the Committee. I mean, what other purpose can there be to sit around this table for two weeks?

I've missed 10 of my kids' hockey games as I know every other member has too, but for what purpose? —(Interjection)— That's right, we get paid for it. The Minister says that's what we get paid for. So I guess we get paid to sit here and make decisions and pass Estimates that are meaningless and I'm saying, isn't that a tremendous waste of the public purse? I think it is.

So I guess I'll have to call these four municipalities back tomorrow and I'll say, well the rules have changed a little bit — and I haven't been here 23 years like the Minister of Health nor however many the Member for Lakeside has been here —(Interjection)— six — so I will beg greens. I'll say, well we had a commitment but I guess in this game a person's word doesn't mean a heck of a lot. Of course, they'll say that's what we thought anyway, particularly now.

So we've come to the point and again I want to reiterate the comments that I made earlier that I can accept, as has the Member for Lakeside said, that there are at times reasons for some projects not going ahead and I would expect that when that occurs that money will lapse and it will not be spent at all. We've had no such assurances here tonight and again, I find this whole process reprehensible and the Committee a joke and hopefully I'll learn in time that things maybe aren't as bad as I feel. Thank you, Mr. Chairman.

MR. MACKLING: Mr. Chairman, I think the Honourable Member for Morris in his remarks, has indicted his problem. He obviously feels that when he participates at this Committee and agrees with a proposed spending Estimate then that's an accomplished fact, that now that project is bound to proceed. Well the honourable member then if he hasn't intimated that, that's certainly what he intimated to the people he called, that these works are therefore definitely going to go ahead.

Well, the honourable member knows that government spends money on behalf of the taxpayers of the province, has to tax the taxpayers of the province to raise those monies to spend and —(Interjection)— well the honourable member says he didn't know that.

That's pretty obvious.

Now the honourable member says that that troubles him. I'm sure that honourable members in past years reflected on items that were put on a capital list and to their dismay it wasn't proceeded with that year. It wasn't proceeded with the following year either, even though they were a member of the government caucus, it wasn't proceeded with because there were problems, problems with either acquiring the land, engineering problems that weren't foreseen, environmental problems that arose, any number of contingencies, including the fact that perhaps the department ran out of money.

The honourable member says, well all these things, what's the Minister talking about. Mr. Chairman, when we budget for items we have an estimate of costs but as I have indicated earlier when these items are put out for tender if the prices come back and they're too high in the advice of the department, the decision is made to proceed or not to proceed.

The honourable member nods his head in approval, but that isn't the kind of intimation that the members are making. The members are saying look, Mr. Minister, it's in the line, you've set out these projects so you've got to go ahead with them. Let's follow the logic of what he's talking about.

We follow the projects. Now how do we prioritize them? Does the Dog Hung Creek Diversion get priority over the Brunkild Town Dyking System, if the estimates of cost are out? If the first two or three items we put out for tender come back one-and-a-half times higher than what we anticipated, we're not going to have the money. So what do we do, Mr. Chairman? Do we call up the Member for Morris and say gee, you know we've got a problem. The work in your constituency isn't going to go ahead because we had to go ahead with the work in the constituency of the Honourable Member for Arthur.

The honourable member is trying to suggest that somehow the priorities are going to be established by this Committee here now, at this time. That's what he's intimating. Now the honourable member should know that there are many factors that decide whether or not the matter goes. One of them is cost, one of them is environmental impact, yes political. Are we going to raise more taxes to fund these drains? How much money are we going to have for capital works out of the monies we raise by taxation? That's a political decision.

We're going to have to consider what the local communities consider. Have these capital projects been properly articulated in the community? Are they totally acceptable to the community? I take the example again of the Red River Community Flood Proofing — the honourable member sits and smiles — apparently those communities didn't have a dialogue with government before the budget item was appropriated a year ago and it's the same amount of money being appropriated this time.

Now we have to consider local response. The local communities may say, we're not prepared to put up some money for this project, then all of these factors had to be considered, Mr. Chairman. But the honourable member thinks that when he is sitting here and making a decision, voting on a line, that's it.

We are government — he thinks he's government —

I'm advising you, Mr. Chairman, I'm advising the honourable member that he doesn't make those decisions. I quite candidly said to you and to all members here that though we vote this money, there has to be decisions made as to whether these projects go or not go in accordance with all of the factors we have to deal with and I would not undertake that all of these projects are going to proceed. There has to be an evaluation made on a number of aspects before the projects are finally proceeded with and that was my undertaking and that's a fair, sincere and honest one. If that shocks the honourable member, I'm sorry, but that decision, that heavy responsibility is with government and I and my colleagues have to exercise that despite the fact that he may like to exercise it from where he sits now.

MR. MANNES: Thank you, Mr. Chairman. With due respect to the Minister, I too wasn't born yesterday and naturally I realize there probably is some probability that not all these projects will be completed this year and some of them may not even be started, but that's not the concern here. The concern is that, in fact, projects of which we have no knowledge or understanding will be replaced for the ones that have been placed in front of us. That's the concern and nothing more.

MR. MACKLING: Mr. Chairman, on a point of order. The honourable member is attributing words to me that I never used. He's indicating that I said that there would be items dropped from this and other items put in their place. I never used those words. — (Interjection) — No I didn't.

MR. CHAIRMAN: The Member for Arthur.

MR. DOWNEY: Mr. Chairman, in my comments I would say that I have misunderstood what the Minister has said and I think it will take a check of Hansard to verify exactly what has been said tonight and we'll be able to discuss it at some other point in the future.

Mr. Chairman, the Minister well knows as the people of Manitoba that they're the majority in government and they can use their social democracy to spend the monies which are voted in Committee in a way in which they see fit. Mr. Chairman, what we're asking as a Committee is to in the best possible way, see the proposals that the government are planning to use that money for and we've seen as a Committee those very projects.

The Minister in a recent statement just a minute ago said that he has not said tonight that he is able or going to be allowed to use those funds that may be left over or may be available from a project that he decides not to proceed with — no one has forced him to proceed with it for certain reasons but he has now indicated and I would like him to verify if this is his position — that he does not plan to replace those projects or use those funds in another way that we aren't going to be knowing of in a major way, mainly the \$13 million that were discussed in the last Estimate item. If that is the case, Mr. Chairman, I think he has shed a little bit of light that could have been shed a little earlier.

Mr. Chairman, I think what we're seeing here

tonight, if I'm reading it correctly — and it may explain why the First Minister of this province and the New Democratic Government get along so well with the Prime Minister in Ottawa and the Liberals in Ottawa — is that they believe very much in that system of government; that they don't have to account to the people of Canada, the people of Manitoba on how they're going to use the taxpayers' money. They have no respect for the British parliamentary system on which this country has been developed and governed under for some 114 years.

A good example, Mr. Chairman, was the recent episode that took place where the Tories in Ottawa, when in fact they allowed the bells or had the bells ringing because the Prime Minister of Canada was trying to prove an energy bill that would give him the authority in Cabinet — not in the Legislative Assembly, not in the House of Commons — would give him authority to increase the gasoline tax to first of all approve some 20 some cents that he has already put on the people of Canada, but to further allow him by Order-in-Council to put that tax on gasoline up to a \$1.00 a gallon without telling anybody in the country of Canada what he was doing. Mr. Chairman, that is what we're seeing in a social democracy.

Mr. Chairman, this social democracy wash that we hear all the time is something that I think the people of Manitoba better start paying a little more attention to. I believe in a free democracy, Mr. Chairman, where everyone knows what is going on and we don't have a government taking the taxpayers' money and not being accountable for it. That's what we're asking for.

The Member for Dauphin laughs and is taking it very lightly. I, Mr. Chairman, have some deep concerns and if I could again just go back and I'll close with these comments. Will the Minister put on the record that he does not plan to use the funds from a project that is dropped from his program for another major way — and I use it as the \$13 million. I don't think he could be expected to be directly or total on course, there has to be some redirection. But for totally new projects there has to be some recognition or accountability to the taxpayers of the Province of Manitoba. I think that, as far as I am concerned, has been one of the most contentious issues and maybe he could answer that for me, Mr. Chairman.

MR. MACKLING: Mr. Chairman, the honourable member is concerned about my making a commitment. There's no problem with my making a commitment along those lines. I can't myself move, drop one item and put another item in. I don't have that kind of power.

Now the honourable member and the other honourable members keep overlooking the fact that we enter into agreements in some instances with municipalities for certain projects. They have to consent to it. We have problems as they know in respect to some of those things, they know them from their own experience. We have in most of these projects an involvement with the Federal Government and the way the Federal Government has been reacting in respect to some agreements we have with them, we have no absolute certainty that they're not going to withdraw from these projects.

These projects are contingent on Federal Govern-

ment participation. The honourable members will recall as we went through the Estimates, there were not only in the capital items here, but there were in other aspects of the Estimates, provisions for part of our spending. —(Interjection) Well, Mr. Chairman, if the honourable member doesn't want to hear what I have to say. There are provisions for these programs and they are contingent on or they are based on participation by the Federal Government and the references have been several throughout the Estimates here.

If the Federal Government backs out of the funding arrangements then there will be a tough decision for us to make. Do we go ahead with those programs or do we not? That's a tough political decision to make and that's a quantitative decision we're going to have to make. But for the honourable members to say, oh no, no, once you make a decision here in this line you're bound, that just flies in the face of common-sense. So, replete through these Estimates are problems in respect to funding and contingencies over which I don't have any absolute control. For the honourable members to say, well you know, you're bound by it, that's just folly.

MR. CHAIRMAN: The Member for Pembina.

MR. ORCHARD: When we're on this line of the Minister's Salary, is the Minister open to specific questions that require answers or do you want general statements?

MR. CHAIRMAN: The Minister has indicated before that he's pretty flexible so he said he'll continue to be flexible.

MR. ORCHARD: Okay, Mr. Chairman. I'd just like to establish as to whether Estimates are prepared and printed that have been subjected to Treasury Board scrutiny?

MR. MACKLING: Yes, Mr. Chairman, I understand that the Treasury Board does review Estimates.

MR. ORCHARD: The Treasury Board then reviewed the Estimates that we are looking at tonight?

MR. MACKLING: Mr. Chairman, the department would submit the line item, the generality, but not the detail, as apparently is the usual practice, Mr. Chairman.

MR. ORCHARD: Oh, the usual practice the Minister says.

MR. MACKLING: As I understand.

MR. ORCHARD: Now, Mr. Chairman, when Treasury Board decides that a given line is not sufficiently funded or is insufficiently funded, they would make that change and that change would be the final total that appears in any given line in the Estimate book; would that be a correct assumption?

MR. MACKLING: I would believe so, Mr. Chairman, yes.

MR. ORCHARD: Mr. Chairman, does Cabinet get an overview of the total Estimate and give its approval to the total Estimate package, as printed?

MR. MACKLING: Well, Mr. Chairman, the member is asking a lot of questions that he should have as much familiarity with as anyone and I think that the practice has not changed. The honourable member can reflect on that.

MR. ORCHARD: Mr. Chairman, that is exactly why I'm asking this Minister what goes on because what has gone on in the past appears to be quite radically changed by this Minister and I want to determine the process under which these Estimates are before us tonight, and I would just ask my question again, were these Estimates subject to Cabinet review?

MR. MACKLING: Mr. Chairman, the process has not changed I'm advised by my staff who readied the Estimates.

MR. ORCHARD: Then, Mr. Chairman, I will assume, and the Minister can correct me if I am wrong, that these Estimates received the perusal and the approval of the Cabinet.

MR. MACKLING: The general lines, as I've indicated, Mr. Chairman, but the detail that we've submitted to this Committee apparently is not generally perused by Cabinet.

MR. ORCHARD: Mr. Chairman, when we get down to an item such as Item 13 in Construction/Acquisition of Physical Assets, does Treasury Board see a detailed list as we have seen tonight, in other words, the six-page list which indicates certain projects valued at certain dollars?

MR. MACKLING: Mr. Chairman, I'm advised that the tentative projects and the rough Estimates or cost are available, yes, to make up the total.

MR. ORCHARD: Mr. Chairman, are those tentative costs, which are now finalized in the six-page handout called Description of Acquisition and Construction projects, are they presented to Cabinet and approved by Cabinet?

MR. MACKLING: No, Mr. Chairman. They weren't in the past either were they?

MR. ORCHARD: I take it that the Minister says that this six-page description of the construction under Item 13 has only received Treasury Board perusal and approval and not Cabinet's approval?

MR. MACKLING: Mr. Chairman, I'm given to understand that the Treasury Board reviews the total.

MR. ORCHARD: I'm sorry, I missed that answer, Mr. Chairman.

MR. MACKLING: I'm advised that Treasury Board of Cabinet reviews the total.

MR. ORCHARD: Mr. Chairman, did not the Minister just about three questions ago tell me that they were given the projects, the rough Estimates of costs, item-by-item as appeared in the six-page handout?

MR. MACKLING: Mr. Chairman, I indicated that the Treasury Board has available to it, through the staff, the detail of the projects and the approximate Estimates of cost, yes.

MR. ORCHARD: Then I will attempt to phrase what the Minister has said, once again he can correct me if I'm wrong. Treasury Board would have knowledge of the six-page, 36 item, Capital Construction Program and their approximate costs as tabled to this Committee.

MR. MACKLING: Mr. Chairman, it's my understanding that staff make available the detail of the items.

MR. ORCHARD: The detail of the items being the detail that has been presented to us in Committee.

MR. MACKLING: Yes.

MR. ORCHARD: I believe the Minister said, yes, and I thank him for that answer.

Tonight, Mr. Chairman, in case the Minister feels that there is some particular dislike that members in Her Majesty's Loyal Opposition have to the method in which he presents his Estimates, or to him, I can assure him that that's not the case. I can assure him that this opposition will work with this Minister to carry out the kinds of policies, the kinds of directions in Water Resource Management that he enunciated in his Throne Speech Debate and which he has described at some length in these Estimates process.

We were under the impression when we came in here tonight, Mr. Chairman, to approve Item 13, which was some \$13 million of expenditures that this Minister is seeking Committee's approval of, that that list that we were presented some two nights ago had been put through the normal process of approval by a government who wants to responsibly present their Estimates and that, as such, Mr. Chairman, that list of 36 projects, and I believe the total on it will come to the \$13 million that are being voted, represents the undertakings . . .

MR. MACKLING: Excuse me, Mr. Chairman, I want to correct the honourable member. That's just the water items.

MR. ORCHARD: Yes, okay, I'm sorry it won't total \$13 million, it'll total something considerably less. Now, this is where the opposition has some difficulty with the Minister's opening statements when we discussed Item 13. He told us that once we pass this line tonight authorizing the government, and he as Minister, to spend some \$13 million, some \$3 million of which have been detailed in this 36-item handout, once we've approved it he will take it back to Cabinet and they will decide whether, in fact, what this Committee has approved in good faith will be carried out. Cabinet will decide whether, in fact, certain projects proceed; Cabinet will decide whether certain projects don't

proceed; Cabinet will decide what new projects may take up the \$3 million, approximately, that we, the Committee, were led to believe would be undertaken in expenditures by the Minister's department in the fiscal year 1982-83.

