

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, April 23, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 30 students, Grades 4 and 5 standing of the Fort Alexander School. These students are under the direction of Mr. Dram and Miss Freeman. This school is located in the constituency of the Honourable Member for Rupertsland, the Minister of Co-operative Development.

We also have 20 students, Grade 9 standing, of the Lorette Collegiate. These students are under the direction of Mr. R. Goulet. This school is located in the constituency of the Honourable Member for Springfield, the Minister of Tourism and Recreation.

We also have 10 students of First and Second Year standing of the Brandon University, under the leadership of Mrs. Grant. This university is located in the constituency of the Honourable Member for Brandon West.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister for the Insurance Corporation.

TABLING OF REPORTS AND ORDER FOR RETURN

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation) (St. George): Thank you, Mr. Speaker. I'd like to present to the House an Order for Return No. 6, by the Honourable Member for Minnedosa.

MR. SPEAKER: The Honourable Minister of Co-operative Development.

HON. HARVEY BOSTROM (Minister of Co-operative Development) (Rupertsland): Mr. Speaker, I submit the Annual Report of the Co-operative Promotion Board for the period ended March 31, 1974.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): My question normally would have been to the Attorney-General, he's not present, I'd like to address it to the First Minister. There has been a request by the Town of The Pas for an inquiry to the matters leading up to the fracas that occurred a few days ago, which would involve the whole problem of unrest within the area. I wonder if the government will consider this request and will allow an inquiry to take place.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I cannot confirm on behalf of the Attorney-General that such a request from the Town of The Pas has been received but I have no reason to suppose that it will not, and when it is received, then of course the matter will be considered by the Attorney-General and if there is any recommendation to the Lieutenant-Governor-in-Council, if one is necessary, then it will take place also. At this point in time, I cannot confirm, neither the receipt of the request, therefore much less any decision.

MR. SPIVAK: I wonder if I could direct a question then to the Minister of Corrections. I wonder if he can indicate whether the problem of probation officers within The Pas area has been brought to his attention in the past few months.

MR. SPEAKER: The Honourable Minister of Corrections.

HON. J.R. (BUD) BOYCE (Minister for Corrections and Rehabilitation) (Winnipeg Centre): Not by town council, Mr. Speaker. There are programs that we are proceeding with to try and alleviate some of the problems. There is a problem in the North and hopefully my estimates will be approved and allow us to attend to some of these.

MR. SPIVAK: Mr. Speaker, I have a question then for the Minister of Health and Social Development. I wonder if he can indicate whether the problem of the lack of social workers in the Community of The Pas has been brought to his attention.

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MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, no it hasn't.

MR. SPIVAK: Well, again to the First Minister. I wonder if he can indicate whether in the past few months the problems with respect to social workers, probation officers, and generally the problems of unrest within The Pas, has been brought to the attention of his government.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, only in the very limited sense, having to do with the social case workers being attached to the Kelsey School Division's requirements of social counselling, but not outside of that context.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, my question is to the Minister of Corrections. In view of the recent disturbance and the release to The Pas Town Council in the newspapers today, can the Minister advise where the plans now stand for the long-promised new jail facilities in The Pas?

MR. SPEAKER: The Honourable Minister of Corrections.

MR. BOYCE: Mr. Speaker, I was just handed a copy of this press clipping as I came in the door; I hadn't seen it or heard it earlier. But hopefully under my estimates that once again the House will approve those funds that I am requesting. I had planned on filing a copy of the Northern Committee on Corrections in this House, while it was an in-House document, it had been my intention to table it in the House during my estimates.

MR. BILTON: I understand the Minister to say then that construction of the jail will start this year.

MR. BOYCE: Mr. Speaker, I did not say that. I said that there were plans, that there are architects presently working on the facility program for the North which includes The Pas.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. In view of the public announcements and statements of the mayor and council of The Pas, I wonder if the First Minister would consider meeting with the officials to determine whether a formal inquiry should be undertaken.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, the question is with respect, I believe, a little anticipatory. We are to understand that the Town of The Pas is forwarding a communication to the Attorney-General, and naturally the Attorney-General will want to have an opportunity to peruse the communication and to consult with staff and to make some recommendation. So therefore it really is, it is premature obviously at this time to indicate in advance just what course of action will be followed.

MR. SPIVAK: Mr. Speaker, I have another question for the First Minister. There's been an announcement that there is an expansion planned for the Winnipeg Stadium and for the Winnipeg Arena. I wonder if he can indicate whether a request has been made for Provincial Government involvement and participation.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I think I should refer that to the Honourable the Minister of Urban Affairs. I cannot . . . well I'll put it in converse. I have not received any such communication but my colleague may have.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, I cannot recollect receiving that kind of communication. My memory however may not be exact and I'll undertake to see whether in fact such a communication was received.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): My question, Mr. Speaker, is to the Honourable Minister of Tourism, Recreation and Cultural Affairs. Can he advise the House whether he did meet this week with officials of the Manitoba Amateur Hockey Association, as he indicated he intended to do, on the subject of violence, particularly in minor hockey in Winnipeg.

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

## ORAL QUESTIONS

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I indicated in my answer to the honourable member later last week, I believe, or no, it was on Monday, that I was meeting with my officials on Tuesday, which I did, and I have received subsequently a report from my officials, from those involved directly with minor hockey, and those that have attended the one-day conference last weekend, and I do intend to meet in the future when I can have a date, a mutually accepted date with those officials given responsibility on the provincial level to sit down and discuss the problem with them, and more particularly the President of the Manitoba Amateur Hockey Association and the President equally of the Greater Winnipeg Minor Association, and equally those involved as referees in the Province of Manitoba, the chief referee and others. I haven't had this meeting; I'm hoping to have a date that's mutually acceptable. I have a report and a recommendation from my staff at this time.

MR. SHERMAN: A supplementary, Mr. Speaker. I thank the Minister for his information, and I would like to ask him whether in his meeting with his officials, to which he referred, did his officials convey to him the sense and direction of that particular seminar that took place on the weekend?

MR. TOUPIN: Yes, Mr. Speaker, I do have before me the consensus arrived at by the four panelists at the one-day convention last weekend, and it's their brief, but I do not want to take the time of the House unless I'm asked to, but I can make copies of this consensus available to any member of the House that's interested.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I have a number of questions I would like to answer that were in substance taken as notice by myself.

First I would like to relate to a question that was posed to me yesterday by the Honourable Member for Fort Garry in which to some extent my answer was not correct, and that was in relationship to the laying of charges insofar as the incidents at the university. And my words were, Mr. Speaker, the last report that I had is that possible charges against support staff were under review by officials in my department. I haven't received any reports in the last several days in this connection. I will check to see if there's been further progress, but to my knowledge there has been no decision to lay charges. And that was certainly to my knowledge at the time. Apparently charges have been laid against ten persons under charge of impeding other persons under Section 171 (a)(3) of the Criminal Code, 12 persons. Now at the same time as receiving that information within the last day or two, I have received numerous other complaints which have been forwarded to me by those that were present at the time of the alleged incident, complaints insofar as the conduct of the police were concerned, and I have requested the institution of a further review by senior members of my department to review all information they have at the present time; but at the present time charges were preferred as against 12 individuals.

Well, if I could just follow through with answers to other questions. The Honourable Member for Fort Rouge had asked a question in connection with the Liquor Control Commission and its plans in respect to River and Osborne. The Commission is leasing property, leasing space in the old Safeway store at River and Osborne. There is no construction to be carried on at that site. However renovations are presently under way and should, barring any unforeseen incidents, be completed by June the 15th this year. The outlet should have been ready two months ago, but apparently there were problems involving zoning.

Also questions have been raised in the last week, again by the Honourable Member for Fort Rouge, as to the existence of organized crime, and I indicated to the honourable member that I would update information which I had some months ago obtained from the RCMP and from the City of Winnipeg. Again, the emphasis that I've received in respect to correspondence from both police forces that it's questionable as to exactly what we all mean when we relate in our thinking to the words "organized crime". If we're thinking in terms of Maffia, or the sort of thing that we foresee under the type of Godfather type of organizations, international or inter-provincial in scope involving Maffia or crime syndicates of that nature. I've been assured that there is no one such organized crime in Manitoba.

However they do indicate that there are elements of what could be considered organized crime, when two or more individuals meet together in order to conspire together to decide upon a series of crimes in the areas of drug trafficking and bookkeeping, etc., and of course

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(MR. PAWLEY cont'd) . . . . needless to say the police forces are maintaining a constant vigilance for any growth or extension of that type of organized criminal activity.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I wish to thank the Honourable the Attorney-General for the information, the answer to my question. I'd like to ask him whether he can advise the House whether the group of persons now charged - and he incidentally referred to - includes any members of the striking union itself, or whether it merely includes sympathetic students?

MR. PAWLEY: Mr. Speaker, I have not seen the individual files personally, except to receive a comment to the extent that most, if not all those that were charged, were sympathizers rather than members of the striking union. There may be several that were members of the striking union, but apparently the majority were non union members that were so charged.

MR. SHERMAN: A supplementary, Mr. Speaker. Have the entreaties to the Minister to have the charges dropped or reconsidered come from the union itself or from other groups on campus?

MR. PAWLEY: Mr. Speaker, there have been no personal approaches to me in any way, shape, or form, to have the charges stayed. The only reference was, I believe, by way of the news media last night in which there had been such an indication that such a plea would be made to myself as Attorney-General. The references that I'd made were to a number of complaints that related to conduct by the police surrounding the events that gave rise to the charges that also will have to be examined and looked into.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I have a question for the Attorney-General. I wonder if the Attorney-General can indicate to the House that since we have some deplorable conditions around the Centennial Concert Hall and the Playhouse Theatre near the Market Street Liquor Store, is the Minister considering relocating that Liquor Store?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I was rather surprised to read that article on the front page of the Free Press today, because I had been receiving reports from time to time that in fact those that had forecast doom and problems relating to that store were in fact quite wrong, and these reports had been coming forth steadily. So I am very surprised now after receiving the information, as I say that I've received over the last number of months, to read the type of report on the front page of the Winnipeg Free Press. Needless to say, Mr. Speaker, that in view of that article I will certainly refer the article for comment and for enquiry as to whether there's any substance, or whether it's purely a gross exaggeration of the situation around the Market Street Liquor Store.

MR. PATRICK: Mr. Speaker, I wonder if the Honourable Minister would undertake to get a report if the article is correct, because in view of the three institutions, the Playhouse Theatre, the Centennial Concert Hall and the City Hall are great tourist attractions to this City, would the Minister undertake to get a report if the article is correct?

MR. PAWLEY: Mr. Speaker, certainly I am going to receive a report. The unfortunate thing is that I suppose that anyone that's inebriated and walks into the Concern Hall, that some way or other there'll be a connection made between that individual and the Market Street Liquor Store, which is most unfair; whereas . . . --(Interjection)-- In fact I understand that drinking takes place within the Concert Hall itself . . .

A MEMBER: That's where the drunkards are coming.

MR. PAWLEY: . . . so, I'm somewhat sensitive to sometimes the tendency for all the blame to be pitched upon the Liquor Store at the corner of Market and Main.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to just direct a question to the Minister of Mines and Natural Resources, and ask him if he has anything further to report on the flood conditions of the Souris River?

FLOOD REPORT

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I did deliver a report yesterday. I have nothing since yesterday.

## FLOOD REPORT

(MR. GREEN cont'd)

I do have something for the Member for Swan River, who asked a question about the situation in that area. The answer that I have received is that the ice jam has cleared itself, that six to seven houses which are located in Flood Plain have been affected as they have been affected in the past, and I give the answer so that it'll be on the record and I'll communicate the answer to the Member for Swan River when he gets into the House.

ORAL QUESTIONS cont'd

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is by way of a supplementary to the questions asked by the Member for Assiniboia to the Honourable Attorney-General. If relocation of that particular liquor store is being considered in keeping with . . .

MR. SPEAKER: Order please. Order please. Hypothetical.

MR. SHERMAN: When relocation of that particular liquor store is reconsidered, should that course of action be followed? In keeping with earlier requests of mine to the honourable gentleman, would he consider relocating it into the Fort Richmond shopping plaza in Fort Garry?

MR. SPEAKER: It's all hypothetical. Order please. Hypothetical. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I have a question for the Minister of Public Works. I wonder if he can indicate whether the province has any responsibility for security of the premises of the Lieutenant-Governor.

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works) (Elmwood): Mr. Speaker, we have a general responsibility for Government House.

MR. SPIVAK: Is that responsibility included in the responsibility for the premises, for this building? Is it included as part of the overall premises of the buildings located in the area of the Parliament grounds?

MR. DOERN: Again, Mr. Speaker, in a general sense, we do not have staff located in Government House, but are, as part of the government grounds I assume that it is sort of generally covered.

MR. SPIVAK: Mr. Speaker, through you to the Minister of Public Works. In view of the fact that there appears to have been a break-in into the Lieutenant-Governor's premises, I wonder if the Minister would be in a position to indicate whether the security is still being maintained as it was in the past, or whether there has in fact been any lapse of security with respect to those premises.

MR. DOERN: Mr. Speaker, I have not been informed of any such break-in or alleged break-in, but I have had no additional requests, and the kind of security has been as before, namely our own staff on the grounds, supplemented by commissionaires in the summertime.

MR. SPIVAK: I believe there is now information that such a break-in did occur, and I'm not in any way trying to suggest something that I believe to be incorrect. And I wonder then if the Minister would undertake to investigate this matter to determine whether in fact new provisions may have to be undertaken.

MR. DOERN: I'll certainly investigate the matter, Mr. Speaker.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I address my question to the Honourable the Minister of Labour. Can he tell us if his department has done anything by way of an offer of conciliation or other help with respect to the workers at the University of Manitoba and the management.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): The normal conduct of negotiations between the Department of Labour, its conciliation officers and those that are in dispute in the terms of collective agreements, Mr. Speaker, which are of course our responsibility.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker. Could we now proceed with the Adjourned Debates on Second Reading.

INTRODUCTION OF GUEST

MR. SPEAKER: Before we proceed, I should like to indicate in the loge to my left we have a past member of our Legislature, Mr. John Allard. We welcome you here today.

ORDERS OF THE DAY

MR. SPEAKER: Bill No. 15, proposed by the Honourable Attorney-General. The Honourable . . . Order please. Bill No. 15, proposed by the Honourable Attorney-General. The Honourable Member for Fort Rouge. (Stand)

Bill No. 16, proposed by the Honourable Minister of Mines. The Honourable Member for Riel. (Stand)

Bill No. 17, proposed by the Honourable Minister of Mines. The Honourable Member for Portage la Prairie.

The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY - CO-OPERATIVE DEVELOPMENT

MR. CHAIRMAN: I refer honourable members to their Estimate books, the new ones that we have, Page 5, Standard Accounts Classification Salaries, Wages and Fringe Benefits \$148, 700 - Pass. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, again I believe we're dealing with the salary of the Deputy Minister in this item, and I would like to if I can ask some specific questions of the Minister.

As I understand it the Deputy Minister is the head of the Co-operatives Loan and Loan Guarantee Board.

MR. BOSTROM: That is correct.

MR. SPIVAK: Or Chairman.

MR. BOSTROM: He is Chairman of the Loans and Loans Guarantee Board.

MR. SPIVAK: Chairman, I'm sorry. Now as I understand it the Co-operatives Loan and Loan Guarantee Board guarantee loans of the various co-operatives upon request that is made to them. And I wonder if the Minister can indicate at what point his deputy became aware of the fact that there was going to be a co-operative formed of the development officers, and when he, as Chairman of the Co-operatives Loan and Loan Guarantee Board, determined that a loan would be given to a co-operative formed of development officers?

MR. CHAIRMAN: The Honourable Minister of Co-operative Development.

MR. BOSTROM: Mr. Chairman, in answer to the first part of the question - I didn't quite catch the last part - but in answer to the first part of the question the organization referred to in the Auditor's Report as the Co-operative Federation, I believe, which I believe the honourable member is asking a question about, was in operation, to the deputy's understanding at least, was in operation at the time that he was appointed to the deputy's post in that department.

MR. SPIVAK: Well I wonder if the Minister could indicate the date upon which he was appointed so that we . . .

MR. BOSTROM: Mr. Chairman, the date is October 1, 1970.

MR. SPIVAK: Well I wonder if he could then indicate when the Co-operative Loan and Loan Guarantee Board authorized an amount of money to be guaranteed for the Co-operative Federation?

MR. BOSTROM: While my deputy is looking up the answer or getting the date for the honourable member, I would just like to continue if I could on the comments on the Estimates, and I believe we're dealing with administration, Mr. Chairman. With respect to administration I would like to make a few comments on the organization of the department.

In 1971 the Co-operative and Credit Union Services Branch of the Department of Agriculture became the Department of Co-operative Development. The Administration Branch was instituted in the 1972-73 fiscal year. The overall objectives of this branch, Mr. Chairman,

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(MR. BOSTROM cont'd) . . . . are to achieve greater responsiveness in the co-operative sector of the Province of Manitoba, provide leadership, assume and reflect a developmental role for the department as opposed to an exclusively mandatory-regulatory role, and provide management support services and control to the field operations of the department. The branch, Mr. Chairman, provides all services relating to the normal operations of a department. Such include accounting relating to income and expenditure, administrative services relating to purchasing and management and equipment, supplies and space, personnel management, preparation and management of a budget program, and project costing, analysis and control, as well as reports and summaries relating to administrative services.

Mr. Chairman, the Administration Branch of the Department of Co-operative Development administers the Co-operative Loans and Loans Guarantee Board, which the Honourable Leader of the Opposition has just referred to, and the Wheat Board Money Trust Act, a report of which I submitted, tabled in the Legislature today, the Co-operatives Promotion Board. Both of these Acts, Mr. Chairman, provide for appointed boards to carry out the responsibilities as set out therein. The Administration Branch of the department provides each with secretarial services, co-ordinates their programs throughout the department, provides accounting and advisory services relating to Guaranteed Loans and Securities and prepares reports as designated by these boards.

For many years now, Mr. Chairman, the department has been considering the co-operative legislation which the co-operatives in Manitoba are organized and governed by. The legislation that we operate under is that which is incorporated in the Manitoba Companies Act, in particular Part 10 of that Act. Mr. Chairman, Co-operatives have advocated that specific legislation for their regulation be brought forward because of their special nature and objectives pursued. Manitoba is yet one of the few provinces without precise co-operative legislation, that is a precise act relating specifically just to co-operatives.

In response to the need for comprehensive and yet permissive legislation for co-operatives, the Department of Co-operative Development has initiated a study and drafting proposal which at this point in time has reached the stages of proposed principles of a new Act. Mr. Chairman, the only reason that this Act is not coming forward at this time, in this Legislature, is that corporate legislation, particularly at the federal level, may be subjected to major changes in principle; in fact the Federal Government has provided us with the information that they are proposing legislation in this session of parliament on which any proposed Act at a provincial level would have to be based, and therefore if we were to proceed with a new Act at this time it would merely mean that a new Act may be very soon redundant with the passage of legislation at the federal level. Mr. Chairman, it was felt therefore that further consideration of a co-operative Act should be withheld until these major changes at the federal level are known.

Mr. Chairman, many questions have been asked in the Legislature with respect to the administration of the department, the administration procedures. I would like to refer to one service, the audit service of co-operatives which is contained in the Administration Branch. This service was begun in October, 1973 with the employment of a qualified auditor. I might point out, Mr. Chairman, that this is one of the items which I believe the Provincial Auditor referred to in his report as the kind of reorganization and restructuring that was taking place in the department as a result of a recognition of a need for improved checking, improved auditing. And as a result of a reorganization of the Co-operative Development Branch of the Department, Audit was subtracted from the General Program area of Development and inserted as an administrative function, as a support service to co-operatives. And, Mr. Chairman, it should be clearly distinguished that co-operatives are separate from the Department of Co-operative Development, that is something which honourable members opposite, and particularly the Leader of the Opposition, likes to confuse, likes to leave the impression that somehow the co-operatives in Manitoba and the Department of Co-operative Development are one and the same, and this is complete nonsense, Mr. Chairman, complete nonsense.

Mr. Chairman, the delivery of this new audit service became seriously impaired because time allotments remaining for audit purposes, due to other pressing priorities, corralled the attention of Co-operative Development officers. Therefore the department proceeded to review its audit policy and establish a comprehensive audit service that would be made available to all co-operatives in the development stages, all the co-operatives in the

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(MR. BOSTROM cont'd) . . . . development stages. And, Mr. Chairman, to existing co-operatives without a parent society that could offer such services. In other words, Mr. Chairman, this service is available in this new section of the Administrative Branch, the Audit Services section. The services are available to co-operatives that are unable to provide it themselves. And, Mr. Chairman, these are in many cases local co-operatives, small service groups that simply cannot afford the services of a chartered audit service. Most co-operatives in this category are northern co-operatives and non-affiliated co-operatives, such as the many service type co-operatives that are springing up in Manitoba; many of the new emerging co-operatives are able to avail themselves of this service.

And, Mr. Chairman, just as it provides a complete audit program for developing co-operatives, it also ensures adequate safeguards to the Co-operative Loans and Loans Guarantee Board by way of information on the financial state of the co-operatives concerned.

In other words, in the audit of co-operatives, Mr. Chairman, that have loans guaranteed by the Loans Guarantee Board, these audits are made available to the board so that the information can be studied and decisions made with respect to loans that are guaranteed by the Loans Guarantee Board.

Mr. Chairman, there are no specific or legal obligations to render this audit service to any co-operative. There's no specific or legal obligation, except in the circumstances where the co-operative is unable to obtain the service and there are no other resources available to it.

Mr. Chairman, I repeat that this service was begun in October, 1973 before any allegations were brought up in this House with respect to administration in the department.