Now, the Minister said just a couple of minutes ago that these are tough political decisions that have to be made and I suppose that is what concerns us, because the Minister has told us that, even though these Estimates of Capital Expenditure have passed Treasury Board, he has told us tonight they go before Cabinet before they are going to be spent. And if Cabinet decides in their political will to change them, I have to assume from what he said, because that's the prerogative of government, that they will indeed be changed. I guess what really concerns us, Mr. Chairman, is that the Member for Inkster, when he sat behind us at this side of the table, said that the problem with these Estimates were that they weren't NDP Estimates; they were Tory Estimates; we didn't have time to do the Estimate process properly. This, Mr. Chairman, after the Minister has told us that those Capital Estimates went to Treasury Board which is a committee composed of Cabinet Ministers.

Now, the backbencher, the Member for Inkster, says the problem with them is they were Tory Estimates, not NDP Estimates, and this is where we have some concern that we approve them tonight. The Member for Inkster and this government seems to have a habit of letting backbenchers set government policy and non-Treasury Bench members announce government policy; that, in fact, the Member for Inkster tonight was announcing government policy; that, Boys, come in and approve this tonight and after tonight we'll go to Cabinet next Wednesday and we'll rearrange the priorities. As the Minister of Highways and Transportation said tonight, there are some 27 or 28 of these projects are in Tory constituencies. That tells me that he wants to change some of them as well; that leads me to believe that the Minister of Highways wants to change that.

MR. CHAIRMAN: Order. Order.

MR. ORCHARD: Now, Mr. Chairman, there was quite a considerable discussion, and the Minister of Health carried on and I believe even the Member for Springfield made a few comments, about the fact that, hey, there's nothing new, this happens all the time when governments change, and they used the example of what we did in 1977 with the '78-79 Capital Estimates, to the Capital Estimates that the Legislature approved for '77-78. In other words, they accused us of changing a set of Capital Estimates that were voted by the Legislature but were not brought in by us, not brought in by us, but rather that we changed Capital Estimates that another government brought in.

What we are talking about tonight, Mr. Chairman, is this Minister telling us that he is going to bring in a set of Capital Estimates, approved by the Treasury Bench of this government, and then proceed to change them, after the fact, at the will of the Cabinet. An entirely different situation than from what the Minister of Health tried to make the phony case that we were doing, entirely not a proper comparison of what is happening here tonight, not even close to an approx-

imation of what happened in 1977. They used the examples that we switched Capital items in 1977. You bet we did. In 1978-79 Capital Estimates we built a hospital in Snow Lake, Manitoba, which the previous NDP administration saw fit not to build; we built it. We might have removed the priority from something they wanted to do but we placed it in Snow Lake. We approved the Selkirk Hospital in Selkirk, something that they hadn't approved, naturally we changed priorities, but when we tabled a series of Capital Estimates in Health, in Education, in Highways, in Natural Resources, when we tabled those Estimates we lived by them. We didn't take them back to Cabinet to peruse them, to change them, as this Minister says he's going to do with these Estimates.

That, Mr. Chairman, may seem to be something strange for these newcomer socialist backbenchers to realize why we are concerned about it. We never did that in our four years and I would venture to say, Mr. Chairman, that in the eight years the Schreyer administration was in place they never brought in a series of Capital expenditures with detailed projects and then told the Committee that they're going to take them to Cabinet afterwards and rearrange the priority and maybe change the spending, as this Minister has told us that this government is going to do. That's incredible, Mr. Chairman. And these backbenchers sit here and are going to blindly follow along the lead of this autocratic government that is asking us tonight to spend \$13 million. And, Mr. Chairman, I want to point out that the Minister of Health called the question and thwarted further debate on item line 13, Resolution 113. He thwarted debate. We moved Committee rise. This government thwarted that move and used their onerous power of majority to defeat us. And, Mr. Chairman, what is incredible about this is that it is of a great deal of laughter to the members in the Government.

No, my members aren't laughing at that. Now, the Minister is saying that money is a problem, that maybe they're not going to have the money. Now, if they aren't going to have the money, then what are we doing here talking about \$2.8 billion worth of expenditures? Are you going to spend them or aren't you? Did you intend to spend them or didn't you? What is the Estimate process for? What are we here for? This Minister is going to change spending priorities. Now, maybe I misinterpret him and he'll no doubt answer this and he will maybe clarify that, in fact, he's not taking this Capital Estimate to Cabinet for further political decision and I'll give him that opportunity to clarify that now.

MR. CHAIRMAN: The Member for Arthur.

MR. ORCHARD: No, Mr. Chairman, if the Minister would clarify that or wants to clarify that, I'm willing to listen.

MR. MACKLING: I've explained that.

MR. CHAIRMAN: He's clarified his position. The Member for Arthur.

MR. ORCHARD: No, Mr. Chairman, I asked a question of the Minister; he didn't answer; I did not give up

my position.

MR. CHAIRMAN: The Member for Pembina, you're on.

MR. ORCHARD: Thank you, Mr. Chairman. Now, another argument that he used besides the money was that maybe these Estimates are going to come in and maybe they're going to cost a lot more. Well, this to me means that the Minister is calling into question the competence of his department in developing Estimates. He's telling us that if these Estimate guesses aren't correct, prepared by his department, then we're going to have to cancel them. Well, if he doesn't trust his department to develop proper Estimates, why did he trust his Deputy Minister to make this announcement on Garrison? You can't trust the Deputy in one regard and then say, as an excuse for changing Estimates, well maybe the department isn't budgeting properly. Where does this Minister sit with his department? Well, we don't really know. We do know, however, that this Minister has letters go out that he has no knowledge of that radically change the policy of flood protection in the Red River Valley; we know that. Now we have him saying, Mr. Chairman, "I have to have the reservation here because I don't trust the Estimates that my department have developed for me. I don't trust my engineers who have given me these Estimates. I don't believe they're competent to estimate properly; therefore we might have to change them." Mr. Chairman, that's not right. If the Minister does not have the trust of the competence of his department, then he should remove himself as Minister or change his department. He can't come here and use that as an excuse for changing the Estimates, which he has tonight.

The Minister, earlier on tonight, made a blatant accusation. He said that there was \$900,000 voted in the Estimates for valley dike protection voted in '81-82, and it wasn't used; he said that the first time. But the second time, Mr. Chairman, the Minister said, "We, the former Progressive Conservative Government, took that to Cabinet and it was turned down by Cabinet." Mr. Chairman, that is absolutely not factual. The Minister was not giving true facts to the Committee and the proof will be read in Hansard, when about two minutes later he backed off, and tried to weasel out of it, saying, "No, they didn't take it to Cabinet, but they didn't spend the money," but he tried to mislead the Committee, saying that we had turned it down in Cabinet to spend that \$900,000.00. Now when you get a Minister who is so desperate that he puts half truths on the record to try to justify a mistake that he made earlier on, that he didn't have these Estimates approved in Cabinet, and that he's going to take them back to Cabinet and change them, I suggest, Mr. Chairman, we don't have an awful lot in the Opposition to rely on in the credibility of this Minister. We don't know whether what he's telling us is going to happen, not going to happen, be changed; in fact, we don't even know whether the Minister knows what he's going to do. He didn't know he was going to charge the Red River Valley communities 10 percent extra for their diking, an unprecedented policy change; he didn't know that, and he tells us tonight he doesn't know if these capital construction projects

are going to, in fact, be done because he is going to take them to Cabinet for political perusal by the Cabinet. That, Mr. Chairman, is unprecedented.

MR. ENNS: Mr. Chairman, through you to the Minister. During the supper hour, recognizing that perhaps we would get to the Minister's Salary, I was attempting to sort out in my own mind, some of the summation that I would like to make with respect to these Estimates, and I remind all members of the Committee, that no individual member is abusing the privileges of this Committee by using the Minister's Salary to discuss all the issues, all the subject matter that involves this department. That is a rule, a regulation, a history and tradition of how we deal with Estimates in this Legislature of Manitoba.

I had certain concerns that I had ticked off in my own mind that I was going to pursue. That was prior to what I have to acknowledge are utterly astonishing revelations that the Minister made regarding his attitude towards the passage of these Estimates, and my colleague, the Member for Pembina, has dwelt at some length on that attitude. You see, Mr. Chairman, I was concerned about the items not included in the list of capital projects. I was concerned about: what if this government decides to do something about the flooding problems in Gimli? What if they want to do something about the flooding problems in Ste. Rose? I know they may not be worried about the flooding problems of Carman because they may not have immediately fallen in love with the Member for Pembina that represents that fine city. But I was concerned, what if, they wanted to proceed with the Cordite diversion that I know the Member for Springfield is interested in? What if, Mr. Chairman, they were to do something; what if, as indeed, the previous administration was, as demonstrated by the visits by the Minister, by delegations, what if, Mr. Chairman, they were to do something about Polder III that I know you have a personal concern about, aside from just the hand holding and maintenance work that is being done on Polders I and II? What if, Mr. Chairman, the department decided to undertake some of the major conservation projects that this department has the responsibility for?

And I was mounting those up because, Mr. Chairman, there has been a concern expressed initially by all our spokesmen when the Throne Speech came in, when the first indication of the spending Estimates came in, as to just how much money this government was going to spend. I was looking through the list of missing items that were not contained in these Estimates, to add to that list, to check on their accountability, their integrity, in terms of their spending Estimates. We already know that they have made no accounting for the already announced Education programs. They made no accounting for the much promised and continuing to be promised Beef Support Programs in their spending Estimates. They have made no accounting for a number of programs, that just through questioning in the House, we have uncovered and gleaned from the government, intentions that the government expects to spend money on. So, Mr. Chairman, —(Interjection)— That's right, every other day any member that questions the government finds more dollars that they intend to spend on.

So, Mr. Chairman, my main concern was going to be in these Estimates, in summation, was what are the government's intentions that they intend to spend money on that are not being listed here? I really find it difficult to believe that they would leave the newly elected Member for Gimli in the lurch. After the previous administration made a firm commitment, where the Council of Gimli has passed an unanimous Resolution in Council, where water resource people have been sent out to actually purchase land to help the Member for Gimli who sat with us rather silently through most of these Estimates but who, I know was with us in body and spirit, and I'm looking for him right now, but he was there. I really don't believe that this government would not want to do something that resolved that flooding problem in Gimli. I suspect they'd like to do the same for your colleague, the Minister of Municipal Affairs representing Ste. Rose, because we had a solution to that problem. It was by and large acceptable to the community of Ste. Rose, but, Mr. Chairman, none of those items appear in these Estimates.

I was prepared, but I should know better after 17 years. I was prepared to charge into these Estimates in one way, and call this government to task for not really coming clean with what they intend to spend, but then I get the rug pulled out from under me, all of a sudden tonight. The Minister has said he's got approval for \$13,255,000, but he reserves for himself the right how he's going to spend it; and, of course, then all things become clear to me. I now know how they're going to spend it, and the Minister indicated it will be spent; cold, hard, political decisions made at Cabinet.

And so, to my honourable friend, whom I take a moment to congratulate, the Member for Morris, who has made an outstanding contribution to this Committee as a first-time member, who believed, and went line by line with the Minister on the various programs that were being held out as being projected for construction in his constituency, and I object to a fine young man like Mr. Manness being led down the garden path in that manner. That could leave traumatic scars on his psychological soul so early in his political career.

A MEMBER: He's crying, Mr. Chairman.

MR. ENNS: Mr. Chairman, I know that I tend to sometimes inject a degree of humour in some of my comments but I'm deadly serious and I intend to go on for some time.

Mr. Chairman, the comments made by the Minister of Health who was present for a period of time in the discussion, are not lost on me. He made a great point of saying that when new governments come in, when new governments get elected, they have certainly the right to change the priorities of the outgoing government. Certainly they do. Mr. Chairman, I could spend the next 20 minutes in recounting some of those hard decisions that in the administration that I was part of had to make under very similar circumstances.

The difference is only a few days — a month. We came in October 24th; you came in November. Certainly, as I said, the Honourable Minister of Health talked about all the cancelled personal care homes, all the hospitals that were going to be built and I

suggested there were more sod-turning ceremonies carried out in late fall of '77 than this province has ever seen. But, Mr. Chairman, they were not passed by a Legislature in a set of Estimates. They were projected as programs.

Mr. Chairman, when we had the responsibility of bringing in the Estimates, we had the responsibility of either including them or deleting them. Mr. Chairman, those programs that were deleted; they were noticed; they were commented upon by the individual members; they were commented upon by the Opposition of the day and they were certainly commented on by the media of the day.

So, Mr. Chairman, I really can't express my indignation more sincerely than the fact that we have in my judgement had a pretty good go at these Estimates. I believe that in many ways we have handled these Estimates in a way that I think Estimates should be handled; not in the minute eye of administration details; not in arguing about SMYs in every division, every branch, every department of office.

Mr. Chairman, I have too much respect for the senior Civil Service in this province. I know that they are by and large capable and competent managers. I know the wringer that they have to go through. Mr. Chairman, I say that with some reservation, because perhaps a year from now or two years from now when we see substantive shifts in the Estimate procedure, when we see certain programs bulging, certain staff requirements bulging in certain areas, we will get down to that kind of questioning.

But, Mr. Chairman, as I indicated at the outset as we by and large carried out, we have had I think a good debate on the issues of your department. I think it's good for members that aren't every day intimately involved in the affairs of the Department of Natural Resources. I think for many members that aren't really concerned about drainage ditches; aren't really concerned about wildlife issues; aren't concerned about parks development, it adds to their general development as members to become knowledgeable and to that extent at least, anybody that sat on this Committee had that opportunity.

Certainly contributions were made from all sides of the House. We heard some nice, different, diverging opinions on many subjects. The Member for Inkster contributed in many ways to the Committee work that brought a different aspect to some of the concerns of environment and so forth and they were all welcome. We didn't waste our time arguing about how many pencils the department was buying, or whether or not a secretary or clerk should or should not have been hired. Well, Mr. Chairman, we've had that kind of a debate in this Committee.

Mr. Chairman, I will not fool myself in believing that we would in a very serious way influence a government decision one way or another. But what we can do at this Committee, is indicate the depth of feeling there is for certain projects, the importance of certain projects and, Mr. Chairman, that tells particularly a government like this government that has very few feelers out in rural Manitoba. No, Mr. Chairman, I appreciate and I know where your members come from but I'm talking about rural farm Manitoba. I suspect that for many members of this Committee, they had a bigger education as to what makes farm rural

Manitoba tick than they've ever had before, and that's good, because we're all members of this Committee. But what's disappointing, Mr. Chairman, is the Minister's statement today that he accepts this whole exercise as an exercise to be gotten over with, and one that then needs to be paid little attention to.

Mr. Chairman, I thought we had given the Minister every opportunity when the issue first arose to soften that position, to acknowledge as we were prepared to let him acknowledge that we are not that naive or inexperienced that we believe that all 36 items of a projected program can be carried out. We're aware that there are any number of circumstances that can make that not possible. But, Mr. Chairman, the Minister chose to ignore all those avenues for a way out of the dilemma that he himself created. He persists in the idea that this whole Estimate process is a charade; that is now for him to deal at Cabinet level where the precise monies that we are passing for him are to be passed.

Mr. Chairman, that's simply not the way I read the rules and regulations of how we do business in the Province of Manitoba. I don't think this is the way the provincial Auditor rules the rules and regulations of how we do business in the Province of Manitoba. I happen to know that the department has to and I have to. I have very often as Minister pleaded, have asked my staff when a certain program isn't moving forward and another program has a chance, or I want to inject a new program mid-term. I argued with my administrators, "But, damn it all, can't we take this \$300,000 and spend it there?" And they say, "No, the Auditor won't let you do that." You're telling me that you're going to override all that tradition; that you're going to look at this and do it your way.

You know there was another Minister around, in fact, he was Minister of this department, Natural Resources. He often expressed similar attitudes toward the responsibility, the power and the authority of the Minister. If he thought that a particular advisory committee was giving him advice that he didn't like to have, he just dismissed the advisory committee. If he felt that certain regulations or legislation was in place that prevented him from exercising his ministerial authority, he changed the legislation. But at least in doing that, he brought the issue up and we had a chance of debating it in the House. We debated it in the House. Mr. Chairman, I'm referring to the former Member for Inkster, the Honourable Sidney Green. Mr. Chairman, what of course is missing — (Interjection)— You've got to defend the former Member for Inkster. —(Interjection)—

MR. CHAIRMAN: Order. The Member for Lakeside has the floor.

MR. ENNS: What, of course, is missing from the estimates and something that should be dwelled on is the kind of conservation projects that this department should be undertaking particularly at this time and I indicated to the Honourable Minister that I plead with him to insist on getting his fair share of capital resources for those purposes.

When you're being besieged by your colleagues to pour the millions into ManOil, to get into the joint venture programs that have no assured payout, let me

assure the Minister that \$40 million spent on a Holland Dam will have a payout. That \$20 or \$30 million spent or that \$300,000 diversion from the Assiniboine to La Salle will have a payout, and an immediate one. The provision of adequate water supplies for Morris, for that south-central part of the province where we have the greatest potential for a thriving vegetable processing, food processing, intensive farming area that has an immediate payout. Those are the kind of things I want this Minister and this department to be talking about. Those are the kind of things that we were talking about, even during a period of hard time to get the dollars.

But, Mr. Chairman, I can remember. Let me break all Cabinet rules with the Minister and divulge to him the kind of things that only Russ Doern writes about in books, because I can recall the argument in my Cabinet about whether or not the people of Manitoba should invest \$200 million in a Potash Development and we made the decision to do that, \$200 million or more, 25 percent. But the argument was, well could health use that \$200 million better? Could natural resources use that \$200 million better? Could education use that \$200 million better? That's the argument that you socialists have to ask yourself before you go rushing off into your ManOil developments. Because there is a limitation of funds and you are going to be experiencing that.

So, Mr. Chairman, unless you can honestly satisfy yourself that ManOil is going to pay off all those election promises that you talked about, unless you can satisfy the legitimate demands of this department and of the Department of Health, the Department of Education, that's when you have to prioritize the placing of public dollars on today's money markets.

I believe, Mr. Minister through you, Mr. Chairman, that it has always been the capacity of any government to tax by royalty, directly, indirectly, the benefits that these resources owe to all Manitobans because they are belonging to all Manitobans, they are owned by all Manitobans. But I argue with you and I will continue to argue with you as long as we put off, particularly in times of tight money, the necessary dollars that our social services demand and what I feel most — and it has been demonstrated by eight years of NDP administration — the kind of hard gutsy physical programs that your department can deliver and that your department can provide for the benefit of generations of Manitobans, as the investments made by the department in the \$100 million flood protection of the Red River Valley, as the millions of dollars invested in bringing into fruitful production, thousands and thousands of acres of land; those are the kind of lasting benefits that in my judgment — that's why I can come and lie with you and you can call me a socialist — I believe in that kind of public expenditure of money. Now when we say that then you would like to call over to us all the time, oh you're socialist or you're talking about public expenditure of money.

We are talking about the responsibility of a government in using public funds in that way that makes it possible for Manitobans with initiative, with drive, to fully maximize the potential of this great province. Mr. Chairman, there is nothing in these Estimates that indicate that you have a desire to do that.

You gave a good speech, Mr. Minister, in your

Throne Speech Debate. You talked about the concern about water and water conservation. You read from Time Magazine about the browning of America. But, Mr. Chairman, through you to the Minister, we in Manitoba are in a unique position. We have more waters flowing across our borders into our province covering one of the greatest drainage sheds in the world and we can trap and we could use that water wisely if we choose to. But it takes will, it takes determination on the part of the government to do that.

I make this suggestion to you in all earnestness, before monies are spent into high risk ventures like ManOil, before you want to get into the poker game of looking for minerals, particularly when we have exploration going at the highest level, let the Director of Water Resources have some of that money. Let's get on with some of the development in our drier parts of the province and let's make that kind of infrastructure available for future generations of Manitobans to enjoy.

MR. MACKLING: Mr. Chairman, I welcome the positive remarks from the Honourable Member for Lakeside, it's a refreshing change from what I've heard earlier.

I too, share his concerns that in our spending we reflect some of our long-term goals in respect to conservation of our natural resources. It's not glamorous. It's not all that attractive in some ways, but we must address the problems — as I've highlighted them in my earlier remarks to this Committee — the problems of conservation of our resources.

One of the resources that I think we haven't emphasized sufficiently is our freshwater resources and I think that quite unknowingly we have for a long time practised a course of facilitating the drainage of water from the surface of Manitoba, believing that it was vital and in the interests of Manitobans to get water off the land as quickly as possible and to facilitate agricultural production.

Now I'm not saying, and I haven't said in my remarks during the course of the Estimate review by this Committee, that those concerns were invalid. But what I have indicated is that we must now start to look, not at the limited goals that we may have in particular areas, but we must look at long-range goals as to the conservation of resources.

In doing that we must look back at practices of clearing marginal lands, draining marginal lands, and reconsider whether or not these lands shouldn't be restored to wetland or forest cover, because there is no question that we have seen a change, it may not have been that dramatic, but it's been a steady change, a reduction in the amount of our groundwater.

We know that we're in a cycle now where nature is imposing a penalty on our society. We have areas that, without question, are going to suffer from reduction in crop because of lack of precipitation. There is no question but the reduced rainfall has had an effect on our hydro-electric generation. But what we haven't been doing sufficiently, obviously, is storing water where we can and releasing it later for the use of our entire ecology.

Now, I think that honourable members have noted that within the Estimates and within the Capital Esti-

mates, there are items that reflect that on that problem. There are specifics in respect to provisions for structures that will have the effect of pilot projects that will have the effect of looking at those problems and addressing them. There's no question but that these programs will have a very valuable effect on determining what our programs from now on will be. We have to weigh carefully and cost-benefit as we have with the Federal Government, the various programs that we are looking at. We will proceed with programs that have the most benefit, not for the limited purpose, but we'll be looking at the longer term goals that we must have, that we can conserve our resources not just for immediate future, but into the distant future. So, I think, Mr. Chairman, the Estimates my department has brought forward reflect some of that concern. I hope that in the years ahead they will reflect more and more of that, and that we will be able to note with pleasure some increasing return of land to a more vigorous conservation program. With those few remarks, Mr. Chairman, I'll be happy to hear other comments.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. RANSOM: Mr. Chairman, I move Committee rise.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: I move that Item 1(a) be reduced by one dollar to read: \$20,599, seconded by the Honourable Member for Pembina.

MR. CHAIRMAN: We have a motion. I don't think we can vote on it. I think we'll adjourn.

The Member for Springfield on a point of order.

MR. ANSTETT: Yes, Mr. Chairman, what the rules require is not that the Committee rise when an amendment is placed, but that when the Committee has finished discussion of the item, then the item is carried over for vote at the next sitting of the Committee. All discussion does not cease because an amendment has been placed —(Interjection)—

MR. CHAIRMAN: On the motion, any discussion on the member's motion that his Salary be reduced?

The Member for Springfield.

MR. ANSTETT: To question of the direction of the Committee, if there is no debate on the motion, the question can be held over till tomorrow. We can proceed to continue to debate and we can continue —(Interjection)— yes must be, and we can continue to debate the main motion.

MR. CHAIRMAN: We have a motion on the floor to amend the Minister's Salary, reduce it by one dollar. We're asking if there's any discussion on the amendment. Are you ready for the question? The question will be held over.

Okay, I want to make it clear that there will be no discussion tomorrow. All there will be is two questions. There'll be a question on the amendment and there'll be a question on 1(a). —(Interjection)—

MR. MACKLING: There'll be two questions tomorrow.

MR. CHAIRMAN: There'll be two questions called. The amendment will be called and then the main motion will be called.

Committee rise

SUPPLY — NORTHERN AFFAIRS, ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH

MR. CHAIRMAN, Jerry T. Storie (Flin Flon): The Committee will come to order.

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we begin the proceedings, I would like to direct the attention of the members to the gallery to my left. We have 24 members of the 7th Transcona Cub Pack and these Cubs are represented by the Honourable Minister of Energy and Mines.

I'd like to welcome them here on behalf of all the members of the Chamber.

Continuing with Item No. 5. Environmental Management, 5.(a) Salaries — the Honourable Member for Turtle Mountain.

MR. A. BRIAN RANSOM (Turtle Mountain): Mr. Chairman, I believe when we last met that the Minister was about to tell us precisely at what point the Environmental Impact Studies had progressed to with respect to the proposed Alcan Smelter.

MR. CHAIRMAN: The Honourable Minister.

HON. JAY COWAN (Churchill): Basically it's my understanding that we have been in contact with Alcan as part of the public review process of the environmental assessment and socioeconomic assessment process. We are now internally reviewing a number of the materials which were presented to us and, at this point, do not have any set dates for public hearings. However, we do have set plans for public hearings when we have a bit more information as to the site location and the agreement between the Provincial Government and any aluminum or any other major industrial company in the province.

MR. RANSOM: Mr. Chairman, I wonder if the Minister could give us just a little bit more information in terms of what factors have been under consideration at this point and is his department doing investigations or is it the company that's doing the investigations, just what is being done and how far has it progressed?

MR. COWAN: The company has been bringing forward a series of documents as part of the process. We have been reviewing them and it is my understanding that staff have been going back for answers to specific questions and providing some direction where possible and attempting to deal with the information which is coming forward. I believe it would be safe to say that's the stage we're at now where they have done most of the research, most of the development of a proponent statement and we are reviewing that

particular statement.

MR. RANSOM: Mr. Chairman, in view of the fact that the Member for Thompson has indicated that there is a possibility that government would be looking at having the smelter locate in Thompson, has any of the environmental studies or the socioeconomic studies been oriented towards that site?

MR. COWAN: This is one of the difficulties that we face, Mr. Chairperson, and I'm certain that the Member for Turtle Mountain is aware of the new arrangement and agreement which has been made with Alcan, and that is that there be no preconditions. One of the preconditions of the negotiations previously was a specific site and we could direct our attention to that specific site. That precondition having been removed it opens up the whole process to a number of sites and there are probably dozens of sites, if not more, which could be considered and until that process zeroes in, focuses in more specifically on a number of sites, then it is difficult for us to do the type of extensive study which is necessary to provide the type of information which the member is requesting. When that does happen I'm certain that we will start to specifically deal with those sites.

MR. RANSOM: Mr. Chairman, if there are no preconditions, I wonder if the Minister could advise us then how any site is going to be selected?

MR. COWAN: I understand that's a matter of negotiations between the Minister responsible, the Minister for Energy and Mines, and Alcan at this time. I have indicated to him, through the Provincial Land Use Committee, that if they came forward with requests about specific sites we would attempt to provide them with the technical data which is necessary through my own department. To my knowledge that has not happened yet.

MR. RANSOM: Mr. Chairman, it would seem to me that part of the process of selecting a site would be conducting studies with respect to the environment and to socioeconomic impact as well. It rather strikes me, from the answers we've been getting, that perhaps the process has simply been put on hold, that there really isn't any environmental impact or socioeconomic study under way, that the government is simply assessing any information which Alcan gives it and I assume the information that Alcan was preparing was, in fact, related to their preferred site northwest of Winnipeg, and with the so-called preconditions removed that their study will then not have any relevance because it is related to that site.

It's difficult for me to understand, Mr. Chairman, just how the studies can proceed under those circumstances.

MR. COWAN: The member is basically right when he says that the fact that Balmoral site is not the only site under consideration at the present time, creates difficulties for the environmental impact assessment and the socioeconomic impact assessment as well. He is also correct when he suggests that what we are doing now is reviewing the material which we have at the

Balmoral site which we will continue to do in the event that site is a chosen site. The fact that we have entered the negotiations in the way in which we have does not mean that may, in fact, not be one of the sites and if it were then that information would be of value to us. Since we have it in our possession or at least some of it in our possession, we are reviewing it from that prospective.

If the Department of Energy and Mines would come to us and say, "We are reviewing another site or we want to talk about another site, can you pull together some technical data for us?" We would endeavor to do that and through the Provincial Land Use Committee provide that to the Minister.

MR. CHAIRMAN: The Member for Tuxedo.

MR. GARY FILMON (Tuxedo): Mr. Chairman, this is very much new information to this Committee and, indeed, I think the members on this side of the House, and further to that, the people of Manitoba. The fact of the matter is that I do not believe that anyone understood that the removal of all preconditions included the removal of the site location as a predecided part of this whole picture for Alcan — and the Minister can correct me if I'm wrong — but once the site location has been removed, then the entire socioeconomic review process is invalid. Further to that, a great deal of the environmental assessment review process is invalid unless it is site-specific. So, can the Minister say exactly where this stands? I have to assume from this that the environmental impact assessment, the impact statement that's being done right now by Alcan, must be in the state of limbo because I do not believe that they can proceed with the preparation of their environmental impact statement without having the site chosen.

MR. COWAN: Well, the member highlights many of the problems, in fact, without being able to direct our attention to a specific site, it is difficult to do a detailed assessment. What we are doing is assessing the material which was provided to us in the event that site were to be the site. If another site is chosen then we will have to start the process all over again. If the Department of Mines and Energy were to come to us and ask us for information, technical data, on a specific site, then through the Provincial Land Use Committee we would provide that data to them.

MR. FILMON: Mr. Chairman, the government is going to choose the site based on information provided for them by Alcan?

MR. COWAN: I didn't mean to indicate that, if that was the way it came across. What I'm saying is they are negotiating sites right now to my understanding. I'm not intimately involved in those negotiations but I am informed that site selection is one of the criteria which they are discussing. When they come to us as the department responsible for the environment and say, "Can you give us background information on a particular site?" Then we are prepared to do that, given the information which we have. That would then lead into a more comprehensive environmental assessment review process if, in fact, that site

became more formalized.

MR. FILMON: Mr. Chairman, can the Minister indicate with whom Alcan is negotiating site location at the moment?

MR. COWAN: I assume that as part of the general negotiations for possible location in the Province of Manitoba, they would be negotiating with the government.

MR. RANSOM: Mr. Chairman, the way that Alcan's studies and their presence in Manitoba have been progressing was that they were determining what would be the preferred site or sites on the basis of economic factors. Having selected a preferred site then it became essential, of course, to proceed with detailed environmental and socioeconomic studies. The Minister has now informed us that there are no preconditions which means that the company could therefore not say any longer that the Balmoral site was their preferred site. Now given that they were all economic factors that had entered into the selection of that site, what new factors have now been put into the equation that might cause Alcan to select a different site?

MR. COWAN: I'm not certain that there are any specific new factors other than the opening up of the negotiations to general negotiations overall. I would hesitate to say so categorically. I could check and find out with the Minister responsible for the negotiations, but I don't know if that would be the case. I do know that they have requested of my department, the co-operation in providing background data to them if they feel they need it on other sites. That would be a matter of negotiations between them, and we are prepared to provide that data to them. But what criteria they're using specifically, I think I'd have to talk to the Minister responsible and find out for you.

MR. RANSOM: Could the Minister give us any indication at this point, Mr. Chairman, of how he generally assesses the aluminum smelting industry, as proposed, as that industry would relate to the environment generally, given then that there are no particular sites that it might be located upon? How does the Minister view the industry generally?