Mr. Chairman, the fact that co-operatives receive grants or loan guarantees from provincial sources necessitated the department to re-emphasize the regulatory aspect of its programs, recognizing at the same time that this department has no real legislative authority to do audits, no real legislative authority to do any audits, except by dictate from the Registrar where no auditor is appointed by the co-operative membership.

Twenty-two audits, Mr. Chairman, were conducted or supervised during the 1973-74 fiscal period, while it's expected that some 43 will have been conducted during the 1974-75 period.

Mr. Chairman, with respect to the costs and fees for this audit service, at the present time the audits are conducted without charge for most co-operatives, since most could not afford to pay the kind of charges that are normally being demanded by firms of qualified professionals, who would normally have to travel to locations in northern remote points.

Nevertheless, Mr. Chairman, the department has done some work on the development of a fee schedule that would be equitable for all of our developing co-operatives. Over the next year it's expected all co-operatives where the department has commitments will be on an audit schedule, all co-operatives where the department has commitments will be on an audited schedule. This is consistent with the number of co-operatives being incorporated into the accounting process, the accounting program of the department. One thing that's expected to place a stress on this program, Mr. Chairman, are further requests from day-care centre co-operatives in the immediate future. Many of these are emerging at the present time and are requiring this service from the department. This, Mr. Chairman, is based on a normal increase in the number of co-operatives coming on-stream, and where alternative sources of service cannot be identified.

Mr. Chairman, my Deputy informs me that the question asked by the Honourable Leader of the Opposition with respect to the loan which established a Co-op Federation has been fully repaid, therefore, the report which we have here, does not show the date the loan was made. Now, from memory, Mr. Chairman, from memory, my Deputy believes that the loan was made in 1972.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: I'd like to ask a question of the Minister on that. If the loan was made in 1972, why did it not appear in the second Annual Report of the Co-operatives Loan and Loan Guarantee Board?

A MEMBER: A good question.

MR. BOSTROM: For the same reason, Mr. Chairman, that the loan was repaid. I don't



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(MR. BOSTROM cont'd) . . . . believe any further loans were made.

MR. SPIVAK: Then why would it appear in 1973?

Mr. Chairman, I would like to, if I may, make some other remarks, and ask the Minister to explain. He indicated that Co-operative Federation was organized in 1970. I'd like to read him three lines from the Provincial Auditor's report. Page 23, "We have audited the accounts of the operation" (dealing with the Co-operative Federation) "from its inception to its discontinuance early in 1974, a period of approximately two years duration. The following is a summary of the operations' transactions." Now, the Provincial Auditor is indicating that this was only in existence for two years. The answer given by the Minister was that it was in existence since 1970. The guarantee does not show in the audited statement of the Department of the Co-operatives Loan and Loan Guarantee Board of 1972-73. It appears in the statement, which was not filed, according to the Act, on time within this Legislature. It appears on the statement for the year ending March 31st, 1974, and shows it at \$92,000. Now I can read the contents again of what the Provincial Auditor has said, but it would seem to me, Mr. Chairman, that had there not been a provincial audit, auditor's survey in to the Department of Co-operative Development, knowledge of the loan guaranteed by the Co-operative Loans and Loan Guarantee Board it would not have come to public light.

Again I say to the Minister, how does he reconcile the answers that he's just given with the facts in the Provincial Auditor's report?

MR. BOSTROM: Mr. Chairman, I did indicate, I believe the record will show that it was not in the report which was checked by my Deputy, although he said from memory that he thought the loan was made in 1972, not 1970, so that that is consistent with the Auditor's Report . . .

MR. SPIVAK: Just on a point of order . . .

MR. BOSTROM: . . . who says, Mr. Chairman . . .

MR. SPIVAK: On a point of order, so that there's no confusion. We're talking about when the Co-operative Federation was formed. The answer given was in 1970. We then asked when the loan was given or guaranteed, and the Minister replied, "in 1972". Now, the Provincial Auditor, in referring to the Co-operative Federation, says, "We've audited the accounts for the operation from its inception to its discontinuance early in 1974, a period of approximately two years duration." And that information that . . .

MR. CHAIRMAN: Order, please. What's your point of order then?

MR. SPIVAK: Well the point - I want the Minister to understand, one was the question, and not to confuse his answer dealing with . . .

MR. CHAIRMAN: You're having a difference of opinion and that's not a point of order.

MR. SPIVAK: No, I wanted to explain the question that was asked . . .

MR. CHAIRMAN: Order please. That's the hassle we got into last night and gained the floor on pretenses of points of order or asking questions. We're not going to get involved with that again today. The Honourable Minister of Co-ops.

MR. BOSTROM: Mr. Chairman, I'm not quite sure what the Honourable Leader is referring to since I did say that it was believed, at least, that the loan was made in 1972. Now the Auditor's report refers to a period of two years duration, in which case he's referring to the period, I believe, 1972 to 1974, and in which case "the accounts of the operation from its inception to its discontinuance early in 1974" - to quote directly from the report - "a period of approximately two years duration", so that that would appear to substantiate the date which was replied to by memory.

MR. SPIVAK: Mr. Chairman, the Minister said, and he was receiving information from his Deputy, when the question was asked, "When was the Co-operative Federation formed"? he said, "In 1970" --(Interjection)-- from memory. From the Provincial Auditor it indicates that it was from its inception, which was two years before '74, so it was obviously '72. So that information was incorrect based on the Provincial Auditor's report.

The second thing is that, if the loan was granted in '72 it should have appeared on the 1972-73 report of the Co-operatives Loan and Loan Guarantee Board. The answer the Minister then gave was, "Well, it had been paid." If it had been paid why did it appear on the '73-74 board when he indicated that we have audited the accounts of the operation from its inception.

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(MR. SPIVAK cont'd)

Now, the other interesting thing, Mr. Chairman, is that they referred to \$92,000 in the report that was published for '73-74, and the Provincial Auditor says: "Furthermore the minutes of the board only indicate a guarantee for \$45,000." Now again, I ask the Minister, because the Deputy was in charge, at what point did the Deputy as part of the committee involved in the authorization and commitment of public money, commit money to a Development Corporation or a Co-operative formed of the development officers within the department, when did it take place? What was the amount? When was it paid? If it did take place in the period of 72-73, why was it not on the Annual Report?

. . . . . continued next page

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MR. CHAIRMAN: The Honourable Minister of Co-ops.

MR. BOSTROM: The answers are not at hand. I will indicate to take them as notice and attempt to answer the honourable leader.

In fact, Mr. Chairman, as referred to in the report which was tabled in the Legislature, of the Co-operative Loans and Loans Guarantee Board for the period ended March 31st, 1974, the report does refer to the Co-operative Federation, and refers to a guarantee of \$92,000, and a cancellation of same, which indicates that it was paid. And, Mr. Chairman, I would point out to the Honourable Leader of the Opposition that, in fact, the matter of the Co-operative Federation, although indicated in the Auditor's report was not set up on an incorporated basis, did not, however, reveal when checked by the Auditor, and also referred to in discussions in the Attorney-General's Department, did not reveal any loss of public moneys. There was no loss of public moneys involved. So that therefore, the dates that the honourable leader is referring to can be supplied. But these are small points I would say, Mr. Chairman, that can be cleared up.

MR. SPIVAK: Well, Mr. Chairman, the question that one has to raise is if the Provincial Auditor had not completed the investigation whether the Co-op Federation would have ever been discovered, because the fact is, on the public record when it should have appeared it did not. And for the record and because I think it's necessary to understand what the Provincial Auditor said, I'm going to read the full section, on Page 23. And it's not a question of whether there was or was not any public money lost, the question is, why this particular structure, which had no legal basis, which involved a conflict of interest, was allowed to exist and what charges, what charges took place with respect to the expense account involved in the purchases and expenses, and further to determine how in fact this operated. And I want to read what the Provincial Auditor says: "Supervisory employees of the Department of Co-operative Development commenced a bulk purchasing operation early in 1972." So we now should establish that it was '72, not '70, "of boats, motors, nets . . ." --(Interjection)--

MR. CHAIRMAN: The Honourable Minister of Co-ops.

MR. BOSTROM: I realize that the Honourable Member can read this into the record, and I have no objection to this because I believe that all questions of . . .

MR. CHAIRMAN: Order, please. What is the point of order?

MR. BOSTROM: . . . reasonable nature should be . . .

MR. CHAIRMAN: Order please. What is the point of order?

MR. BOSTROM: Okay, Mr. Chairman. On a point of order, the questions that the honourable leader seems to be implying in reference to this report could be more adequately answered, I would submit, by the Provincial Auditor. He had the opportunity in the Public Accounts.

MR. SPIVAK: Mr. Chairman, the Provincial Auditor will deal with accounting matters. I am now asking, through the Minister - his Deputy is present, to determine to try and find the timing and to understand the action of his department. And I wonder if I may complete what I began, and then again, recognizing that some questions may require some study, but other questions, I think, could be answered properly right now, try and determine and understand how the administration operated with respect to this particular matter: "Supervisory employees of the Department of Co-operative Development commenced a bulk purchasing operation early in 1972, of boats, motors, nets, snowmobiles, etc., for resale to co-operatives under the name of Co-operative Federation. The financing of working capital for the operation was by way of a bank loan guaranteed by the Co-operative Loans and Loan Guarantee Board," and as I've indicated, Mr. Chairman, it does not appear in the years 1972-73, and I asked the Minister to determine when that first bank loan was guaranteed. And I must say that this reconciliation is presented with the Deputy Minister as Chairman of this particular board.

"The aforementioned operation did not have a legal basis" - I'm quoting now from the Auditor's report - "and the guarantee by the Co-operative Loan and Loans Guarantee Board was not in compliance with its Act. Furthermore the minutes of the board only indicate a guarantee for \$45,000, whereas the employee involved in the operation who was the Secretary of the Board," and I ask the Minister to indicate who that person was, and I'm not asking him now, I'm asking at the conclusion of my remarks, "advised the bank that the board had authorized an increase in the guarantee to \$92,000 to cover a bank loan that at its highest level amounted to \$73,800."

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(MR. SPIVAK cont'd)

I point out then, in the submission to the House of the Annual Report for the years 1973-74, the sum of \$92,000 is shown, not \$45,000 as indicated in the Auditor's report.

"The bank loan was fully repaid from the proceeds of its operation. We have audited the accounts of the operation from its inception to its discontinuance early in 1974, a period of approximately two years duration. The following is a summary of the operations transactions: Sales and sundry income, \$322,254; Purchases and Expenses, \$312,102; Excess of Revenue over Expenditure, \$10,152. The excess of revenue over expenditure is represented by net assets being accounts receivable of \$7,923, and the collectibility of which is not known, and \$2,845 cash in the bank less accounts payable of \$616. Matters of legality of the operation of doubtful expenditures amounting to approximately \$2,900 which we had observed during the course of the audit, and of disposition of cash in the bank, accounts receivable and accounts payable have been reviewed with the Department of Co-operative Development and the Attorney-General's department, are presently under consideration."