MR. COWAN: Well, I think the state of the art to that industry allows it to put in place some fairly effective emission controls and, of course, that would be one of the primary considerations, the effect of fluoride emissions. We are reviewing the general information which is available to government on the state of the art. We are also reviewing information which Alcan provides to us as to their analysis of the state of the art. I think there is a potential for pollution; that pollution would be primarily fluoride pollution. I also think that there are a great number of improvements made in the technology which we want to review and to take into consideration in an Environmental Assessment Review; that would be part of the environmental assessment review. We would take a look at what Alcan is doing in Quebec where they have one of their later plants; we would also take a look at what's hap-

pening elsewhere in the world in respect to the state of the art and we would attempt to provide an analysis which would allow us to determine what, in fact, would be the potential for environmental harm as a result of that plant. We may find that with their emission controls and with the plans which they have put forward that potential is limited; we may find that it's not limited. I don't know at this point because we haven't had the opportunity to review the specific details. However, I do assure the member that I'm not going in with any preconceived notions.

I've tried to do some reading on aluminum plants and fluoride pollution; I've attempted to do some research, but I have not been able to, on my own, assure myself that I understand that entire situation to its fullest. What I am relying upon is staff to provide an analysis once we can talk about the specific details of a location and an operation. Of course, the public will be involved in that process because I believe that they have some concerns which they have expressed generally to me, to the previous Minister, through the media, and that those concerns must be taken into account and taken into consideration and their questions must be answered. So that will be part of the process as well.

I also believe that many individuals in the general public and in specialized fields have information which would be of value to us as well, so I would hope to see them come forward at that time.

MR. FILMON: Mr. Chairman, I wonder if the Minister could give us some information. Given the state of the art of the present technology of aluminum smelting and given the advice and the information which his staff have obviously provided him with respect to aluminum smelting, does he believe from an environmental pollution standpoint that an aluminum smelter could be located safely anywhere in this province at the moment?

MR. COWAN: I have nothing to indicate to me that it cannot be safely located in a number of areas, no.

MR. FILMON: Given the fact that he's indicated that the precondition of the preferred location has been removed from Alcan's process, does he believe that the Balmoral site, or the proposed Interlake site, is one of the locations that may not be safe, from an environmental standpoint, as a preferred location?

MR. COWAN: That has not been indicated to me either. I have not gotten information to that effect, that it would not be a safe site.

MR. FILMON: In that case, can the Minister indicate why the Balmoral site has been put aside in the removal of all preconditions for the evaluation of the aluminum smelter in Manitoba?

MR. COWAN: I can only assume that was as a result of the agreement struck between the Minister responsible and Alcan upon their first meeting where they discussed these very matters. They did not give me a specific reason for that site not being considered as a precondition.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. RANSOM: Mr. Chairman, I wonder if the Minister could tell us if he's had any discussions with the Minister of Energy and Mines about the environmental effects because during the election the Minister of Energy and Mines, the Member for Transcona, had stated publicly that it would be undesirable to have an aluminum smelter located northwest of Winnipeg, anywhere the winds might blow towards Winnipeg. Having now learned that there are no preconditions, which means that the Balmoral site is evidently not to be considered as a preferred one anymore, I wonder if the Minister could advise us whether or not there actually has been a decision made based on an environmental assessment by the Minister of Energy and Mines without the thorough sort of review that should take place under this department?

MR. COWAN: I have discussed the matter generally with the Minister of Mines and Energy. I don't believe that he has made that sort of a decision; he has not informed me that he has made that sort of a decision.

MR. CHAIRMAN: The Member for Tuxedo.

MR. FILMON: Mr. Chairman, I wonder if the Minister could clarify just why the precondition of site was removed from the entire process when it is evident that the entire environmental assessment and review process, indeed the preparation of the Environmental Impact Statement by Alcan, cannot proceed without a site having been established and that goes without saying that the socioeconomic review statement cannot be prepared without the establishment of a site location. Why would this all have been removed when it obviously means that the entire process is set back, and in fact, no public hearings could likely be held this spring or maybe even later this year until the preparation of that statement were complete, and that statement cannot be completed without having the precondition of a site location?

MR. COWAN: I could only suggest that the member directed the question as to why that precondition was not followed through to the Minister of Energy and Mines, because I was not part of that discussion. What he has told me is that there are no preconditions, and what I have done in response to that is ask my department to continue reviewing the material in the event that site is a site that is determined to be an appropriate site, and at the same time to leave options available to us to do the type of socioeconomic and environmental impact assessment on other sites, if other sites are determined to be more appropriate sites through negotiations. I understand that is a matter of negotiations between the Minister and Alcan at this time. Once those negotiations are finalized to the point where we can start to review a specific site, then those public hearings will certainly be held and the Member for Tuxedo is absolutely correct when he says this, in fact, does slow that down. We cannot proceed full-scale down one particular path if there might be another site chosen at a later date, but once we know whether or not there is going to be another site chosen, then we can put back into force the type

of environmental assessment review process which we know is necessary. In the meanwhile, because we have the information available to us, we are still reviewing that information which was brought forward in respect to the Balmoral site in the event that it may be a site that is brought forward again as a result of the negotiations.

MR. SPEAKER: The Member for Thompson.

MR. STEVE ASHTON (Thompson): I didn't want to interrupt the line of questioning earlier; that's delayed my comments until now. But I think that the discussion with regards to the Alcan Smelter is perhaps a little too broad-ranging given the portfolio that is being examined here in the Estimates. I think really if one is to take an overall look at the situation, one has to see that in terms of the Balmoral site, while that may be the preferred site economically as far as Alcan is concerned, that does not necessarily mean that the other questions of the environmental side or else, in fact, any externalities or disexternalities as is the economic term, have also been taken into account.

Now, in talking here, when we're talking about Department of Environment, I think the Minister can really advise on only one particular segment of that which is the environmental question, and he's indicated that he will be doing so. But to suggest that somehow the whole process is being changed, that this site has been thrown out is rather premature. The person, obviously, who would be better equipped to answer that would be the Minister of Energy and Mines who is involved with the Cabinet subcommittee which is discussing that matter with Alcan.

Now, I have a specific concern about this particular issue, of course, in regards to the City of Thompson. We've felt for quite some time, that the externalities were not fully taken into account when it came to site selection, that the key factor was really the economic factor and that was largely Alcan's decision, and along that line, we felt that the government should have had more input and should have asked that other external factors be taken into account. Now, there is the positive externalities, such as the advantage to areas which are economically depressed, and I think Thompson unfortunately is one of the worst on that side of things. There is also the negative externalities and this would include things like pollution, not just in the general sense, but in the specific sense as it relates, for example, to beef producers or milk producers. Now this was raised today by a veterinarian from New York, the fact that in regards to other aluminum smelters, there have been problems with beef production, specifically cows have been stunted and in terms of dairy production — it is in terms not of the same process but the fluoride pollution resulting from an aluminum smelter. Fluoride pollution, which I understand, was in similar amounts to the amount which would come about through the proposed aluminum smelter here in Manitoba.

These are the negative side of it and obviously this is where questions might be directed towards the Minister of the Environment, because that is his specific concern, but to raise the positive externalities which have been raised by the Minister of Energy and Mines is, I think, outside the prerogative of this partic-

ular Minister and this particular department. Now, in terms of the Thompson situation, as I said, we felt for quite a while that we have a number of positive externalities and that we would eliminate some of the negative externalities, and I've personally lobbied quite strenuously to have Thompson considered as a site. Now, that is not to say that it is being discussed as a preferred site or on a short selection list; I realize that is unreasonable to expect at this particular time. The decision was made to have a preferred site; that means that much of the discussion is focused in on that particular site, and I think that is still going ahead. A lot of the concern is about the Balmoral area. I don't see any indication that is no longer the number one site being considered, because this is certainly what Alcan is discussing from their side. But that does not mean that other sites should be precluded automatically, because if the result of the process of review of the externalities and disexternalities is that site is seen as being inferior to other areas, or if it's seen in terms of a cost-benefit analysis causing more problems in terms of environmental pollution than the benefit it creates, then it would be only logical to shift attention to other sites. Otherwise the whole process of environmental review and socioeconomic review is pointless.

So what I'm really saying is, I think that the members opposite are really asking the questions of the wrong person, because the Minister of the Environment is concerned with one particular aspect of determining the negative aspects of an aluminum smelter as requested in particular locations and I think really to suggest that, from the answers that the Minister is giving and all these other things, is going a bit too far.

MR. RANSOM: Mr. Chairman, I thank the Member for Thompson for that lecture and that intervention on behalf of the Minister of the Environment. He should perhaps be aware, of course, that I assume that their Cabinet operates as most Cabinets do, that they have discussions about major policy issues such as this and I can't imagine that the Minister of Energy and Mines would simply go ahead and make decisions of this nature on his own. I can conceive that his Deputy Minister might make announcements of this nature on his own, but I don't think that the Minister would want to make that kind of decision on his own. I must say, Mr. Chairman, I find the argument put forward by the Member for Thompson somewhat confusing. Now it may be me, that I don't understand the positive externalities and the negative externalities and the disexternalities and the terminology that's being used by the member, but I think what it really boils down to is that the member has to first of all look at the factors that are involved here in terms of making an investment. This is not his money that's being invested. It's Alcan's money that they're talking about investing and it happens that Alcan is a company that doesn't even accept grants from DREE because they don't want to have their economic decision-making distorted by some temporary advantage of that nature.

The member may or not be aware that when Alcan first began to look at Manitoba as a possible place for locating a site of a smelter, it was because they were asked by us when we were in government to come

here because we knew that we had an abundant source of power and we had a seaport. Those two factors are common to most aluminum smelters in the world and so, we first of all, began to examine the possibility of locating in Churchill and as the company discovered that there were indeed some benefits to locating in Manitoba, there were also some disadvantages. I guess those would be the negative externalities which the Member for Thompson was referring to and indeed then they began to invest their money and look at what they would choose to be the best site. They did it without interference from our government and they chose what to them appeared to be, economically, the most viable site.

Then there would have been a very detailed socioeconomic and environmental study undertaken to determine indeed whether from those points of view the smelter could be located in that location. But, Mr. Chairman, what I have difficulty understanding now, and the point that the Member for Thompson is making, is that he seemed to be saying that without preconditions, there might be other sites selected, but yet there could be environmental factors involved in the selection of the other sites. But somehow the Minister of the Environment wasn't expected to become involved in doing environmental studies on the selection of the other sites. I have great difficulty in understanding how that could be, that if you remove the economic factor as being the primary factor in determining the site, what other factors are there? What sort of giveaways would your government, Mr. Chairman, have to provide to the company to make them select another site? If it isn't economic factors, what would it be? Is it the fact that the Member for Thompson simply wants employment in Thompson and he's prepared to accept lesser environmental standards in Thompson than they would accept in Balmoral? Mr. Chairman, I would like the Minister to tell us then, what other factors could determine a possible site if they're not economic factors and they're not environmental and socioeconomic factors?

MR. COWAN: I believe that those would be factors that would all be taken into consideration. I do want to clarify the record to make certain that it is clear. The Minister responsible for the negotiations has asked my department, through me and through the Provincial Land Use Committee, for their assurance of assistance if they want to look at environmental aspects of different sites, and I have given them that assurance that we will provide him with as much detail as we can. That is not a full-scale environmental impact assessment. That can only take place once they have focused more on a site for which we can begin the type of detailed investigations which are necessary to do a full-scale environmental impact assessment, but we have assured him and will do our best to provide them with the technical data and detail which may aid them in that decision. So we are playing a role in that way. I'm not involved in the negotiations on a day-to-day basis, nor am I involved in those negotiations in general, but I will provide that detailed information as it is necessary through the Provincial Land Use Committee.

As you are aware, there's also socioeconomic

impacts which have to be considered and I'm certain they would be provided through the Provincial Land Use Committee as well. So we are involved from that perspective. I don't know as to the other criteria which are being discussed right now, but the criteria which the Member for Turtle Mountain outlined are certainly criteria which I can see as being ones which can be discussed as a part of those negotiations. Whether or not they are or not, I'm not certain.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. STERLING LYON (Charleswood): Mr. Chairman, a question to the Minister and perhaps to the First Minister who is within sound of my voice. Is it the desire of the New Democratic Party Government of Manitoba to have an Alcan smelter in this province?

MR. COWAN: I would suggest that we are entered into negotiations with Alcan at this moment because we think that there is a potential there and that there is potential value to the province as a result of the location of such a facility here and for that reason, we are actively negotiating with them to determine if, in fact, that can be brought about.

MR. LYON: Well, it may be unfair, Mr. Chairman, to put the question to the Minister of the Environment, but as I say the First Minister is within hearing of my voice. Does his government wish to have an aluminum smelter in Manitoba?

MR. COWAN: Yes, I think we would want to have an aluminum smelter in Manitoba, given that terms and conditions were satisfactory, and that's something that has to be determined through negotiations, but certainly we'd wish to do so. If we didn't wish to do so, we wouldn't be involved in the negotiations; we wouldn't be undergoing that process. I think that entire process is indicative of our desire to see that happen under the proper terms and conditions.

MR. LYON: Mr. Chairman, I can assure the Minister that he wouldn't be involved or his government wouldn't be involved in such negotiations if the previous government hadn't first sought them out and developed them to the point where they are at the present time and where they are now being retarded by his government. I ask the question again, though, and the First Minister is within the sound of my voice and is now listening. Does his government wish to have an aluminum smelter or smelters in the Province of Manitoba?

MR. COWAN: Given the proper terms and conditions, certainly, we would want to have an aluminum smelter or smelters within the Province of Manitoba. I agree with the Leader of the Opposition that we are involved in negotiations with Alcan as a result of his government having undertaken those negotiations previously and what we are now attempting to do is to negotiate in agreement with them that would provide an aluminum smelter in the Province of Manitoba under what we consider to be the proper terms and conditions.

MR. LYON: Mr. Chairman, could we then have an elucidation from the Minister as to what he and his socialist government would consider to be the proper terms and conditions?

MR. COWAN: Well, from my departmental standpoint, and I think it's the same thing that the previous government wanted to see, and the people of this province wanted to see, we would prefer to see an aluminum smelter that, in fact, employs the latest state of the art technology that allows emissions to be kept to an acceptable level and allows the operation of that plant without a negative impact on the environment, and that is why we are making ourselves available at this point to provide detailed information on different site locations and that is why we have given a very strong commitment to environmental impact assessment review, once a specific site has been determined. So, from the departmental standpoint that is what we would like to see as terms and conditions in respect to the location of an aluminum smelter by any company or companies in the Province of Manitoba. It is much the same as we would like to see in respect to the location of other industries in the Province of Manitoba as well.

MR. LYON: Mr. Chairman, given the fact that no aluminum smelter had ever, or no aluminum company had ever negotiated with any previous government of Manitoba with respect to establishment of a company off tide-water, prior to 1979-1980 or thereabouts, can the Minister of the Environment tell us what is particularly wrong with the site that has been apparently selected by Alcan for the choice site for their aluminum smelter, if, indeed, they are to build one in Manitoba under present conditions, what is wrong with that site and why is the site selection, which was made heretofore by the Aluminum Company of Canada on their own, why is that now being made a subject of discussion by him or his department?

MR. COWAN: I can't tell the Leader of the Opposition anything specific is wrong with that particular site. I don't know that anything specific is wrong with that particular site. I do know that, as a result of an agreement between Alcan and the government, through the Minister responsible for the negotiations, it was determined that there would be no pre-conditions; that was one of the pre-conditions and therefore I have made my department available to the department doing the negotiations to look at other sites if they ask me to do that. They have not asked me to do that at this stage; consequently we are continuing to review the information which was brought forward to us on the Balmoral site. To say that there is a specific thing wrong with that site, I know of none at the present time. However, we are still only involved part way through the environmental assessment.