Now prior to reading this, I asked certain questions and the information is too vague, Mr. Chairman, and I think the time has come for some more specific information to be given. As I understand it, the principals, who were the development officers involved, purchased on a bulk basis for resale to co-operatives which were under their supervision, either by way of power-of-attorney or as a result of direct management. I'm going to ask the Honourable Minister to indicate who were the members of the Co-operative Federation, and I want him to indicate to this House and list the names of the employees within the department who formed this Co-operative Federation; and I want to as well indicate, when he indicates the names, the involvement they may have had with any particular co-operative, as to whether they had the Power of Attorney of a particular co-operative or not. I want him to indicate the nature of the goods that were purchased, that were sold to them. I want him to indicate whether those goods were purchased in advance by the Co-operative Federation and then resold, or were orders taken that were bought through this structure. I want him to indicate as well how much private money was involved in the transactions, and how many members of the Co-operative Federation put their own money in it, and when they did that. I want him to indicate the expenses that were charged by his officials. I want him to indicate the travelling that took place at government expense with respect to this particular operation, and whether those expenses were charged to this operation. I want him to indicate whether any suppliers of any material paid for the expenses of any of the department people to travel around, or overseas, for the purchasing of any equipment. And then I want, Mr. Chairman, facts on the table for us to make an assessment of how this was allowed to continue, why it was allowed to continue, and why no action was undertaken -

MR. CHAIRMAN: The Honourable Minister of Co-operative Development.

MR. BOSTROM: Mr. Chairman, this matter as indicated, I believe, in this report, is still under consideration. It's presently under consideration by the Auditor and in consultation with the Attorney-General's Department. I don't know if it would be proper for me to give to the Honourable Leader of the Opposition and to in fact name individuals in this House that may in fact be under investigation in this section. --(Interjection)-- I'm saying that there are people that are under investigation, that this section here, this Co-operative Federation, is one of the matters which is not yet cleared up. In my discussions with the Provincial Auditor, Mr. Chairman, as I indicated last night, I referred to this section specifically, specifically asked the Auditor about the Co-operative Federation. And I'm sure the Honourable Leader of the Opposition has already also talked to the Auditor about this, and if not, he certainly has the right to do so. Now he also has the right to examine the Auditor in the committee of the Legislature which is set up for that purpose. Now in my discussions with the Provincial Auditor, he has indicated to me, to this point he finds no evidence of fraud. And those are the words that he has indicated to me.

There are still some questions, some clarification which both the Auditor, I believe, and possibly the Attorney-General's Department, some clarification required on a couple of transactions, and one of them is referred to in this report here, a matter of doubtful expenditures amounting to approximately \$2,900. Now I know from the comments made by the Honourable Leader of the Opposition that he has in fact discussed this with the Auditor. He knows clearly, he knows clearly what the Auditor's opinion is on this matter.

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MR. SPIVAK: Mr. Chairman, on a point . . .

MR. CHAIRMAN: A point of order.

MR. SPIVAK: I have not discussed this matter with the Provincial Auditor.

MR. BOSTROM: Well in that case, Mr. Chairman, I find it hard to believe, because if he is coming into this House and wanting to make implications on the basis of statements that are made in this section, then the responsibility of the position he holds should dictate to him, Mr. Chairman, it should dictate to him that he go to the Provincial Auditor and question him and query him on this point before he comes into this House and makes statements which by their very nature would allege, would imply, that there are fraudulent activities in this section.

Now, Mr. Chairman, I have talked to the Auditor, unlike the Honourable Leader of the Opposition who gets up in this House and says he's not talked to the Auditor. Mr. Chairman, I've talked to the Auditor, because I believe it's my responsibility to talk to the Auditor. I talked to him this week before I made the statements last night in the House that there was, up to this point in time, no evidence of fraud, no evidence of cheating, robbing, as the Honourable Leader of the Opposition has alleged, none of these. No evidence on any of these allegations to this point in time by the Provincial Auditor. And as I indicated last night, Mr. Chairman, and quoting from a report from the Attorney-General's Department, they refer to Section 9 of the Provincial Auditor's Act: "The Provincial Auditor, or anyone instructed by him in writing, may examine any person under oath, touching upon matters which are required to be investigated by the Provincial Auditor pursuant to matters under his review." And, Mr. Chairman, by instructions from the Minister of Finance of this government, this matter here is under review by the Provincial Auditor, and the Provincial Auditor has full right to call anyone he wants and in fact make that person testify under oath. And, Mr. Chairman, the individual involved here, which the Honourable Leader of the Opposition would like me to name, would like very much for me to name, is the individual that they are questioning with respect to this \$2,900.

Now, Mr. Chairman, the Honourable Leader of the Opposition can name him if he wants because he knows full well who I am talking about, and he can name him and he can make press headlines and he can have that person's name in the paper tomorrow, and in fact there will be slurs and aspersions put on that person that may in fact not be true, may not in the final analysis prove out to mean anything in legal terms.

Now, Mr. Chairman, I don't personally believe that it's responsible of me to name individuals in this House that are under investigation here. I believe that these people, their names, if there are charges to be made, will come out by the Provincial Auditor. In fact, the Provincial Auditor can be asked in committee who he's referring to in this report. And, Mr. Chairman, the Honourable Leader of the Opposition can go to the Provincial Auditor today and ask him himself who that person is.

MR. SPIVAK: Mr. Speaker, first of all I have spoken to the Provincial Auditor about his responsibilities privately, and I have been informed by him that it is his responsibility to bring to the attention of government, and not to the attention of the Opposition, any particulars of wrongdoing or any action which may be improper which can be corrected, and once it's corrected he may very well report in his report that this was brought to their attention, but he has no responsibility whatsoever to recite any details to myself or to any other member of the Opposition or to the members of the press. Now we're dealing with a young Minister who I think would like to hide, at this point, under the fact that there is still an investigation being completed. But the reality is, Mr. Chairman --(Interjection)-- Well this is a debating point, Mr. Chairman.

MR. CHAIRMAN: A point of privilege. The Honourable Minister of Co-operative Development.

MR. BOSTROM: I'm not trying to hide anything. As I indicated to the honourable member, I do not believe it's proper to name these people in the House.

MR. SPIVAK: The purpose of Estimates is for us to be able to obtain information. I have asked the Minister to give us the names of the development officers who formed their own co-operative. And I don't care whether there's an investigation being undertaken: we have a right, if in fact development officers or civil servants have formed their co-operatives, have acted in illegal manner - and the Provincial Auditor has indicated that - and a conflict of interest is involved --(Interjection)-- Yes. Read the Provincial Auditor's report. We have a right to ask who those people are. Now the Minister seems to want to impute that I have a particular

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(MR. SPIVAK cont'd) . . . . name. I don't. I'm here seeking information. I am also seeking information to determine the exact nature of control exercised by the development officers on the various co-operatives who purchased part of the bulk equipment, and I want to understand how this operation worked, I want to understand what private money was involved in terms of their own position, and, Mr. Chairman, we have a perfect right to ask this.

You know, if the Minister takes the position that because there's an investigation by the Provincial Auditor he has not an obligation to answer for the conduct of his own people, that's ridiculous. We are not in any way here to judge their actions, but this is a very unusual situation and reference has already been made to the Provincial Auditor. And I want to note, Mr. Chairman, that I never asked about the \$2,900 that he referred to here. I never asked about that at all. I asked a number of questions which are legitimate questions in which the government and the Minister have a responsibility to answer. And, Mr. Chairman, we are going to get answers in this House or we are going to be here a long long time. The Minister has a responsibility to answer those questions directly: who were the civil servants who formed the Co-operative Federation? And I don't care whether the Provincial Auditor or the Attorney-General or anybody else has investigated. I want to know what private money was put into this project; I want to know the co-operatives that were under their supervision and control and management - and we'll have a big argument as to whether they were or not but I want to know those who had the power of attorney - I want to know whether orders were taken in advance or equipment was bought first and then sold; I want to find out what expenses were charged with respect to this activity that were expenses on government time; I want to find out what suppliers provided any kind of expense money for these projects; and I want to find out all the details - and I must say to the Minister, we in this Legislature are entitled to that information from him.

MR. BOSTROM: Mr. Chairman, I would believe that normally names are not supplied in the Legislature in particular in this kind of case, where there are implications made, allegations made. Now, Mr. Chairman, the Honourable Leader of the Opposition is being very very polite and very nice today, and he was not so polite and not so nice when he was making these allegations last year in the session. He also brought forward names in that session, Mr. Chairman, named individuals, named individuals whose names had appeared in the press, and, Mr. Chairman, these individuals have not to this date been found guilty of anything. To this date neither of the individuals named were charged with anything.

Now, Mr. Chairman, the matter referred to in this section is under investigation. It's under investigation at the present time by the Provincial Auditor of this province in consultation with the Attorney-General's department. Now, Mr. Chairman, if I have to repeat this until it finally sinks in, I will continue to repeat it. Because, Mr. Chairman, it says in the Provincial Auditor's Act that the Provincial Auditor, or anyone instructed by him in writing, may examine any person under oath touching upon matters which are required to be investigated by the Provincial Auditor pursuant to matters under his review.

Mr. Chairman, this matter is under his review. This matter is under his investigation. And, Mr. Chairman, all of these things that the Honourable Leader of the Opposition is asking for will be supplied in due course, and, Mr. Chairman, I reject the implication that there is any kind of reluctance to give information. All I am saying, Mr. Chairman, is that I think it's only common decency, common decency by members of this Legislature, to not bandy about individuals' names, not bandy about individuals' names who are employed in the public service of this province, and in doing so imply that somehow these people are involved in some kind of criminal activity. Because, Mr. Chairman, to this point the charges of criminal activity that were made by the Leader of the Opposition in this House have not proven out to require any charges being laid.

Now, Mr. Chairman --(Interjection)-- You made the charges last session. Mr. Chairman, the Co-operative Federation, which he refers to here, has never . . . I don't believe anyone on our side has denied that this was not set up on an incorporated basis, that there was certainly irregularity to the way in which this was set up and the way it operated. But, Mr. Chairman, that is a far cry from illegality. It is a far cry from criminal activity, which is implied in the statements and allegations that are made by the Leader of the Opposition. Now, Mr. Chairman, he is being polite and he is being nice and I respect that. I believe that this is the way the debate should continue. If he will be polite and nice and inquire for information in a reasonable manner, then he'll get reasonable answers on this side.

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MR. CHAIRMAN: Order please. The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): . . . He was up.

MR. CHAIRMAN: Oh, the Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Chairman, aside from the Minister's opening remarks last night and the answer he gave us just this minute, I think there's a principle involved here, and if we allow this Minister to get away with stonewalling perfectly legitimate answers, then there's going to be something wrong. This means that every departmental Minister will be able to refuse questions, which will be something new in this Legislature.

MR. CHAIRMAN: The Honourable Minister on a point of privilege.

MR. BOSTROM: Point of privilege. I am not stonewalling. I have clearly indicated, clearly indicated that answers will be supplied to these in due course.

MR. G. JOHNSTON: Well, Mr. Chairman, when a Minister deliberately refuses to answer a series of questions, he may be able to say, "Well, there's one question here that I consider, because it involves an individual's name, and I will take that under advisement as to whether or not I'll answer it or not," but when he refuses to answer detailed questions about the operation of his department, then he's insulting this Legislature. He is insulting this Legislature. And if he thinks we on this side of the House are going to stand for that, he's got another think coming.

MR. BOSTROM: A point of privilege.

MR. CHAIRMAN: A point of privilege has been raised by the Honourable Minister of Co-operatives.

MR. BOSTROM: Mr. Chairman, on a point of privilege, I did not refuse. I repeat, I did not refuse.

A MEMBER: Give the answers then.

MR. BOSTROM: I clearly indicated that these answers would be supplied in due course, and if the honourable member wants to consider that as my taking them under advisement then he can take it as that, because that's what it is.

MR. CHAIRMAN: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: I understood, Mr. Chairman, the Minister to refuse point blank to answer any of the questions put to him by the Leader of the Official Opposition. Is that your understanding, Mr. Chairman?

MR. CHAIRMAN: No, that is not my understanding.

MR. G. JOHNSTON: Well that is my understanding.

MR. CHAIRMAN: The Honourable Minister of . . .

MR. G. JOHNSTON: He has softened his position . . .

MR. CHAIRMAN: Order please. You asked me what my understanding was. I will tell you what it is. If you don't want to hear it fine and dandy. And I don't want to start debating with honourable members. All I understood the Honourable Minister to say, that he was not going to reveal some person's name.

MR. G. JOHNSTON: Well then when I'm finished with my remarks I would ask the Leader of the Official Opposition to repeat his question and we'll listen more carefully to the Minister's remarks. I understood him now to have changed his position somewhat and say that in due course these answers will be supplied. Well, Mr. Chairman, due course I would think is under the estimates of the Minister's department, not six months from now or later in the session when his department has been passed. We want the answers before his estimates are passed by members on this side.

MR. BOSTROM: Mr. Chairman, would the honourable member permit a question.

MR. G. JOHNSTON: Yes.

MR. BOSTROM: Is the honourable member suggesting to me that I should supply the names of the public servants involved, that are indicated in the Auditor's Report here, to be under scrutiny at this time? Under some scrutiny. Is the honourable member suggesting - I would like a clear yes or no answer from him on that.

MR. CHAIRMAN: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Chairman, I think I just said a few minutes ago that if there was a question there involving the name of a person under investigation and the Minister wished to take that matter under advisement and let us know later whether or not he would give that, I accept that, but I do not accept the refusal to answer the series of questions posed by the

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(MR. G. JOHNSTON cont'd) . . . . Leader of the Official Opposition. Let me develop this for a moment.

I believe the Minister will recall a few weeks ago when we were in the Public Accounts Committee and I put a motion before the committee asking that one of the Provincial Auditor's recommendations be carried out in that committee this year, and the recommendation was to the effect that certain departmental managers as mentioned by the Provincial Auditor in his report of last year be required to appear before the Public Accounts Committee. So what happened, Mr. Chairman? I proposed the motion, after some considerable debate the government members voted it down and one of them said - I believe it was the Member for St. Johns, I believe he said - that the proper place for this is during the Minister's Estimates, or if it's another matter that was going to come before the Economic Development Committee you could ask those questions then and seek that information then. But the point was made by Government members that this matter would come up under the Estimates of the Minister. Now, Mr. Chairman, the Minister can't have it both ways. His side voted down the request, a recommendation by the Auditor-General saying in effect that you'll be able to ask those questions either of the Minister or in another committee. In this case, this is the department of the Minister, the questions in my opinion are legitimate and he should answer them. And I'd also like to remind the Minister that when he took his oath of office that he not only has the responsibility to certain people in his department or in his constituency, he has a responsibility to all the people of the province, regardless of how they voted, that he has a responsibility to all of the people of the province, not to a few individual friends or otherwise in the department, or to his constituents.

MR. CHAIRMAN: The Honourable Member from Morris.

MR. JORGENSEN: Mr. Chairman, one can only be a little bit amused at the performance of the Minister so far. You know when the Minister got his appointment we felt like we should congratulate him and wish him well and hope that his experience in this Chamber would be one that he could look back on as being a very profitable and a very fruitful one. Already, as far as I'm concerned, he's a bloody disaster. And first, you know he had the audacity to suggest to the Leader of the Opposition just a few moments ago that he should be very kind and very polite in the way he asks questions. After the way he introduced his estimates he has the nerve to ask a question like that. You know normally, sir, when the Minister introduces his estimates, what you expect to hear in that introduction is an accounting of his stewardship as a Minister, a resume of the programs and the policies and the hopes and the aspirations of that particular department. But what did we hear? We got a lecture on the co-operative movement which is so far outdated and so far removed from reality that it was laughable, and then the rest of the time we heard diatribe against the Leader of the Opposition for having the temerity and the audacity to even suggest that maybe, just maybe, there may be something wrong with the way that department is being conducted. And the very fact that the Minister chooses to have the Minister of Agriculture as his chief advisor is an indication of the kind of a support he seeks. Usually a man can be judged by the kind of people he surrounds himself with and the kind of advisors that he has. The very fact that he's got the Minister of Agriculture there is an indication to me, sir, that he's getting the worst kind of advice, the very worst kind of advice. And it is being reflected in the statements that he's making, because what we're getting from the new Minister, the one that I'm sure his Leader had such high hopes for, is the same kind of garbage that came out of the Minister of Agriculture last year on this same issue.

The Minister perhaps is not aware of the fact that he has a responsibility to this Chamber and to the people of this province, and that responsibility is accounting for his stewardship, and that involves answering questions that are asked in this Chamber, and not avoiding questions and not trying to slough them off on somebody else or hiding behind some obscure reason as he is attempting to do here now. The Minister is going to learn perhaps the hard way that he has a responsibility of informing the people of this House and the people of this province on what he is doing with their money, because it is their money that is being spent. And now his argument which was preceded last night by the suggestion that there was nothing wrong. If there's nothing wrong then what's wrong with answering the questions? The reason that he's not answering the questions is because he's not sure, and if he's not sure then he should start a little soul-searching of his own, then he should start examining his own department, and he has the responsibility for that department. If there's something wrong in that department he



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(MR. JORGENSEN cont'd) . . . . has a responsibility of correcting it, and if that means getting rid of the people who have caused the difficulty then he must take that step, but he in the final analysis is the one that has to answer and he can't hide behind his civil servants. He takes the responsibility. And don't give us that baloney about not naming civil servants, about hiding behind civil servants. It's the Minister who's on trial here, it's the Minister who is being questioned. And forget about hiding behind somebody else. Answer the questions and you'll get along a lot better in this Chamber and may even establish a reputation for himself. As it is now you've got no reputation because you've given no evidence in this House that you have any leadership whatsoever.

MR. CHAIRMAN: The Honourable Member for St. Johns.

MR. SAUL CHERNIACK, Q.C. (St. Johns): You know, Mr. Chairman, one has to fight often to attain respect in any community in which one lives or one works, but there are some members of this House whose respect I for one would not attempt to buy. In answer to the kind of speeches made, especially by the Member for Morris and to a . . . --(Interjection)-- Who else made a contribution there? --(Interjection)-- Oh, there is a member present who speaks so seldom that I have to find out what constituency - the Member for Gladstone who - and the Member for . . . Mr. Chairman, I didn't even get started and already they're getting aroused. So let's relax a little and maybe it would be just as well that I try to speak softly and slowly, slowly so that some can understand and softly so that some could relax and stop yelling.

The Member for Souris-Lansdowne hasn't participated yet and why he's all excited when I haven't even started I really don't know. And he's yelling again, Mr. Chairman. I haven't said a word yet and he's yelling at me and he hasn't said a word today that I'm aware of. So if he has a question to ask, to interrupt me, or if he has a proper point of order or privilege by all means, but just to sit there and yell is not helpful to anybody except possibly to some of the members of his party who would rather hear yelling than to hear some discussion.

Mr. Chairman, the Member for Morris used some words that surprised me. He used the word when reporting to this House on what he understood the Minister to say about the revealing of names, that for some "obscure reason," obscure reason, Mr. Chairman. Here is a parliamentarian from Morris, the man who is a satellite of John Diefenbaker, the man who sat in the House of Commons in Ottawa, the man who has been sitting here for a length of time, who is now indignantly saying "You have to answer. You are the one who must account. You are on trial."

Mr. Chairman, let me assure the Honourable Member for Morris that he cannot put the Minister on trial by his saying that he's on trial. The trial of the Minister is the one that he faces when he meets with his Caucus and with his Premier. That is his trial, --(interjection)-- Oh the Member for Birtle-Russell wants to make a contribution too. And the Member for Morris wants to make a contribution having made his speeches, having talked and talked and now wants to talk some more. And I'm just dealing with the word, what he used, obscure, and put the Minister of Co-operatives on trial. To me the Member for Morris is on trial for attempting now to say that the effort of the Minister not to give the names of any civil servants whose activities are now under investigation lest they be smirched, that that is what the Member for Morris calls obscure and that is what he criticizes. That's what he said, "for some obscure reason." And I refer to his parliamentary background because, I'm sure I haven't had as much detailed exposure to parliamentary procedure as the Member for Morris.

MR. JORGENSEN: That's obvious.

MR. CHERNIACK: That's obvious to him. It's also obvious to me that the Member for Morris is prepared to twist parliamentary procedure to suit him and to suit his mood. And his mood today was an unpleasant mood, and his mood today was to attack the Minister for what I understand is a parliamentary attitude; and that is, one does not discuss the names of people, especially in a House where one has the protection from any action. And when there is an investigation taking place, and we know it is, and the Minister says I'm not prepared to discuss the name of that person, the Member for Morris with all his great parliamentary background says that information should be given because the reason is obscure. Maybe it's obscure to him, maybe he doesn't understand, obviously he doesn't want to understand. And then he is saying the Minister can't hide behind a public civil servant. I am not aware that he's hiding behind anybody, he's standing here and he's answering questions. He's answering rude questions, he's answering insistent questions but there are some questions that he said that he

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(MR. CHERNIACK cont'd) . . . . doesn't have the information for. And I agree with the Member for Portage. I don't agree that every question thrown at the Minister must be answered, and he didn't say that. No, that's true he didn't say that. And I don't know that the Member for Portage has suggested that the names of the people who are still under a cloud of some kind should not be revealed. I don't think he suggested that be given, but he said answers should be given.

Well I've been here since we started on these estimates. I have heard the Minister say that he does not have the information available at his hand and will bring it back. Maybe the record will show differently but I certainly understood him to say it. And I believe he will give that information which is proper. And I would advise him - and he's been reminded more than once by members opposite that he is a young Minister, and obviously they mean both young and new - I would advise him not to rush forward with answers but that to consider the questions that were asked, not in the vein in which they were asked but in a realistic way, the questions that were asked which are properly asked to be responded to and respond to them. And I would ask him to take advice from parliamentarians whom he respects, and I would ask him to take advice from the Attorney-General who I believe is waiting for some reports in connection with some of the matters raised, and find out what is proper for him to respond to and what is not. What is proper he should respond to. And I believe he will. And to the extent that he needs any encouragement I give it to him.