MR. LYON: Mr. Chairman, this being an industrial development of fundamental importance to the future of Manitoba, and the Minister being a Minister who is intimately involved, one would expect, in the deliberations by the Cabinet, one would expect, not just by one Minister in this government, and something that is as important to the future of the people of Manitoba,

could the Minister of the Environment tell us whether or not the socioeconomic and the environmental studies that were put under way by the previous government and which were to have resulted in public hearings, unless I'm mistaken, some time in the area of April of 1982, just a matter of a few weeks away, why they are not proceeding a pace at a time when Manitoba could use this kind of commitment to a major, industrial development in this province of a size and of a dimension that this province has not seen for many generations?

MR. COWAN: They are proceeding with the negotiations and once we have a site which we believe is firm enough that we can conduct our evaluations on them, that type of socioeconomic and environmental impact assessment with the public hearings will be done, but if you don't have a specific site to direct your energies to at the present time, then it's difficult to evaluate that site.

MR. LYON: Mr. Chairman, could the Minister tell us, very simply, is he or his government saying that they don't like the site at Balmoral for the proposed site selected by the Alcan Comapny for a \$600 million or \$700 million smelter in Manitoba, which when erected would become the biggest power user in Manitoba, creating thousands of jobs for the people of Manitoba? Could the Honourable Minister tell us whether he or his government have some hang-ups about that site.

MR. COWAN: Not to my knowlege, Mr. Chairperson.

MR. LYON: If the Minister has no hang-ups about it, has his government got hang-ups about it?

MR. COWAN: Not to my knowledge.

MR. LYON: Why aren't we getting on with the development of that project for the economic benefit of the people of Manitoba for generations to come?

MR. COWAN: It is my understanding that the negotiations, which are ongoing, are taking in the consideration that site as well as many other sites and that is the process that has been mutually decided upon by Alcan and by the present government, and that the fact that they suggested that there would be no pre-conditions should not reflect on that site specifically. It is now just a matter of the negotiations. There may well, in fact, be that site selection; there may not. If there is that site selection, then we will have the type of environmental and socioeconomic impact assessments done which we know are necessary to take into consideration those terms and conditions.

MR. LYON: Then, Mr. Chairman, I come back to my original question. Does the Minister and his government and the First Minister, who is within sound of my voice, do they really want an aluminum smelter in the Province of Manitoba or are they just dilly dallying around so they can have some of their favorite Crown corporation types of nonsense pieces primed to put into place? After we have worked for years and years to get something viable and economically possible for

the people of Manitoba, are they going to blow it?

MR. COWAN: I would hope not, and that's why we are involved in the negotiations at this time for the possible location of a site in the Province of Manitoba.

MR. LYON: Mr. Chairman, has the Minister of the Environment read the recent Annual Report of Alcan Aluminum for 1981?

MR. COWAN: I have received the report and thanked the author of the letter forwarding the report to me for the report and told him that as soon as I have the opportunity, I intend to peruse it in detail. I have not had the opportunity to peruse it in detail at this time, no.

MR. LYON: Is the Minister aware that Alcan Aluminum is a multinational corporation?

MR. COWAN: I'm aware that Alcan Aluminum is a multinational corporation, certainly.

MR. LYON: Does the Minister still have, in government, the same rather silly and nonsensical attitudes towards multinational corporations that he had when he was in Opposition?

MR. COWAN: I have the same attitudes toward multinational corporations that I had before. I don't think they're silly or nonsensical. I think that given proper conditions, proper terms and proper co-operation, that there is a role for the multinationals. I think there's a role for small business. I think that there is a role for Crown corporations. I think there is a role for a mixed economy.

MR. LYON: Well, I can only say, Mr. Chairman, how delighted we in the Opposition — I am sure the people of Manitoba know that the Minister of the Environment has come to some new revelation personally about the desirability of having companies developing in Manitoba whether they are local, national or multinational — he not having been too well informed on that topic when he sat on this side of the House.

Mr. Chairman, perhaps I can enlighten the honourable member then as to some of the comments that were made in the report of the Alcan Aluminum Limited in their annual report to their shareholders which reached us about 24 hours ago.

I refer to page 5 of that report which is a public report available to all shareholders and I daresay that all people that can read — and that includes my honourable friend opposite — and it says about two-thirds of the way down on the page in the President's message "In Manitoba Alcan is conducting a feasibility study that could lead to an investment in a 200,000 ton a year aluminum smelter and related hydro-electric generating facilities. A decision on whether to proceed with the smelter will be influenced by many factors including Alcan's financial performance, the world outlook for the aluminum industry and satisfactory negotiations with the Manitoba Government."

Would my honourable friend care to enlighten the Committee and tell us whether the negotiations that his colleague and he and his colleagues and Cabinet

are conducting are, as Alcan would say, satisfactory negotiations to ensure that this kind of once in a lifetime development can occur in Manitoba without being hide bound by any of their previous ill-founded and ill-considered shibboleths.

MR. COWAN: I would hope that Alcan would consider him satisfactory. I think as long as we're talking and we're talking about the proper terms and conditions for the location of a smelter in the Province of Manitoba that they would be satisfactory to that stage. I hope that's what's happening at the present time.

MR. LYON: Is the Minister aware and are his colleagues aware and is the First Minister who is within hearing of my voice aware that Alcan has the option, given the world situation with respect to aluminum today, to locate a smelter of this size of 200,000 tonnes anywhere in the world practically?

MR. COWAN: We're aware that they have many options available to them and that's why we are attempting to negotiate with them in a satisfactory way; to convince them of the many benefits of locating in the Province of Manitoba.

MR. LYON: Mr. Chairman, given the fact that they were already convinced of that before November 30th of 1981, will my honourable friend tell us and will the First Minister perhaps tell us — if he's interested in this topic — what he and his government have done to further convince Alcan that they should locate that smelter in the Province of Manitoba to give us the kind of economic benefit that this province so sorely needs, particularly under the kind of funny government we now have.

MR. COWAN: We have tried to convince them that we are prepared to negotiate with them in a serious way.

MR. LYON: Mr. Chairman, could the Minister advise us to what he considers to be serious would be considered serious by the people of Manitoba?

MR. COWAN: Well, what we are asking of them is to sit down and discuss with us the best way by which the province can benefit by their participation in our economy and the best way that they can benefit by locating in this province. I think that the people of the province, in fact, would recognize those as being valuable criteria for discussions and negotiations. That's what we're involved in at this time.

MR. LYON: Would the honourable, the Minister care to give us his own opinion as to what the prospects would be at this time; four or five months into the New Democratic Party Government regime, of an aluminum smelter from whatever company being located in the Province of Manitoba?

MR. COWAN: I would hope they would be very good. I think that we have in fact some benefits which would be of value to an aluminum smelter; any aluminum smelter locating in this province. I think that we're prepared to sit down and discuss in a realistic way those benefits and so I would hope that they would

be very good.

MR. LYON: Would the Honourable Minister, Mr. Chairman, consider it appropriate for his government to be saying to others who want a description of public affairs in this province that they are negotiating seriously with the Alcan people and they wish Alcan to come to Manitoba, notwithstanding the precondition — the foolish precondition — that his Leader and his party put on the location of that plant in Manitoba mainly, that they would not permit Alcan to invest \$500 million to \$700 million in a new hydro plant in Manitoba. Would the Honourable Minister say that is still a realistic possibility given the absolutely silly precondition that his party in Opposition applied to that negotiation and is apparently continuing now that it's in government and has real responsibility and is responsible for something more than just rhetoric and socialist jargon.

MR. COWAN: The fact that we are still negotiating I think is indicative that there in fact is progress being made. The fact that we're negotiating with any aluminum smelter operation or aluminum company which would like to locate here, I think is further indication that we are prepared to sit down and seriously discuss the location of an aluminum smelter in the Province of Manitoba.

MR. LYON: Mr. Chairman, given the fact that the location was already set and that the letters of intent between the former government and Alcan were already established, can the honourable member advise the House and the people of Manitoba why there has been no progress with respect to the location of one of the largest industrial developments that this province could ever hope to see since his government came to office on the 30th of November, 1981?

MR. COWAN: Well, I believe that when negotiations ongoing at that time — as a matter of fact I know there were negotiations ongoing at that time — I know there are negotiations ongoing at this time. I know the parties are still talking and they're talking in a reasonable way. I know we have expanded those negotiations to talk to other aluminum manufacturers, so I would say yes that in fact progress has been made.

MR. LYON: Well, Mr. Chairman, to correct the record, my honourable friend has no negotiations nor has his government, any negotiations under way that they've reported to this House, that were not previously started by the previous government. I daresay by way of editorial comment that they wouldn't have any under discussion because probably no aluminum company in the world would be willing to deal with a government of this sort if they had not already been started. But, given the fact, Mr. Chairman, that the Honourable Minister makes a pretense as to his government being involved in serious negotiations with Alcan, would the Minister confirm that in the documents that were prepared for his government to sell the paper, to sell the indebtedness of the people of Manitoba to investors in the United States that they were, in fact, touting — touting is the word that I use

something like a racetrack promotor would use, touting the fact that they, Mr. Chairman, were engaged in serious negotiations with Alcan for the establishment of an aluminum smelter when they, in opposition, had said that they would not agree to the primary precondition, which was that Alcan be allowed to invest in the hydro-electric plant that would be necessary to supply the power for that plant. Can my honourable friend tell me how he places that submission by his government when they're out trying to borrow money against the ideological position that his government takes when they're talking among themselves or with their socialists or Marxist friends or when they're talking in this House?

MR. COWAN: Well, I do apologize to the Leader of the Opposition if I said negotiations were ongoing with other aluminum companies which I did. And I perhaps would have been better advised to say that discussions were ongoing. They may be negotiations, I'm not certain, but I'm certain there are discussions ongoing. And, I think there are negotiations ongoing with Alcan and perhaps discussions with others would be the best way to phrase that. And because they are ongoing if when we go to borrow money or go to sell the attributes of this province we say that those negotiations are ongoing I think that we are being quite forthright in explaining to people that we are involved in negotiations to that extent.

MR. LYON: Well, Mr. Chairman, in the prospectus which the Government of Manitoba issued on the 8th of March, 1982, at which time I presume, the Minister was a member of the government only being a matter of two or three weeks ago on page 7 of that prospectus which was issued under the authority of the Minister of Finance whom, I presume, is still a colleague of the Minister of the Environment, it says at the bottom of that page and I quote: "Under a Letter of Intent between the Aluminum Company of Canada Ltd., Alcan and the province, Alcan has commenced a feasibility study for the construction of a \$500 million primary aluminum production processing plant in the province. Alcan has announced the selection of a site approximately 25 miles northwest of Winnipeg and is conducting environmental and socioeconomic studies (see gross investment)."

Now — and given the fact that the prospectus later on goes on to say that these matters such as the Alcan plant, the Potash plant, the Western Inter-Tie, are under review by this new and benighted government. Did the Honourable Minister not say when he and his government, particularly his non-perspicacious Minister were out peddling \$200 million worth of the indebtedness of the people of Manitoba that they weren't touting Alcan as being something that was going to come to the Province of Manitoba when, at the same time, their Minister, their Premier — if he may be called that — and other members of this so-called government, were putting up preconditions which would prohibit Alcan from settling and from establishing a plant in the Province of Manitoba. And one might ask the Minister of Consumer and Corporate Affairs, who is sitting in the House tonight, whether or not he might consider that, given the electoral declamations of that party as being false adver-

tising to the people who bought our indebtedness.

MR. COWAN: Well, I understand that a Letter of Intent is in effect; I understand that negotiations are ongoing; I understand that we are reviewing environmental and socioeconomic impacts, so I would suggest that statement is basically a correct statement.

MR. FILMON: Mr. Chairman, I wonder if the Minister could indicate whether or not it's possible to prepare a valid environmental assessment and review or a valid socioeconomic assessment and review for a proposed aluminum smelter in this province without having a specific site on which to base that review.

MR. COWAN: Certainly not a complete review, one can begin to review different aspects of different sites and one can begin to review different effects of locations in different sites but to prepare a full environmental impact assessment review and to complete it without being able to define a specific site would be impossible, certainly.

MR. FILMON: The Minister is indeed confirming that it is not possible to proceed with the environmental assessment and review and the socioeconomic assessment and review that was started because they have removed the precondition of having a specific site on which to base their studies.

MR. COWAN: We are still reviewing the material which was presented to us as a part of that site in the event that that site may, in fact, be a final location. If it is not a final location then we will review other sites as well.

MR. FILMON: Then nothing is valid, or very little, other than the technological process that nothing else is valid in the reviews that have been done or that have been prepared at this point in time without having a specific site in mind.

MR. COWAN: Only if there is a site in mind would that become valid, if that site does in fact turn out to be the negotiated site then that would all be valid, of course.

MR. FILMON: Mr. Chairman, in view of the fact that whatever has been done in environmental assessment and review and socioeconomic assessment and review to this point in time is not valid because the specific site has been removed as a precondition, I wonder if the Minister could comment on the remarks that were made by the Member for Thompson when he said that the site was selected by Alcan specifically on economic considerations and that other matters had precedence and then later on in his remarks he said, but it may well be that there are other economic considerations which would make Thompson a preferred site. Now, how could that be if in the initial going Alcan made their site selection presumably on economic terms and now it's being said that there may well be other economic reasons which would make Thompson a preferred site. Is that the reason why the precondition has been removed by this government?

MR. COWAN: I believe the preconditions in all the preconditions were removed to allow negotiations to continue and to attempt to reach an agreement.

MR. FILMON: I'm not quite sure as to what sort of agreement the Minister is hoping or considering the government will reach. At the present time it appears that as though everything is at a standstill with respect to doing any valid socioeconomic or environmental assessment and review studies on this particular project because none of them would be valid without having a specific site in mind. And it appears to me, the Minister can correct me if I'm wrong, that nothing can proceed without having these studies prepared, considered by Alcan and considered by the government and in a total open review process, nothing could be valid without having a specific site in mind. So it appears to me as though this whole project is on the shelf at the moment and will remain on the shelf until some further action is taken by either Cabinet or the Minister of Energy and Mines or whoever that government decides is going to proceed with respect to this project.

MR. CHAIRMAN: The Honourable Minister.

MR. COWAN: Well, I can speak from the perspective of my own department and we are reviewing the material which was provided to us and we are learning by that review. Some of that material is very general in nature and, in fact, would apply to most sites. Some of the material is very site-specific and that may be invalidated if another site is chosen, but it would be valid if that site was chosen as a result of those negotiations. So we are continuing to review the material. We are benefiting by that review and we will, when we determine which specific site to place a full environmental impact assessment on and a full socioeconomic impact assessment on, do so at that time.

MR. LYON: Mr. Chairman, perhaps I could read to the Minister of the Environment a portion of the report, another portion of the report, of the Alcan Aluminum Limited Annual Report of 1981, which appears at the bottom of page 18 thereof, so that he might comment upon this statement by the company that we were previously negotiating with in good faith to locate a major economic industrial development in the Province of Manitoba.

Here's what they say, and I quote: "During the year Aluminum Company of Canada Limited and the Government of Manitoba signed a Letter of Intent to conduct a feasibility study for an aluminum smelter in that province. The study is continuing and could lead to the company investing in a 200,000 tonne a year aluminum smelter and related hydro-electric generating facilities if and when market conditions warrant. As part of this study, the company announced in September it had chosen a 50-square kilometre area about 40 kilometres north of Winnipeg as the preferred location for the smelter."