Mr. Chairman, there's no doubt in my mind that the Leader of the Opposition - you remember when he broke the case last year, I think it was on this matter - Oh no, he broke the case on some other matter that most people have forgotten about. And now he is talking about this matter. He made a big enough fuss about it last year when indeed he did accuse people in government of not only improper, unethical but illegal activities of a criminal nature. Now I don't know whether he would support the fact that last year he did make accusations about criminality or suggesting criminality. He did not do it to my . . .

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Point of Order.

MR. CHERNIACK: By all means.

MR. SPIVAK: . . . or a point of privilege. If the question . . .

MR. CHERNIACK: You've got a point of order.

MR. SPIVAK: Are you suggesting the question of criminality was with respect to the Co-ops?

MR. CHAIRMAN: Point of Order.

MR. CHERNIACK: Mr. Chairman, I know I shouldn't need your protection but I think most people who debate in this House do need protection from the Leader of the Opposition who uses this phrase, "A point of order," like Senator McCarthy did when he was confronted with problems that he couldn't quite cope with. I wish the Member from Morris, who still poses as a parliamentary theoretician of that party, would have a serious talk with his Leader and tell him what a point of order is. It would be helpful.

Mr. Chairman, I'm talking about the fact that when I heard the Leader of the Opposition yesterday it seemed to me that he changed his tune from a year ago. It seemed to me that a year ago he was wide and heavy with his accusations. It seemed to me that he was demanding charges to be laid almost a moment after the words had dropped from his mouth. And it seemed to me that yesterday he was changing his tack and talking about what has been admitted time and time again, and that is that there have been bad administrative practices in this department. And the Minister said it yesterday. I know the Minister laid himself open by the way he counter-attacks both what was said a year ago and what he knew would be said immediately after he sat down, and that was a matter for his choice as his tactic. But he said yesterday that there are administrative matters that had to be corrected. And all that the Auditor-General has been telling us all along is that there have been administrative matters that have to be corrected, but he went further. He said they are in the process of being corrected. And the Minister yesterday spelled it out in greater detail. He talked about the audit function that has been established within the department. He's talked about administrative matters to be corrected. So we know now that that is on end, and the Auditor's report says so. And the Leader of the Opposition who was quoting from the Auditor's report has not quoted those sections to my recollection, the sections that report, almost in every case, the Auditor's comment that matters are being attended to.

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(MR. CHERNIACK cont'd)

I'm glad that the Leader of the Opposition did say that he has spoken to the Provincial Auditor, because I had the impression that slightly before he had said that, he denied talking to the Provincial Auditor. The fact is he has talked to the Provincial Auditor.

MR. SPIVAK: Mr. Chairman, on a point of privilege . . .

MR. CHAIRMAN: Point of privilege. The Honourable Leader of the Opposition.

MR. SPIVAK: I indicated to the Honourable Minister that I did not speak to the Provincial Auditor on this matter. I spoke to the Provincial Auditor, I spoke to him earlier last year before any representation was made into this House by myself with respect to this matter and other matters. Because, Mr. Chairman, just so the record will show, I want to . . .

MR. CHAIRMAN: Is this the point of order?

MR. SPIVAK: Yes. I want it on the . . .

MR. CHAIRMAN: Is that the point of order?

MR. SPIVAK: Yes. I want to understand how he operated.

MR. CHERNIACK: Mr. Chairman, I plead with the Leader of the Opposition, please if you have aspirations to lead, learn the rules of the House, so that you don't abuse them.

MR. SPIVAK: On a point of privilege. Mr. Chairman . . .

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: On a point of privilege, I rose, not on a point of . . .

MR. CHAIRMAN: Order please. Is it the same point of privilege or is it another point of privilege because you didn't have a point of privilege before.

MR. SPIVAK: Well, if you rule that I had no point of privilege before . . .

MR. CHAIRMAN: You had a difference of opinion.

MR. SPIVAK: Well if the Minister's entitled to misquote me, then this is fine, because that's in effect what he did.

MR. CHAIRMAN: He's interpreting your remarks. The Honourable Member for St. Johns.

MR. CHERNIACK: I think I was saying before I was interrupted that I was pleading with the Leader of the Opposition that if he purports to wish to be a leader, he should at least learn the rules of the House, and he thereupon proved how right I was in making that plea to him. So I can only repeat the plea to him. And I'm saying that he knows he has and has used, the right of access to the Provincial Auditor. Does he doubt, does he doubt the statement made by the Minister yesterday that the Auditor has to date been unable or has not found anything of a criminal nature in his investigations in this department?

A MEMBER: Can't find the books.

MR. CHERNIACK: I wonder who made that contribution about books. You know there are people, there are people opposite who are much more at ease speaking from their seats than when they stand, and now I would ask whoever that anonymous person is - and I don't know who it was - has he asked the Auditor how the Auditor could say that there is no evidence of criminality when he now says he couldn't find the books, because the fact is the Auditor's gone into that question too. And the fact is that the Auditor has stated that. And you can be as smart-alecky as you like, but don't throw around the position . . .

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

MR. DAVID BLAKE (Minnedosa): Mr. Chairman, I would inform the Minister I was not trying to be smart-alecky. It was indicated in the Auditor's report he had difficulty in tracing books and records, and I merely stated that.

MR. CHAIRMAN: Order please. That is not a point of order.

MR. CHERNIACK: Mr. Chairman, it's certainly not a point of order.

MR. CHAIRMAN: I did not recognize the honourable member's remarks in any case.

MR. BLAKE: Sorry about that, Mr. Chairman.

MR. CHAIRMAN: Order please. ORDER PLEASE! Now again we're getting back into the situation where we were last night, where people are gaining the floor through an illegal method. I would ask honourable members to read the rules and read Beauchesne. In fact an honourable member in times gone by had been named by a speaker for insisting in interrupting, interrupting to ask questions. Read your Beauchesne some time. The Honourable Member for Morris will bear me out on that.

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MR. SPEAKER: The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, it is interesting - I honestly didn't know who had hollered out about the books and I responded to an anonymous person opposite and he then identified himself, and maybe to that extent it's a matter of his privilege to decide whether or not to do it.

But I am saying that the Provincial Auditor, who has appeared before two meetings of the Public Accounts Committee, a committee which used to dispose of its business very quickly, but who appeared before two meetings, and I don't know if we passed Page 2. Maybe the anonymous person opposite would confirm that we may have passed Page 1 of the Auditor's report. I'm referring to the Chairman of the Committee who was conducting that affair. We have still before us in Public Accounts the very matters which are being asked here today. Are you aware of that, Mr. Chairman, that on Pages 18 or 19 or 20 something of the Auditor's report there is more specific reference to matters in this department, and there wasn't the slightest suggestion that they would not be discussed when we came to them, and that we have yet to come to them but that we haven't had the opportunity because there's been that much debate preceding it.

But setting that aside, Mr. Chairman, I heard the Minister say that he would look into the questions asked by the Leader of the Opposition. I believe he will, I urge him to do it. I urge him, however, not to answer any of the questions unless he has satisfied himself that they are properly asked and properly answered. I want him to respect the tradition, and I don't want him to name people whose names are under kind of investigation or any cloud. I think he owes it to them and I think we owe it to them, and I would urge him to be cautious in that respect.

Mr. Chairman, one other point I wanted to mention. You used the word, in reprimanding the Member for Minnedosa, you used the word that he was using a tactic that was illegal. And you were right. It was not a legal tactic according to the rules of this House. The Leader of the Opposition has used the word "illegal" when indeed he was speaking about the Auditor saying that something - I think it was the entity of a certain organization, I use that word loosely, as something that was set up, was not set up on a legal basis. I believe it's something to that effect that he said - not in a legal manner. And I suppose it's correct to say if it's not legal, that it must be illegal. But there are connotations to the word "illegal" which I would like to think the Leader of the Opposition is not lending to his use of the word "illegal", and that is that it is of a criminal nature.

Now I believe a year ago he would have said it was of a criminal nature, and today I think he's a little more cautious because he went out on a limb a year ago and to this date has not been able to substantiate his charges that attempted to fix a criminal aspect to what had gone on. And I think that when he used the word "illegal" today and referred to it as being in the report is the word - well now, I would ask him and invite him to interrupt me, if the word "illegal" is actually in that report. But of course he doesn't like to break the rules except when it suits him. And his advisor the Member of Morris helps to decide for him, when it suits him, when to break the rules or not. Well, fair game, fair game, Mr. Chairman. I'm under the impression that the word was that it was not set up on a legal basis, and you know, I accept the fact he can call it illegal. But if the word "illegal" appears there, I would like that drawn to my attention because I'd like to know its context and whether there's a suggestion of criminality. Because I too believe that to this date there has been no evidence of criminal actions within that department. I think that's terribly important. To put people under a cloud for administrative incompetence is not a nice thing to do, but it is a much worse thing to do to suggest a criminal act, especially against people who have no way of responding in this House. And I would like to think that we have already passed that stage, that we went through the stage of suggestions of criminal activities or of acts such as what should result in a charge in a criminal court. And I'm now talking about administrative procedures.

It would be a lot more helpful I think to this committee if the Leader of the Opposition or other members were to ask the Minister detailed questions about what the department is now doing to correct the administrative weaknesses that became apparent from last year. And I personally would like to know. I would like the Minister to tell us what is being done in order to see to it that sloppy administration is being corrected. I'd like to hear that, that's a positive thing. You're asking this Minister to account for his administration of his department, and if you ask for that then you would have to ask what has he done since he's come into this

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(MR. CHERNIACK cont'd) . . . . responsibility. And, you know, I'd like to hear the answer. I'd like to know what he is doing to see to it that there's an improvement. And at the same time I will not for a moment forget what he said yesterday, which to me had great meaning, and that is if you want to help people to learn to run an operation, you take a risk in having them run it and run it properly. When he related the losses to the benefits, that didn't to me justify the losses, but it did put them in a sense of proportion which I think is important. I think one has to stop to think about whether or not a viable operation is impossible in the North or whether we continue the old welfare policy operation. That's pretty important.

Now I don't at this stage want to get into a wrangle of name calling or of downgrading what went before, but let's talk about the future. Should there be an effort to establish co-operatives? Should there be loans? Should there be the possibility of losses because of bad administration? Or should we just wipe out this department and go back to doing nothing? Let's talk about that. Now I think there are members opposite who would want to do that, would want to discuss how we should deal with problems of the North in the future, and whether or not we believe in the co-operative movement and should we attempt to support the co-operative movement. I'd like to hear discussions of that nature. But I tell you gentlemen opposite that your leader is more interested in his efforts to becloud and besmirch the past than plan for the future, and I don't give you all that kind of a description. So I have to invite members other than the leader to talk about their hopes and aspirations for the North in terms of what this Department of Co-operative Development could do. It's fair to say that what they have done in the past that hasn't worked out, should be corrected. It's fair to say that what they have done in the past and weren't adequate, should be improved. But let's talk about what members opposite believe should be done, and there are supporters of the co-operative movement in the Conservative ranks; and there are people in the Conservative Party in this House who are concerned about the developments in the North. And I'd like to hear something positive coming from them at a time when we are supposed to be discussing programmatic problems. We are attempting to discuss what are the objectives, and we want to know about the past and I have said that I hope will give us answers. But let's not forget that we are not talking about the budget of moneys yet to be spent, programs yet to be developed.

I hope that after we are through with the vituperative debate that we have been having up to now, that members opposite will get down to pretty important discussions on their aspirations and hopes for the future. That I think will be much more helpful. I don't know if the Member for Morris is rising because he has a point of order or a matter of privilege, or whether he's rising because he's tired of sitting, but in any event I can assure him that I will not deliberately continue in order to prevent his contribution. I'm debating in my mind whether I should forecast the nature of his contribution. I just decided that by forecasting it I will in effect be forcing it in a certain direction; so rather than forecast it I think I'll just sit back and hear what contribution he has yet to make today on this matter of the department and its estimates for the coming year.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Chairman, I don't intend at any great length to respond to the Member for St. Johns, other than to say that he made a speech yesterday too, and of the two, the one he made today and the one he made yesterday, I don't know which one could be classified as the most ludicrous. Because in retrospect we know now what kind of material was in the speech that he made yesterday and perhaps, who knows, in retrospect tomorrow we will know what is contained in his speech today.

Mr. Chairman, it has been my experience that the manner in which a debate is conducted depends on the quality of the leadership in the House and the leadership that is provided is provided by the Minister whose estimates are being conducted through the House. They can be, as the Minister said, vituperative, they can be loud and they can be searching and they can be many other things. Yes, and they can also be very careful and a very calm analysis and examination of a Minister's department. But that depends on the Minister. And I don't like to use examples opposite for fear of slighting somebody, but the Minister of Highways on occasion and the Minister of Mines and Resources when he introduces his estimates very often sets the tone. He sets the tone because what he does is provide an analysis, an accounting of his stewardship which is something that we haven't got from that Minister. And if it's necessary to conduct a debate in a quiet and a calm manner the Minister can do that, he can do that by

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(MR. JORGENSEN cont'd) . . . . providing the answers that are asked to questions and providing an atmosphere that is conducive to a searching examination of his department.

I agree with the Member for St. Johns that we are concerned and we'd like to conduct an examination of this department, and a proper one. But it will depend on the Minister's attitude and if he continues in the state that he has started out in the conduct of his estimates, then he can rest assured the conduct of estimates in his department is going to be a pretty wild and a pretty woolly affair. I can guarantee him that. He wants to get his estimates through, and that should be the desire of every Minister to try and get his estimates through with as little furor as possible, and the way to do that is to submit to questioning and not act as though we have no right to ask questions, which is what the Minister is doing right at the moment. --(Interjection)-- Well now the Minister wants me to answer the questions. He is the one that's supposed to be answering the questions. I'll make a deal with the Minister: I'll be willing to submit to a question with him if he's willing to answer questions that we ask on this side of the House.

MR. CHAIRMAN: The Honourable Minister of Co-operative Affairs.

MR. BOSTROM: I'm perfectly willing to answer questions, Mr. Chairman, but my question of the honourable member is in relation to the questions asked by his Honourable Leader, and that is in reference to the Co-operative Federation and the report of the Provincial Auditor. Will the member answer me yes or no if he believes that I should provide in this House, right now, the names of the individuals under investigation by the Provincial Auditor and the Attorney-General's Department?

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Chairman, it is my view that the Minister has conduct of his own department and he can't - and that's the point that the Member for St. Johns happens to have overlooked - that the Minister can't on the one hand say that there's nothing wrong, that everything is fine in the department and then on the other hand say well I can't answer any questions because there may be an investigation, there may be something wrong. He can't have it both ways. Either there is or there isn't. The Minister of course is at liberty if he feels that there is good and sufficient reasons why certain questions - perhaps he doesn't know the answer - and since he's a new Minister I don't expect that at all times he's going to be in a position to be able to answer all the questions that are going to be asked and have them at his fingertips. We don't expect that of anybody. But legitimate questions that are asked in this Chamber require at least reasonable answers, and if answers cannot be provided then reasons why they cannot be provided should at least be given to this House. But not the kind of double-talk that the Minister's been giving us in this issue. That's one of the things that the Minister should learn, that that kind of double-talk will only provoke more questions, and if he wants to avoid that sort of thing then he's got a responsibility to be honest with this Chamber, and I suggest to him that getting advice from the Minister of Agriculture is the very worst possible place he could get it from.

A MEMBER: Ask the Premier about it.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Well the Minister has continually asked me to answer his questions. I've answered his question. I've answered his question. If there's nothing wrong then say so; if there is something wrong then you have a responsibility to deal with those people. They shouldn't even be in the department if they've committed something wrong. They should be . . . well my honourable friend says yes and no. You know how ridiculous can these . . . You know look at that group in the back bench over there. Just look at them. How ridiculous can they get, you know. The lambs led to the slaughter. It doesn't matter what the front bench do it's going to be a ready acceptance of whatever is done in the front bench. No questions asked whatsoever. They're right no matter what happens. That's the attitude of honourable gentlemen opposite.

Well, Mr. Chairman, the Minister has it within his own hands as to how his Estimates are going to be conducted in this House, and I am not going to give him any advice. I'm going to point out to him that he has control of that and how he handles it will depend on how his estimates get through the House.

MR. CHAIRMAN: The Honourable Minister of Co-operative Development.

MR. BOSTROM: Mr. Chairman, I appreciate the advice given me by the Member for Morris. I would have appreciated it even more, though, if he could have answered my question,

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(MR. BOSTROM cont'd) . . . . because the question I believe was germane to the questions that are before me at this time. The questions before me that are asked by the Honourable Leader of the Opposition are specifically names of the employees that were involved in the Co-operative Federation. He also asked me what expenses these same employees were charging in the duties they were carrying out with respect to the Co-operative Federation. He also asked me further questions about expenses in there. And as I've indicated, Mr. Chairman, these answers can be supplied in due course.

I was asking simply members opposite if they really believe that it's my responsibility to give the names of the individuals that are under investigation by the Provincial Auditor and the Attorney-General's Department. If they really think that that is the case I want them to stand up one by one and say yes or no to that question. And if honourable members opposite will do that then I can comply. I asked the Honourable Member for Portage la Prairie, and I would say it's to his credit, Mr. Chairman, it's to his credit that the advice he gave back to me was that if I felt there was something in there that perhaps would besmirch the character of these individuals that I should not make reference to names of individuals when they're still under investigation. I believe that's the answer he gave to me. And I would say, Mr. Chairman, that that is to his credit and I have a great deal of respect for the Honourable Member for Portage la Prairie.

Mr. Chairman, with respect to the contribution of the Honourable Member for Morris I believe that when he says it's my responsibility to not hide behind civil servants he's absolutely correct. But at the same time, Mr. Chairman, I believe it's a Minister's responsibility to support the public servants that are working in his department, and, Mr. Chairman, not to bring their names forward in a loose and frivolous fashion in this House, bandy them around so that their names appear in the press. Mr. Chairman, I believe it's my responsibility as a Minister to support the staff working in my department, and until such a time, Mr. Chairman, as I am convinced that there has been some wrongdoing on the part of servants in the department, of public servants working in the employ of the Province of Manitoba, that I will not bring their names forward here on the basis of allegations that have been put forward.

Mr. Chairman, the Honourable Member for Morris said that I have the opportunity to set the tone. Mr. Chairman, I'm very much interested in hearing the opinions and advice of members opposite with respect to these Estimates. I would submit, Mr. Chairman, that members opposite also have a responsibility to set the tone. Last session, Mr. Chairman, the tone was set for the Estimates of the Department of Co-operative Development, not by the Minister, not by the Minister of Agriculture, they were set by the Leader of the Opposition. Mr. Chairman, they started, I would say a month before the estimates came up. Mr. Chairman, there were 32 questions or 36 questions asked in one day in this House and they were all made in a form of allegation. Every one of those questions were answered, every one of those questions were answered, Mr. Chairman. And the criminal, the criminal element, the criminal charges that were levied by the Honourable Leader of the Opposition have not been substantiated, they have not been substantiated. And I say, Mr. Chairman, in closing I say, Mr. Chairman, that let's have a reasonable debate on this department, let's have a reasonable discussion and dialogue and let's not have this name calling, let's not have these charges being levelled unless there is solid evidence to back them up.

Mr. Chairman, I'm prepared to answer any questions that honourable members opposite want to make.

MR. CHAIRMAN: 4:30, the last hour of every day being Private Members' Hour, committee rise and report.

Committee rise. Call in the Speaker.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply has directed me to report progress and asks leave to sit again.

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

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Thompson that the report of the Committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: First item this afternoon, 'Private Members' Hour, is the Order for Return that's under debate. The Honourable Member for Fort Garry.

ORDER FOR RETURN

MR. SHERMAN: Mr. Speaker, when debate was interrupted on this Order for Return a week ago I was in the midst of emphasizing the point that here we have a request for some information about an expenditure in the neighbourhood of \$9, 000 and it's a request on which we can get no answers and no information from this Minister or this Government. And that seems to me to be particularly incredible and particularly cynical.

The expenditure is not large by Government standards, certainly by the standards of this government, nonetheless it should not be minimized, \$9, 271 is still a great deal of money, but in terms of the overall budget and spending program that we're looking at, it is to be sure a relatively insignificant amount of money. And yet for that amount of money we get the typical kind of performance that we've had all through this session from the Minister of Agriculture, a refusal to disclose, a refusal to meet the legitimate inquiries of the opposition and to provide information as to what it constitutes. And I was saying on that occasion, Mr. Speaker, that if this is the kind of response we get, if this is the kind of blind alley that we run into when we're seeking some information about an expenditure in the neighbourhood of \$9, 000, what can the opposition, what can the people of Manitoba look forward to if we are seeking information about an expenditure of \$90, 000 much less \$900, 000 or much less the \$1 billion that we're looking at in the overall program of the Government.

It augurs great difficulty indeed for the people of Manitoba when it comes to looking at the budget that is to be brought down in this House in a few days' time, when it comes to considering the overall spending program presented in the total estimates program, when we can't, Mr. Speaker, get a straightforward answer from this Minister to a legitimate question about an item that, as I suggest, is relatively small in size measured against the budget as a whole.