Is the Minister now trying to tell the committee tonight that preferred location for the smelter, one of the largest industrial developments ever in the history of this province, is now being put into question by this temporary government?

MR. COWAN: No, what I'm suggesting and have tried to suggest throughout is that is a matter of negotiations, a matter of negotiations between Alcan and the government and it's one of many parts of the package which is being negotiated at the present time.

MR. LYON: Mr. Chairman, given the fact that there were put under way as has previously been alluded to tonight, fundamental socioeconomic and environmental studies with respect to that location in order to determine the benefits or the disadvantages, positive and negative to the people of Manitoba of the location of such a smelter in such a location, can the Minister honestly stand before this Committee tonight and say that his government in one fell swoop has removed the location, the preferred site that is referred to in the Alcan Report, the preferred site in the Interlake of Manitoba as being a viable site for the location of one of the biggest industrial development projects that this province has ever seen, which would create the biggest single customer that Manitoba Hydro has ever had in its history, can he honestly say that his government since November 30th has actually put into jeopardy that kind of a development for the people of Manitoba based on some whim or based on some funny ideological and/or ecological ideas that they may have that would not be apparent to the kind of fundamental study that was put into place before they came into office?

MR. COWAN: No, I can say we are continuing in negotiations and that is one aspect of the negotiations.

MR. LYON: Well, Mr. Chairman, given the fact that prior to November 30, 1981, the company was able to say that it had selected a site in Manitoba and that the Government of Manitoba then said, subject to socioeconomic and environmental studies, we will look at that site, can the Minister now say that all sites in Manitoba or all sites indeed in the world are open to this company because of course this company doesn't have to locate in Manitoba? It never located here before and it doesn't have to locate here now and can my honourable friend tell me that he and his First Minister who seems to be blissfully unconcerned about this development in the Interlake and his constituency I think is part of the Interlake of Manitoba, although he may be unaware of it. Is this Minister prepared to let this slip by or to blow it, to blow it as we're afraid they are doing because of some funny ideas that they may have with respect to ideological idiosyncrasies that they have with respect to allowing people to buy portions of Manitoba Hydro plants for the purposes of supplying power for a 35 year term or whatever the term may be to one of the largest industrial developments that has ever come to this province?

MR. COWAN: No, I think what we are saying is we hope that development will come to the Province of Manitoba under the proper terms and conditions. We are negotiating those terms and conditions and we will continue to negotiate in good faith until we have reached a satisfactory conclusion to those negotiations or otherwise and that is the case with all negotiations, but we are in fact continuing and we are attempting to provide the type of negotiations which

will allow for the location of that or another smelter in the Province of Manitoba.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. RANSOM: Mr. Chairman, if I understand correctly what the Minister has said, he said that there are no preconditions any longer and that any site is a possibility in Manitoba, given some negotiations that are taking place between a colleague of his and Alcan and I have to assume that economic factors are not the main consideration because economic factors indicated that Balmoral was the chosen site. Evidently, socioeconomic and environmental factors are not the main consideration because the studies aren't proceeding. The Minister is waiting to hear from his colleague.

Mr. Chairman, can the Minister advise the committee whether or not the Letter of Intent, signed with Alcan, is still in effect?

MR. COWAN: I believe that Letter of Intent is still in effect, but I would have to check with the Minister responsible to confirm that and I can do so and bring that information back to the Member for Turtle Mountain.

MR. RANSOM: Mr. Chairman, I'm afraid that the members don't realize the significance of what we have been told here tonight and I'm amazed that the First Minister would sit in this House silently and not choose to enter into the debate and either clear up some misunderstandings or tell the people of Manitoba where he stands. I realize that the Minister of Environment has not got the sole responsibility for negotiations with Alcan, but socioeconomic factors and environmental factors are extremely important and they fall in the area of his responsibility and that has led to the discussion of the overall question. Now, the Minister of the Environment tells me he thinks that the Letter of Intent is still in place.

Mr. Chairman, can the Minister advise the Committee whether or not he has read the Letter of Intent?

MR. COWAN: No, I personally have not read the Letter of Intent.

MR. CHAIRMAN: The Member for Elmwood.

MR. RUSSELL DOERN (Elmwood): Mr. Chairman, on a point of order, it strikes me that a great portion of the debate that we are hearing, in fact, should be directed to Energy and Mines and I'm simply saying to the two spokesmen on the other side, wouldn't their questions better be put to the Minister of Energy? There seems to be quite a mix of questions and the environmental concerns are not being discussed.

MR. RANSOM: Indeed, I would like to put questions to the First Minister and I would like to put questions to the Minister of Energy and Mines and I would like to put questions to the Minister of Finance on this subject, because, Mr. Chairman, something is going on here that I don't think the government is aware of; I know the people of Manitoba are not aware of. I think it's time that the backbenchers over there decided to

get into the action and see what's really going on, because I think the members are about to commit a terrible blunder in terms of the economic future of this province.

Furthermore, Mr. Chairman, if, in fact, what we have been told here tonight is true, then there are some very contradictory and misleading statements that are afoot that are public information right now. I appreciate, Mr. Chairman, that there is no point in pressing the Minister of Environment any further on this question, because he hasn't read the letter of intent.

Mr. Chairman, there are 13 people in the Executive Council of this province dealing with a potential investment of hundreds of millions of dollars, hundreds of jobs, thousands of jobs in the construction phase. There was a letter of intent signed and one of those 13 members tells us he hasn't even read it. He doesn't know what's in the letter of intent; he doesn't know whether that letter of intent commits the government to allow Alcan to own a portion of a generating station or not, and perhaps he will begin to see the fundamental nature of the question of whether or not the letter of intent is still in place. Because if it is, Mr. Chairman, that has very serious implications for what the government is doing, and if it isn't, it has very serious implications for what the government has been telling the people of Manitoba, and indeed, the investors whom this province has approached to buy the bonds of this province to fund it, and the credit rating of this province and the credibility of this province are at stake in this question, Mr. Chairman, and we will, in the absence of the First Minister, who has refused to enter into a debate of this nature, and I realize it's not his department, Mr. Chairman, there are many precedents for the First Minister to come to the support of one of his Ministers who is faced with questions of broader import than those that deal with his department alone. Surely the Minister of Environment deserves more support than the Member for Thompson, and I don't say that in any way to belittle the Member for Thompson, Mr. Chairman, at all, but this is a question which deserves the attention of the First Minister.

MR. COWAN: It is my understanding that the Letter of Intent is in effect. I can confirm that I have not read the Letter of Intent. I have tried to make my department available to the Minister responsible for the negotiations to provide them with technical detail if and when they need that technical detail.

MR. LYON: Mr. Chairman, to reiterate a point that has already been made tonight by me and by the Member for Souris and by the Member for Tuxedo, I find it somewhat alarming and I'm sure the people of Manitoba will find it somewhat alarming that the Minister is saying to us tonight that a letter of intent that was entered into by the predecessor government with respect to the establishment of this major industrial development in the Province of Manitoba, first of all is something that he has not read and secondly, is something that may well be, on the basis of his understanding of affairs as affairs are apparently run now in the Province of Manitoba, not a matter of great concern for the Government of Manitoba, even though it

is mentioned by the Alcan aluminum people who wrote the report, I presume, some time in February of this year, on the faith and on the understanding that they were negotiating in good faith, with this alleged government across the way.

Now, Mr. Chairman, that is a matter of serious import to the people of Manitoba because this is something that goes beyond a mere partisan advantage that can be taken of on one night in the Legislature as we debate matters in the Committee, and so on. This is something that will have a positive economic effect upon generations of Manitobans yet to be born, and if my honourable friend is standing before the Committee tonight and trying to suggest that because of the rather narrow, partisan, idiosyncrasies of his party, that he and his party and his Minister who has scuttled out of here like a turtle under light, is putting in jeopardy one of the major developments that this province has been able to negotiate to come to this province, then I say that this is indeed a serious moment for the people of Manitoba and a serious moment for this government, and a serious moment in the terms of the trusteeship which was conferred, albeit temporarily, upon these people on the 30th of November, 1981. I think we deserve it, coming tonight, under the Environmental Minister's Estimates, for him to say, because environment is certainly one of the factors to be considered in this matter, whether or not the people of Manitoba can realistically expect that this major aluminum smelter development in the Interlake is going to take place or whether or not he and his colleagues are, in fact, as we fearfully think, blowing the opportunity for reasons that are really not germane to the public interest of the people of Manitoba but have more to do, rather, with some of the odd, as I've said before, idiosyncrasies of the rather odd ideology that they pursue.

Well, Mr. Chairman, this is a serious moment then for the people of Manitoba. It's a serious moment on which we would not expect the Premier of this province to walk out of the Chamber as he did, to engage in activities, God only know what they could be that would be more important than this kind of discussion, with respect to the people of the Interlake whom he presumes to represent as the Member for the Constituency of Selkirk, to tell the people of Manitoba whether this development is indeed in the kind of jeopardy that we fear it is, given the kind of mishandling, incompetence and ideological nonsense that has been going on across the way in terms of the negotiations with respect to Alcan.

I say to you, Mr. Chairman, and to the people of Manitoba, that the circumstances which lead up to the Aluminum Company of Canada being interested in developing in Manitoba, as my colleague from Souris has already said, started with the idea that they heretofore had always had smelting facilities at seaboard, and we started our negotiations for the benefit of the Member for Thompson, who may not be aware that seaboard in Manitoba exists at Churchill; that we started the negotiations with respect to an aluminum smelter location in Manitoba having regard to the fact that Manitoba of all of the inland provinces did have seaboard exposure at the Port of Churchill. That's where we started and then the economics, the state of the art as my honourable friend is wont to say, and all

of the other discussions that took place and all of the other negotiations that took place over the months and years indicated to us that if Manitoba was to have with this particular company the size of a smelter, 200,000 tonnes a year, that smelter from the standpoint of their economic viability had to be located nearer to their markets in North America which would unfortunately preclude the smelter from being located where we wished it to be located in Northern Manitoba. First of all, starting at Churchill; secondly, at Thompson, would preclude that because of the economics of the situation as they explained them to us and indeed as they explained them to all members of the Legislature only about a little more than a year ago now when a meeting of an informal meeting of the Legislature was called wherein Alcan explained what its proposal was for the people of Manitoba.

Now, Mr. Chairman, what concerns us on this side of the House and I suggest what concerns the vast majority of the people of Manitoba is that my honourable friends opposite, because of their hang-ups of one sort or another, inspired by God knows what, are blowing this opportunity that was well entrenched and well in place. We want to hear from this Minister of the Environment, whom I presume is still a member of the Cabinet, what he and his colleagues are doing in a positive way to ensure that the socioeconomic studies are proceeding; that the environmental studies that were put into place long before his incompetent hand was put in charge of this department are proceeding; and that we can be assured that nothing is being done in a negative way to deny to the people of Manitoba of this generation and of generations yet to come, this kind of a major job-creating opportunity for generations of Manitobans yet unborn. What can the Minister say tonight in terms of that kind of challenge which is the challenge that faced him when he came into office on the 30th of November? Has he done anything to forward that opportunity or have all of his activities along with those nefarious activities of his colleagues been to hold this back from the people of Manitoba and to allow Alcan and other aluminum companies to move their potential smelter activities to other parts of this country or indeed to other parts of the world because they don't have to deal with Manitoba, whether or not it has a common-sense government or whether it has the kind of an unfortunate government we have now.

MR. COWAN: Well, we have continued in the negotiations and we are continuing in negotiations and hopefully, as I indicated previously, that those negotiations will result in terms and conditions which are acceptable to both parties doing the negotiations and the ultimate location of an aluminum smelting refinery in the province.

MR. CHAIRMAN: The Member for Thompson.

MR. ASHTON: Thank you, Mr. Chairman, I must say that tonight's discussion has been very interesting. It has shown me a few things which I perhaps suspected. First of all, that is that the members opposite know nothing about economics. It's not just jargon, Mr. Chairman, that I was mentioning or as the Leader of the Opposition was suggesting, Marxist terminol-

ogy, the terms in regards to externalities, disexternalities, have been a common feature of microeconomic theory, economic theory for many years. So, if anybody is talking in ideological terms, it is the members opposite.

Now I will refrain from using technical terms and I will talk in terms the members opposite might understand, such as good and bad. —(Interjection)— That's right. I think that the reaction to my discussion in terms of economics was an indication of what the Leader of the Opposition has said many a time; that is, he's not an economist and he knows nothing about it and I think the record of the last four years shows that. But I do not intend to discuss that.

I'm really interested in another thing which I learned tonight, and that is that the members opposite are full of contradictions. The Member for Turtle Mountain mentioned the fact that the site selection process was and I quote "undertaken without interference by the Provincial Government." The Leader of the Opposition, however, tried to paint a picture of the former government starting at Churchill and working its way back and then ending up in Balmoral. The fact that Thompson or Churchill or other northern sites are not on the preferred list is somehow that we were considered first and they just kept going back until they found the ideal place, right in Balmoral. Well, how you can combine the two I don't know. How you could have no interference on the one hand and start talking about Churchill, Thompson and other northern sites on the other hand is beyond me. So there, we have what is happening, I think, contradictions, sure, but that of course is of no concern to the members opposite. They're merely trying to score political points at the present time.

Now, if they would just listen to the arguments I presented earlier, they might have seen where some of the confusion on their part came from. It wasn't from the jargon; it wasn't from the jargon at all, Mr. Chairman. If they would look at the plain economic fact and compare the criterion listed by Alcan with the situation facing northern sites, they will find it, sure. We do not meet all the criteria, and why? Is it a straight fact of economics? No it is not. It is a fact of infrastructure for the Member for Tuxedo. Have you seen the condition of the rail line to Churchill? Have you seen the conditions of our highway after the winter? I will tell you that we certainly do not immediately meet all the criteria and it would be logical for Alcan not in a vacuum to want to select such sites as Thompson or Churchill, because if they selected it in a vacuum, they would have to pay for the improvements to the infrastructure. They would have to improve the rail lines themselves which would be a prohibitive cost, Mr. Chairman, while the Honourable Member for Tuxedo asks who is going to pay?

The real question here that has to be raised in discussion with various other sites is to whether the government can do anything to make other more preferable sites, if they are indeed more preferable in terms of socioeconomic reasons, available. It would have advantages for people in the North to have these areas developed. Now, I'm not saying that —(Interjection)— well, the Honourable Member for Tuxedo suggests that taxpayers will pay. Well, the taxpayers, including the taxpayers of the North, have paid for

your fantastic highways down here. You can roll a dime for 15 miles and you won't run across one single pot hole. It is common in a large part due to the taxation which has been resulted from developments in Thompson through INCO, through the citizens of Thompson. We pay our taxes too. I don't think it's too much to suggest that we at least be considered, not by Alcan because that's not their business. They don't represent the people of Thompson; they don't represent the people of the north. But, I'm saying that we should at least be considered in these discussions by the Provincial Government. I don't know exactly what happened under the previous government because, as I mentioned, there is a contradiction. I suspect that the Honourable Member for Turtle Mountain probably put it most accurately and that is that the previous government didn't interfere. In other words they didn't say anything. Well, as I mentioned, that creates problems in discussing whether locating the smelter in areas such as Thompson is feasible and I can see that. But, I think it also creates problems at this particular point of the negotiations because of the very fact that they've done nothing thus far. They haven't raised socioeconomic questions, they haven't raised environmental questions. They let Alcan pick a site, and what it leaves us with, as a government, as any government would be faced with is a choice of one, yes or no, if one sticks strictly to preferred site.

Now the impact of this is that we can go along, we can analyse on one site, we can analyse all the environmental things, all the socioeconomic questions and what happens if it's not a good place for it, we're rejected and what do we do again — start the whole process over again? That is, indeed, the dilemma that is faced and it's my understanding of what is happening and this is my own personal view, not that of the Minister of Energy and Mines, who was actually involved in the negotiations, but the concept really is we should sit down and in terms of preliminary discussions not exclude anything from the past, not adopt a yes or no which could actually delay the getting of an aluminum smelter for Manitoba, a yes or no, or merely railroad through something simply because we were left with a series of poor conditions by the previous government but go from square one.

Now that doesn't have to be put in economic terms it can be put in terms of straight common sense. I put it earlier in economic terms and I guess the honourable members opposite don't understand it. So, let's put it in terms of straight common sense. We want an aluminum smelter in Manitoba, I do, check with any of the members of the government, that's what they want too. The question really here is not whether or not we want one but how we can get one and on what conditions. What we're interested in is getting the best deal for Manitobans and that means not what is the best deal for Alcan because this is what the previous government was looking at. If it truly did not interfere in the whole process, it was interested in giving Alcan what it could get as the best deal. We're not interested in just that, sure it has to be economically feasible for Alcan, but it also has to make sense for the people of Manitoba not just as an aluminum smelter but the particular conditions and it's not a question of economics, it's not a question strictly of dogma or the black and white terms the Leader of the Opposition

would like to place it in.

Well once again, the Leader of the Opposition shows his complete ignorance of economics —(Interjection)— oh, I see —(Interjection)— I understand that I'm supposed to be insulted here. I consider this a great honour because many of my constituents wanted me to come here in this Chamber and do battle with the members now occupying the position of Leader of the Opposition, a position I must say he does justice to. In fact, I would urge him to stay on in that position, in fact run again in the next election so that I can continue my debates with the honourable member from this Chamber because I can say virtually everyone of my constituents said, get down there and show — well, I'm sorry that's unparliamentary language — it was in reference to the Honourable Leader of the Opposition.

Anyway —(Interjection)— once again, I can see that the honourable member is trying to insult me, I suppose the term landslide was in reference my margin of victory in the election campaign —(Interjection)— I will tell the Leader of the Opposition that if he wants to talk about landslides he should perhaps talk to the individual who I beat, as he was buried nonetheless. And I would suggest that really if one looks at it that it shows the height of arrogance to bring up this kind of a label. Perhaps all the members opposite feel they're from safe Tory seats, they've done such a great job and they won by such wide victory margins. I would remind them of some of their former colleagues who were in the same boat and I would mention one from the constituency of Riel who won by substantial margins and who also lost. That is politics, Mr. Chairman, I don't think it's the suitable to bring into this Chamber, that kind of rather childish insult.

But as I said in conclusion, I think what we need here is constructive criticism, not this kind of ideological grandstanding on the part of the Leader of the Opposition, not these inconsistent statements which try to cover up the mistakes of the previous government. Really it's not what the people of Manitoba expect from this Assembly and the petty insults included. What they want is for us to get on with the business of this province without the rhetoric; without the grandstanding; with straight constructive criticism; constructive suggestions; and sure if the government fails, strong criticism for that failure.

But this is not what's happening here, the honourable members opposite are trying to set up strawmen, bogey-men. Nothing more than that. They're trying through various inconsistent attacks to make political points. Well, that's not what the people of Manitoba want, Mr. Chairman, they don't want political points, the want for us to get on with the business of the province.

MR. LYON: Mr. Chairman, I daresay that all members of the House feel instructed by the recent comments from the Member for Thompson so recently removed from the University of Manitoba Students Union that he feels he has to repeat some of those speeches for that great body in this Chamber. All we can say to the honourable member is that we hope that his learning experience here in the next two-and-a-half, three years, which will be about the length of his term in this

House, will be a positive one for him, that he will gain from his brief exposure to more adult arenas than he has been accustomed to dealing with.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. ROBERT (Bob) BANMAN (La Verendrye): Thank you, Mr. Chairman, after listening to the Member for Thompson I guess one of the phrases that he used and which I have to pick on what do the people of Manitoba expect? Well, Mr. Chairman, what the people of Manitoba expect is job opportunities and job opportunities will be brought by projects such as Alcan. But I want to just very briefly relate the tragedy, what I think is happening with this whole thing: Alcan in their wisdom chose two primary sites in the Province of Manitoba, one was in Balmoral, one was in Eastern Manitoba. And, Mr. Chairman, what I secretly hoped, and what the people in Eastern Manitoba secretly hoped was that we could as Manitobans attract Alcan who did choose the Balmoral site to locate in Balmoral. And once having secured those 650-700 permanent jobs along with the thousands of construction jobs that brought over the next five years we could then could go after Alcoa, Reynolds, hopefully and just by looking at the site selection then induce by proper arrangements, benefits to the people of Manitoba, induce another aluminum company, Mr. Chairman, to come to Eastern Manitoba.

Herein lies the tragedy, Mr. Chairman, what we are doing here; we are not only alienating the one company from coming to Manitoba, instead of parlaying on the one opportunity that we have in this province to gain another company, we are losing even the one chance to get the one. What we have heard from the members opposite over the last little while; well, if Alcan doesn't come, we're going to Alcoa or Reynolds or somebody else. Well, Mr. Chairman, I say to you that's not good enough. We need as many things to happen here in this Province of Manitoba as we can possibly get and what is happening is that we are seeing the members opposite fiddle this whole thing away. We have heard the Minister of Environment say today that really there is no socioeconomic environmental impact study that can be properly conducted unless we know the site. He has just said, well we don't know what the site is going to be. We, when we were in government, knew what we wanted to see the study done on and that was the Balmoral site.

So, what I say to every Manitoban is that by the very admission tonight we find out that we are much further down the tube of ever getting an Alcan smelter or any other aluminum smelter in this province than we were six months ago. That's a fact of life and that was pointed out there tonight. So let no Manitobans be under the illusion that we are looking at jobs in the immediate future. What this government is doing is jeopardizing, not only the Alcan deal, but any future deals that could possibly benefit and I speak of a parochial nature right now — Eastern Manitoba.

I have to say to you, Mr. Chairman, tonight, that the big concern in Eastern Manitoba and in the Interlake, having spoken to members from the Interlake, the big concern is the loss as it is in Thompson of people who raise their children in the Interlake, in Eastern Mani-

toba, see those children leave, move to Winnipeg; the urbanization trend that we have seen happen the last little while in this province. I think we had a dream, a vision in the last number of years, of trying to locate some of these facilities outside of the City of Winnipeg without trying to locate all these people in one large, metropolitan area where we all know the social problems and things that go on with large metropolitan areas is not conducive to proper — and I have to say to proper family life, to proper social life in this province.

The great tragedy that we see happening here tonight and by the admission of the Minister in charge of the Environment is that we have seen something happen here which is not going to be in the best interests of the people of Manitoba. We're all concerned about the environment. We don't want to see unnecessary pollution but, Mr. Chairman, we want to see those jobs created here. Anything that happens to go ahead and put these jobs off, to stall, I believe in the future will not only hurt ourselves but will hurt the future generations in Manitoba. We have an opportunity; we have the resource; we were going along a path which I believed to be a sound and proper one; we had commissioned the studies; we had located the site; we would have had things in place but the way it looks right now, Mr. Chairman, is that the whole thing is in jeopardy. It's jobs that the people of Manitoba want. We have one of the highest unemployment rates that we've had over the last number of years.

The member who is now the Minister, the Member for Churchill, the Minister of Environment, got up in this House on December 8, I believe, in 1977, and decried the unemployment rate in this province at 6.5 percent. What is it today? Mr. Chairman, it's one percentage point higher and he said to the government of the day, what have you been doing? You've been sitting on your hands and to quote him verbatim, he said "shame, shame, Mr. Chairman." That's what he said on December 8, 1977. Now he sits in that position as somebody who could do something about that in attracting industry and what do we have; we have a bunch of fudging here tonight. So, it's time, Mr. Speaker, Mr. Chairman, I'm sorry, however, you're doing just as good a job as a Speaker would ever do. Thank you.

We have something very interesting happening. You have the Minister of Environment who four short years raked the government across the coals — a new government that had been in power for only a month and a half — raked them across the coals for a high unemployment rate. Now you have the same Minister sitting here with a much higher unemployment rate and an opportunity here for a large project, not only for permanent jobs but for construction and heaven knows we need those construction jobs now. We need the spinoff that that can bring, so don't tell us here tonight that really what you've done is you've stalled the whole thing because by your own admission, you've done it. There is no way you're going to get a proper social economic study if you don't have a proper site in mind and you've admitted that tonight. So, what you have really done by admitting that is push the whole project over forward, Mr. Chairman, forward into the future. We need those jobs now. The people of Manitoba want those jobs now, so let's get

on with it. Let's just not trade off Alcan for Reynolds or for somebody else. Let's get a couple of them in place so that the people of Manitoba will be able to stay in Manitoba. That was our vision and that's the vision I would like to see for my children and for my children's children.

MR. CHAIRMAN: Could I just ask that perhaps we get closer to the point? We've sort of had a very wide ranging discussion for the last hour and three-quarters now and it started out innocently enough on the issue of the environment concerning Alcan but we seem to have stretched beyond that. I wondered if we could have questions to the point.

The Honourable Member for Tuxedo.

MR. FILMON: Thank you, Mr. Chairman, for your suggestions in that regard and I know that the Member for Turtle Mountain has a couple of items to cover on this particular subject but I just want to summarize what we've learned here on this topic and the topic is indeed the establishment of an aluminum smelter in Manitoba. I think it's been very enlightening because obviously it has answered some questions that have been on our minds and that in fact perhaps have not been adequately answered in the question period and that is the purpose of the Estimates debate in that it gives us an opportunity to further expand without being constrained by virtue of the rules of question period to get the information out on the table that we can all deal with.

All of us on this side I think were aware of the fact that Alcan was committed to the preparation of an environmental impact statement in a socioeconomic assessment statement by December 31, 1981 and I think we have all wondered why that has not taken place. We're now almost three months down the road and yet there is no environmental impact statement and no socioeconomic impact statement available, although, I know it's being done in stages and I know that parts of it are in the hands of the Department of the Environment for review. But the Minister has confirmed and he can correct me if this is an incorrect statement, that no further valid consideration of the environmental assessment review or the socioeconomic assessment review can be proceeded with without the acknowledgment of a specific site and therefore in effect the aluminum smelter proposal for Manitoba is on the shelf at the present time to all intents and purposes and as I say, the Minister can correct me if that's not a correct statement, but I'll leave it at that.

MR. COWAN: Basically what I have said is that there are certain aspects of the review which is ongoing now which can in fact be a benefit to us because they are of a general nature and we are applying ourselves to those aspects. I've also said that you can't have a full-scale environmental assessment review process or a full-scale socioeconomic assessment review process until you have a site located.

MR. FILMON: Although some limited aspects can be examined and these are technological in nature, likely to do with the process and that sort of thing that would be transferrable to any site, the rest of the review

process and, without question, the major part of the review process is not able to be proceeded with at the present time due to the fact that the preconditions have been removed and therefore the site is no longer part of the equation unless and until the government makes a decision in concert with Alcan on it, so as long as we can leave that on the table, I think it's fair to say that the project is on the shelf at the present time.

MR. CHAIRMAN: 5.(a)(1)—pass — the Member for Tuxedo.

MR. FILMON: Mr. Chairman, if we can leave it at that then I would like to ask the Minister a number of questions on other issues, other issues to do with the environment in Manitoba.

The first one is, there is or has been an ongoing study on a variety of different fronts to do with the so-called former Domtar site in the Transcona area. These involve soil testing, ground water testing and assessment to do with the chemicals that were left in waste on the site and then were covered with wood-chips and so on and so forth and the whole, as the Minister well knows, the whole question of the potential use of that site for residential purposes, for park purposes, for streets, roads and whatever have you as a subdivision was planned, was in limbo at the time that we left office. But I was aware at that time that the studies were close to completion so that there would be an assessment very shortly of the potential hazards, the potential dangers of utilization of not only that site, but adjacent sites from migration of chemicals through the soil or through underground streams or whatever that were of concern to the entire area and the people of the Transcona area and, in particular, people who were surrounding the former Domtar site.

I wonder if the Minister could give us the present status of the testing and the reviews that are taking place and just what information has exactly been determined?

MR. COWAN: It is my understanding, and I have had discussions with the Member for Transcona, the Minister for Energy and Mines and the Member for Radisson, as well as others, on this that extensive sampling has been undertaken through a program worked out last fall as the Member for Tuxedo suggested. Those samples have been collected and analysed and they were analysed primarily for pentachlorophenol oil which is known commonly as PCP. Eight samples with the highest PCP levels have been forwarded to Agriculture of Canada to their laboratory for impurity analysis for dioxins and dibenzo furan, etc. Their results should be available within this month. Those are some fairly complex sampling procedures as the member is aware so we are waiting for the results. The rehabilitation program will be worked out once we find out those results and there will be a meeting arranged with Domtar, I would hope, in April. Perhaps it may be a month later to work out that rehabilitation program and to discuss the results. As it is now the area is fenced off, we are looking at that fence, because we want to make certain that it is adequate and we are also looking at posting of signs in that area, not only to say keep out, but to provide a bit more information as to why the area should not

be trespassed.

MR. FILMON: Would the Minister indicate, Mr. Chairman, whether or not at the present time the indications are that site may be unable to be used for a residential development with all of the other components of the residential development given the current assessment of information available? Because there's not only the concern for this specific site for which there is a proposed development, and a plan that was put forward by a certain developer, but there is the concern of people adjacent. I recall during my term of office that we, in fact, did some soil testing in yards adjacent to the site because people were saying can we live here any longer, can our children play in the yards, is there something more to it, what the potential for migration is. I know that a lot of the samples, because of the very complex testing that had to be done, were sent away to Ontario to labs there and so on. Is there any further indication that would either allay the fears of the people adjacent who are already living there? The Minister was talking in terms of remedial action for restoration of the site that would allow for future development, but more specifically to the point, are there any reasons for concern for the people who live adjacent to the area.

MR. COWAN: It is my understanding that we have not determined off-site migration of contaminants to date. I am also informed that we will be continuing the discussions with Domtar in order to come up with an appropriate rehabilitation program. That may, in fact, preclude development on the area. We have to wait and see which results show what in respect to contamination. I'm not certain whether or not there will be a need for further testing, but if there is we will undertake that testing. We have to make a determination as to whether development can be allowed on site at that time.

MR. FILMON: Thank you, Mr. Chairman. I think that the Minister is telling me that there's not further evidence that would give rise for concern to people who are already living adjacent to the site; that further discussion will take place with respect to future development of the specific Domtar site after the testing results are available. If that's the case, then we'll leave it at that.

MR. COWAN: It is my understanding that we have not found contaminants off site. You know when we talk about concern, as the member is aware, we are talking about a subtle fear on the part of residents because of their knowledge of certain aspects of the problem and being unable to incorporate that into their daily existence, and so what we have to do is go to them and I know the member wrote some letters to them in the past, perhaps we have to look at that sort of exercise again and bring them up to date as to what we have found. There will still concern after that but at least we will be able to provide them with our fullest information. We are not doing so to lessen their concern because I think that concern is important if it's focused in the right direction. I don't believe the member opposite did so to lessen their concern but I think he did, and we will do so, to provide them with

accurate information upon which they can base their own personal decisions as to whether or not to be concerned. If they are still concerned and still need more information, then we have to go with them to provide that information as long as it is appropriate. There becomes a case, I am certain, where you can't allay the concern even with the best available evidence, in which case you are just going to have to deal with it on that basis. I am prepared to look at sending out another letter to the residents in the area, as was done before, advising them of what we have found once we are a bit further down the path in respect to the rehabilitation program.

MR. WARREN STEEN (River Heights): I'd like to direct a question to the Honourable Minister and I don't expect he has the answer but perhaps he could find the answer out for me and, if we are off this topic, he could give me the answer in writing from his department at a later date.

Early last fall, Mr. Chairman, I, at that time wrote the then Minister, my colleague, the Member for Tuxedo, a letter concerning a concern of a number of business establishments on Pembina Highway in the Grant Avenue area, such as car washes, an ice cream Dairy Queen business, and so on. At that particular corner, Sir, through you to the Minister, there is a plant that, I believe, is owned now by a firm known as Steele Bros., but it used to be Winnipeg Supply and Fuel for years. I believe it's a lime manufacturing plant that plastering contractors buy materials from and a number of local businesses in the area, as well as residents in the area, used to complain about the dust that was given off at this particular plant. Although, Sir, it's not in my constituency now, as it was at that time, it's in the Honourable Member for Osborne's constituency, but I did communicate to the Minister at the time and I believe he was to have his department at the time investigate it, and the election was upon us and the Minister was no longer there to reply to my questions. So perhaps this Minister could investigate my concern and, if I have not given him sufficient information at this time, I can get the correspondence and relate it to him to his office.

MR. COWAN: I'm certain we have that correspondence on file and I will ask my staff to provide me with the correspondence and an update as to where that is at this present time. I can inform the Member for River Heights, Mr. Chairperson, a hearing was held approximately four to five weeks ago, and I may be off a bit either way on that, but within the past couple of months a hearing has been held. Those recommendations aren't forthcoming yet but I will make a note to ensure that the Member for River Heights receives a copy of that hearing document as soon as it's available, and then, if he has further questions at that time, perhaps we can discuss them in detail. Or, if he wants to give me some questions as notice now, we can try to investigate them between now and the receipt of the hearing, but since we do have a hearing in process and we do have a report expected, I would suggest that might be the most expedient way to deal with it and I thank the member for bringing this to my attention. I will provide him with that data as soon as it's available.

MR. STEEN: I thank the Minister for his reply and I will look forward to receiving a copy of the material that the Minister has made mention of and, to the Minister, I don't have any further questions on it at the present time but I'm sure that if there are any further questions at the time I receive the data, I can take it up with him through his office.

MR. CHAIRMAN: 5.(a)(1)—pass — the Honourable Member for Kirkfield Park.

MRS. GERRIE HAMMOND (Kirkfield Park): Thank you, Mr. Chairman. My question is concerning the effluent that would be flowing into the Sturgeon Creek. The Minister gave an answer in question period today and he mentioned that there is a period of three years that it could be in the holding tank and, from information that was given at the hearing, there was conflicting evidence on that, and it's possible that a year and a half may be all the time that they would have and actually from looking at the figures, it could be less than that. I don't think the Minister has a year to investigate or find that information out and considering that there were 1,400 plus another 300 signatures coming out of the area of St. James and that the City of Winnipeg opposed the proposal, I'm just wondering what kind of time we're looking at as far as the Sturgeon Creek is concerned. I wonder, Mr. Chairman, if the Minister could give me any more information on that particular proposal?

MR. COWAN: I will certainly ask for a more detailed review as to what the Member for Kirkfield park indicates may be conflicting evidence in respect to the length of time before that sewage lagoon would have to be emptied. I will attempt to provide that to her in due course, but perhaps I can just provide a background statement now, and then if other questions arise out of that, we can address them as well.

Pursuant to the provisions of The Clean Environment Act, the Rural Municipality of Woodlands filed a proposal to the department on January 31st, 1980 in connection with a proposed sewage lagoon system to serve the unincorporated Village of Warren. This proposal called for the discharge of effluent from the second cell in to adjacent land. In July of 1980, the Council of the Rural Municipality decided to alter their proposal to specify discharge of effluent from the second cell to the Sturgeon Creek drain and hence to Sturgeon Creek, and therein lies the concerns of the residents in the area. Approval from Water Resources to use a drain was obtained on August 5th, 1980. A revised application reflecting this position was filed with the Environmental Management Division on January 19th, 1981, so that elevated the concern because the Water Resources had indicated that they were prepared to allow that to happen. They did so based on the best available evidence to them. That does not, in fact, diminish the concerns of the residents of the area, nor should it diminish the concerns of the residents of the area, and, accordingly, a group of citizens was organized to oppose this discharge into Sturgeon Creek.

The group held a public meeting on January 29th, 1981, at which division staff attended and attempted to explain the operation of the sewage lagoon. I'm not

certain that's the only meeting that they held, but I do know that is one of the meetings for which I have a date and can place some information to. The Clean Environment Commission then held a public hearing in Warren on February 16th, 1981. On April 10th, as I indicated to the member during the question period, the Clean Environment Commission issued Order 9114, which allowed for the discharge of effluent to the Sturgeon Creek Drain. Again, they had reviewed it from the perspective of the best available technical information; they had approved the discharge of effluent to the Sturgeon Creek Drain; there were concerns on the part of residents in the area still, even given those two confirmations of the process. From a technical point of view discharge to Sturgeon Creek Drain did not seem to create many problems at that time, however, one has to take into consideration the concerns of individuals as well.

It's interesting, the Member for Tuxedo may be aware, they just had a recent case in the States where they held an environmental assessment and they decided that in respect to the Three Mile Island incident that that plant could not start operations again until it had dealt with the concerns of residents in the area. It's a new stage of environmental law, one which is worthy of consideration. I wouldn't want to comment upon it other than that at this time. But it shows how aware we as decision makers, all of us, I include all members in this Chamber, and others outside of this Chamber as decision makers, are becoming of concern and the effect that apprehension and anxiety has on our populous. I think that's important.

So while I say that from a technical standpoint the discharge of effluent into the Sturgeon Creek Drain was acceptable to many bodies reviewing it, I don't mean to in any way take away from the concern which was felt on the part of residents and the need for government, their representatives and the Member for Kirkfield Park is doing that now, to talk about that concern and to make certain that concern is taken into consideration when decision makers make their deliberations. I'm not saying that concern is always an overriding factor, but it must always be a factor and a part of the equation when we attempt to devise decisions.

So as a result of those concerns, appeals from Order 914 were filed by an individual and by the City of Winnipeg. Subsequently the Minister at the time, the Member now for Tuxedo, directed that a meeting be convened with the Environmental Management Division, Agro-Water Services of the Department of Agriculture and representatives of the Rural Municipality of Woodlands. His mandate for that meeting, I believe, and he can correct me if I'm wrong, was to determine if the rural municipality would reverse their position and agree to land disposal if financial assistance is made available.

Now that's my understanding of the situation. I'm certain technical assistance was included in that as well. That meeting was held on May 5th, 1981, and it was agreed that Agro-Water Services in concert with the Rural Municipality of Woodlands would submit an alternative proposal calling for land disposal of the effluent. This would be an experimental irrigation program to be carried out under the auspices of the Agro-Water Services. The decision on the appeal was

by the individual, and the City of Winnipeg at that time were deferred by the Minister of the Day, the Member for Tuxedo, pending receipt of this alternative proposal.

We have not received the alternative proposal yet. However, I can assure you that it is being developed by Agro-Water Services, and we're dealing with some experimental and innovative ideas here, and there is certainly some reason for that to take a bit of time. I'm told and I hope that we will receive that by the end of this year, some time during the course of this year.

I'm also informed that the lagoon has been constructed and is receiving some liquid waste, however, the lagoon will not require discharging for at least three years. My staff have confirmed that to me just now. However, because there are still concerns which must be taken into consideration, I will go back over that situation with them and try to provide a more detailed explanation as to why we have reached that conclusion to the Member for Kirkfield Park. She can then take that to her constituents and others who have voiced their concerns and if at that time it is found that they are still concerned, I would ask her and invite her to arrange a meeting with myself and herself and those individuals who are concerned, where we can sit down on a one-to-one basis or a one-to-five basis or whatever it may be at that time and discuss it, at least on a face-to-face basis, and discuss their concerns and I'll have staff present to try to provide the technical background.

MRS. HAMMOND: Mr. Speaker, I thank the Minister for the explanation and the offer certainly to meet with constituents, but I think that the basis they were going on, that the Agro-Water — they were the consultants — used a figure of 190 liters per day per person of water, while the City of Winnipeg used a figure of 450 liters per person per day when planning, and although there are schools and institutions in the city that probably are not in the Warren area, they were also mentioning that is was just a bedroom community which was disputed by the people at the environment meeting, who said that it's a farm community. They then went on further to say that they felt that the storage capacity as proposed would pose serious problems and that when the facilities were overloaded, which could well happen before your concerns are looked at within the year, that they would have to discharge into the creek and since the creek after a certain period is very slow moving, down to a trickle, that we've got a problem sitting in the heart of the city, that the city in turn has spent over \$750,000 in developing a park.

So really I think that all the concerns of the citizens are laid down for the department to look at right now and I don't know why they would need a year to look further at this situation. I really am feeling very concerned that if it's left for a year or six months that we're going to run into a problem that then — it won't be a problem as the Minister I think just was mentioning, Mr. Speaker — that there's a subtle fear on behalf of the citizens. It would be certainly more than a subtle fear if they're sitting with effluent in the creek, where we've built a major tourist attraction as far as Grant's Old Mill is concerned, and that we have tourists stopping and buying the grain that they're using in the mill

and here we have a situation that they're looking at in a year's time.

I really don't think that's good enough and I think from the information that was gleaned from the Clean Environment Hearing, I think they can move on it much quicker than that and I would certainly hope, because I can understand that certainly everything that the Minister has said dealing with the environment that this is his uppermost concern and I wouldn't like to think that it was only for the north and not for the city and especially St. James. This has been a very genuine concern with the people in St. James. We've got a park there that people are using in winter and in summer and just to think that your staff is going to look at it within the year or maybe when the time comes it has priority, I really am feeling is not quite good enough and I would like a commitment from the Minister that this would be uppermost and I think if they just looked at what came out of the hearing, they would be able to deal with many of the matters that are before them right now.

MR. COWAN: The Member for Kirkfield Park's concerns are indeed well expressed and appreciated. I've asked my staff if we can monitor the lagoon cell on a monthly basis over that period of time while the proposal is being developed so that we would be able to forecast any need to discharge the effluent long before that need became apparent, and therefore, we could put into place the proper control measures to prevent discharge which would be detrimental. I hope that sort of an ongoing monitoring program would help allay some of those concerns and what we can do is make certain that the Member for Kirkfield Park and other individuals who are interested are made aware of the results of that monitoring report on a monthly basis.

MRS. HAMMOND: Yes, Mr. Chairman, I appreciate that the Minister is trying to be helpful with monitoring on a month-to-month basis. I'm not a technical person myself and I don't know that if they found a problem just how quickly then they could deal with it. I guess this is the problem of myself and of the people in St. James, that unless you can deal with it in an urgent manner, it's not going to be of much value to us even monitoring it from month to month. I appreciate it and am glad that the Minister is certainly willing to do that but as the people from St. James, and not just St. James but along the route, Rosser I think, and Warren, different ones have said that if something happens then it's a matter of cleaning up another sewerage waterway as the Red and the Assiniboine, the Seine, the Souris are. I don't think we want to get into that situation so I appreciate what you're telling me on behalf of your department but I really do feel that unless I have assurance that something can be done about it immediately, it's going to be cold comfort to the citizens of St. James if the effluent is sitting in the creek.

MR. COWAN: Perhaps then, we should have that meeting sooner rather than later and I would ask my staff to attend and the Member for Kirkfield Park to attend and to bring with her residents of the area who have expressed those concerns to her and we can sit

down and review the options which are available to us during that meeting and by way of that discussion attempt to develop a system for monitoring and for taking action if necessary that will suit the needs of the area residents.

MRS. HAMMOND: Thank you Mr. Minister, I certainly will attempt to do that and I'll be in touch with your office to see what can be worked out as far as the meeting.

MR. FILMON: Mr. Chairman, I don't wish restate the case that has been very eloquently put forward by the Member for Kirkfield Park but just to cite an example of the kind of thing that can happen with respect to projections of time for filling of lagoons, I believe that the original projection for the need for discharge of the lagoon at Roblin was about a year from now or very close to a year from now and we were faced earlier this fall with the very emergent situation of the lagoon being almost full. Therefore the system that was being put in place for land disposal of the effluent was needed considerably earlier than originally projected and it may well be that the Minister in having the matter reviewed will find a similar incidence. So, I don't think that the member's concerns ought to be taken lightly and I know that he won't and I know that he has given that assurance.

I might also indicate that residents of the area, some month or two ago, phoned the Minister's office expressing concerns that have been raised tonight by the Member for Kirkfield Park and upon phoning the Minister's office, they were told a number of things by a representative of the Minister's office, one of which was that, firstly they couldn't give any assurances or any information to the residents of the St. James-Assiniboia area who were concerned about the project proceeding because of the fact that all the files had been taken by the former government and therefore they didn't have any information available to them to give answers, and obviously I know that the Minister is well aware that at least his Assistant Deputy-Minister and technical staff still had their files and could well have given the information to these people.

When a second call was made, sometime later and I would imagine that gave the staff the opportunity to look into it a little more closely, they were told that the lagoon had already been constructed and therefore the whole issue was finalized and nothing else could be done on the matter. They were obviously very concerned and they got in touch with the Member for Kirkfield Park and myself and I was able to give them the assurance that yes indeed, the lagoon had been built, in fact, it had been built prior to our leaving office but there was a time projection for the filling of the two cells of the lagoon and there was not a need for discharge for at least a year to two years, three years was the projection but certainly there didn't appear to be any concern that it would take place any sooner than this coming year.

So, there is a great deal of concern and it's the apprehension that the Minister has referred to and I would hope that by giving full and complete information as to the status of the project, a recalculation of the projections for the filling time for the two cells of

the lagoon and the need for discharge of the lagoon into whatever final repository takes place that the Minister will be able to assure those residents of the St. James-Assiniboia area as to just exactly needs to be done in order to help in the solution of their problem.

MR. COWAN: I thank the Member for Tuxedo for that information. I will check to see where the difficulty arose and I want the record to be clear that I've not had, nor have I experienced any difficulty in obtaining information which I thought was necessary to me as Minister responsible for the Environment. Not all the files were in the immediate office but that's never the case anyway and the files are certainly available to the Minister. If the Member for Tuxedo would relay that information on to those individuals and apologize on my behalf for them, I would appreciate that, and the Member for Kirkfield Park as well.

I will check into the incident to find out if, in fact, there are ways which we can correct that sort of problem. I don't think it was done in a malicious way. Perhaps they had looked for files and not found them in the immediate office and that was the reason for that sort of a statement, but I will certainly check into it and make certain that it is prevented as much as possible in the future.

We've been rising around this time, I wonder if there would be a disposition on the part of the committee to have committee rise now. We can continue if you wish, but I'd just suggest that it's probably an appropriate time.

MR. CHAIRMAN: Committee rise