It's interesting to note, Mr. Speaker, that a few moments ago when the Minister of Co-operatives was refusing to provide answers to questions or to divulge information legitimately sought by my Leader and others during consideration of his Estimates, it's interesting to note that there was one particular member of the front benches opposite who moved over and sat beside him. And who should it be, Mr. Speaker, but the old master of the non-answer, the old master of evasion, the old master of silence in the face of legitimate questioning, the Minister of Agriculture, silent Sam. It was the Minister of Agriculture who moved over like the old wolf, the leader of the pack sat beside the young warrior, the neophyte, and instructed him or counselled him or at least set the example for him in maintaining silence and in refusing to meet questions of the opposition. And no one on that side could have a better teacher, Mr. Speaker. It certainly was an appropriate and a symbolic move I think. No one on that side could have a better teacher, a better example set for him in that area than the young Minister of Co-operatives received from the old wolf, the Minister of Agriculture. There they were sitting together staring down the opposition, refusing to concede that there were legitimate questions being asked. As my colleague from Lakeside suggests, we had a beautiful conspiracy of silence on the front benches in front of us, Mr. Speaker, and I must say that it was a performance worthy of the Minister of Agriculture who has set that kind of tone and that kind of example when we have asked him questions and desired information from his department, particularly in the area of his estimates, and specifically in these last two or three weeks with respect to the Order for Return introduced by the Member for Portage la Prairie and before us now.

So I was not surprised that we either had that kind of a combination or that we got the kind of non-cooperation and non-response from the Minister of Co-operatives that took place a few moments ago. For there, as I say, Mr. Speaker, was the silent Minister of Agriculture showing him how to do it. The Minister of Agriculture has steadfastly, and without budging from the adamant position of non-cooperation that he brought to this Order of Return when it first came into the House, steadfastly refused to concede that there is a legitimate question



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(MR. SHERMAN cont'd) . . . . perhaps involving government ethics and government morality involved in this particular Order for Return, Mr. Speaker.

As the Member for Portage has pointed out in his remarks, as my colleagues the Member for Lakeside, the Member for Morris, the Member for St. James have pointed out in debate on this Order for Return up to this point in time, the Government appears to have done something here that is not provided for under the legislation setting up the Milk Control Board, and yet the Minister has refused to even set our inquiries and our concerns at ease on that point.

We have pointed out that the Milk Control Board was not established in order to be the servant of a corporation, private or otherwise, seeking a particular goal or ambition of its own. We have pointed out that the legislation nowhere provided for the kind of publicly funded study, publicly funded inquiry as apparently is constituted by the item referred to in the Order for Return - the Whey Plant Proposal. But none of that has affected the Minister, Mr. Speaker, it's rolled off his back like the water off a duck's back. It hasn't persuaded him one degree to look at the ethics or the morality of what has been done here and satisfy the people of Manitoba through their representatives on this side of the House that all was kosher and all was above board. So he has got to live - if he's not prepared to concede the legitimacy of the request and provide the information asked for in the Order for Return before us, he's got to live with the continuing suspicion that the government has violated the legislation in question, that the government has in fact used the legislation setting up the Milk Control Board to pursue its own ends and that the government has under its own peculiar interpretation of that legislation used something in excess of \$9,000 of public money, taxpayers money, to pave the way for an enterprise of its own, to meet a particular ideology, to meet a particular philosophical goal which is intended to nail down the constituency of Selkirk for them politically and intended to reinforce their particular political position at the present time.

If he wants to live with that, Mr. Speaker, then he has to live with it and it's all well and good for him and his colleagues to respond with nervous laughter as they appear to be doing, but the question remains on the record and it remains on the record that he has ducked that question and refused either to face up to the question of morality in terms of the study and the proposal undertaken, or refused to even acknowledge that the people of Manitoba have a right to know that this was not mishandled and that the legislation was not advocated.

So we leave him with that on his own conscience, Mr. Speaker, and it would be interesting to see what may transpire in months and years ahead when members of this Legislature, including the Minister of Agriculture, face the electorate and face questions on the hustings in the next general election campaign, I would hope. I'm sure that there will be people in his audience who will ask him about the morality of what has been done here, will ask him what that \$9,271 was spent on, and if, as it appears to be, if it was spent on paving the way to build a plant to meet a political ideology and a political promise, and to reinforce a hold on a constituency, then what kind of faith in the ethics and the morality of the Minister and of the government can this side of the House and can the voters of Manitoba have when it comes to their total programming of application of spending funds?

Mr. Speaker, the Member for Lakeside in his remarks raised the question as to whether the Minister had sought the opinions of consumers or primary producers before deciding in his own mind to go ahead with this project associated with Crocus Foods at Selkirk. The question remains unanswered. The Minister of Agriculture has not told us of any instances in which he sought the opinions of the industry, in which he sought the opinions of the consumer. Lacking that kind of reassurance from the Minister, I suggest to him it's not unreasonable for us to conclude that the decision was made in a political back room, independent of what the consumers need or what they care about, independent of what the primary producers need or what they care about, independent of the consideration mentioned quite extensively by earlier speakers in this debate, of making sure that projects such as a whey plant, such as a milk-processing plant, are located close to the sources of supply so as not to put any more strain on that aspect of the agricultural industry than already exists. Independent of those considerations, this Minister has decided, provided he gets his DREE grant, as he admitted, to go ahead with the development related to Crocus Foods in Selkirk. So the only conclusion that we are left with and which we want to leave on the record failing a reasonable response and an attempted explanation by the Minister, Mr. Speaker, is that this decision was made in a political back room by the Minister and his political cronies to nail down that particular constituency and to

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(MR. SHERMAN cont'd) . . . . pursue a particular ideology which has, as its goal, the control by this government of authority over the dairy industry of Manitoba.

We leave that on the record at this point, Mr. Speaker, until the Minister decides to break with his practice of evasion and silence and non-answers, and accept the challenge of meeting those legitimate accusations. They are accusations, I concede, but they are legitimate accusations failing some kind of response from the Minister, failing some kind of attempt on his part to straighten the record out and to give satisfaction to the representatives of the people of Manitoba who sit on this side of the Chamber. Until he does something in that respect, until he responds to the Order for Return introduced by the Member for Portage, we can only conclude, Mr. Speaker, that it was a crass, ideological, political move, aimed at reinforcing the New Democratic Party in one particular constituency, and aimed at centralizing control over the dairy industry for their political ends.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: You know, Mr. Speaker, nothing amuses me more . . .

A MEMBER: Than the Minister of Labour.

MR. PAULLEY: Yes, than the Minister of Labour. Yes, I know you would, and I believe that you would be able to approach any proposition to a far greater degree if you sat on your fanny for the rest of the session. . .

MR. SPEAKER: Order please.

MR. PAULLEY: . . . because every time that you stand up, you put your mouth into deliberations. And, Mr. Speaker, I'm not standing in this House to hear from my friend the Member for Lansdowne-Killarney any criticism of a personal nature. I have learned, as indeed apparently my honourable friend from Souris-Lansdowne hasn't learned, that there is courtesy due to members of this Assembly.

A MEMBER: Why weren't you informed of this?

MR. PAULLEY: We may be able to fault, we may be able to fault . . .--(Interjections)--

MR. SPEAKER: Order please.

MR. PAULLEY: Yes, as a matter of fact, Mr. Speaker, I would suggest to my honourable friend that his head should be hanged, possibly a different way than he has inferred. And I would suggest to my honourable friend that if he continues to conduct himself as he is at the present time, that we will not have a mass hanging within this Assembly but his head will be hanged outside of this Assembly. And well deservedly so.

What I wanted to say at the offset, Mr. Speaker, is how I admire the approaches of the Honourable Member for Fort Garry in his approaches to the democratic process of government. My heart goes out to him because of his lack of knowledgeability of what democracy is all about. As a matter of fact, after having listened to him for a few moments this afternoon, one could not but come to the conclusion that there is no need in this democratic system of society that we believe in but that there should only be one party, that every article, that every investigation that is conducted into the affairs of state, should be combined efforts undertaken by a dictatorship as suggested by my honourable friend from Fort Garry; that no matter what happens, everyone should have the opportunity of being fully conversant with everything that is going on. From what he said this afternoon, he would not give license to a government even at an expenditure of some \$9,000, to investigate into ways and means of improving the economy of the province.

The other day when response was being made by the Honourable the Minister of Agriculture to the request of the Honourable Member for Portage for information in respect of Crocus Foods and an expenditure of 9,000-odd dollars, the Minister at that time said that there had been ample opportunity by the members of the Assembly to question he, the Minister, and his department, in respect of all aspects of the expenditure of the \$9,000-odd. Mr. Speaker, it was not done, but here, lo and behold, a year later it appears, it appears that apart from the intelligent approach of the Member for Fort Garry, the agricultural expert from Fort Garry has picked up what he now finds to be a red herring. Surely it is . . .

MR. SPEAKER: The Honourable Member for Portage la Prairie . . .

MR. G. JOHNSTON: . . . on a matter of privilege to correct the . . .

MR. SPEAKER: . . . state his matter of privilege.

MR. G. JOHNSTON: . . . statement made by the Minister. He stated that I had not attempted, I understand him to say, I had not attempted to obtain the information. I just

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(MR. G. JOHNSTON cont'd) . . . . want to inform the Honourable Minister that I asked the Minister of Agriculture, during his Estimates, for a copy of that proposal and he refused me.

MR. PAULLEY: That's right. I recognize that.

MR. SPEAKER: Order please. Incidentally, so as we won't get wrong, that was not a matter of privilege. That was an explanation. The Honourable Minister of Labour.

MR. PAULLEY: No, Mr. Speaker, I hope my honourable friend doesn't get me wrong. I was not referring to the Member for Portage. He may have done it. What I was inferring, that this year, following up the lead of the Honourable Member for Portage, the new-found agricultural expert of the municipality of the constituency of Fort Garry has discovered, in his own inimitable way, something that he would like to raise in order to establish himself as another expert in the field of agriculture, particularly pertaining to the questions that were asked previously by the Member for Portage la Prairie. So I hope that I did not lead my honourable friend from Portage la Prairie down the garden path, but I was trying to explain that while I recognize that he, as a member of this Assembly, quite legitimately had asked these questions, the cry has now been raised by the very knowledgeable Crocus Food expert from Fort Garry.

But my main point, Mr. Speaker, is that government is charged with the responsibility, and has been historically, of attempting to investigate into ways and means of enhancing the economy of the Province of Manitoba. I would suggest to the Honourable the Member for Portage that when his government was in power they did likewise. I suggest even the Conservative Party from time to time did attempt to find some methodology to enhance the well-being of the Province of Manitoba. I think that it will be agreed by a considerable majority of the members of this House that the Conservative Party of Manitoba failed, and failed miserably, to enhance the well-being of the Province of Manitoba, but I do give them the credit for attempting to do so. But they did it, Mr. Speaker, the same way as is being done at the present time, through internal investigations into ways and means in which things can be done to enhance the economy and for the betterment of the Province of Manitoba.

This afternoon we heard the Honourable Member for Fort Garry criticize this government for doing what had been done in the past by both Conservative and Liberal governments. Privileged information has historically been developed within the respective departments of government and have not been revealed. And this, Mr. Speaker, is the only way, I would suggest, that democracy can truly operate. Why do we meet? Why do we have various political parties if, on receipt of this information, it becomes available immediately to all concerned? We would be spending twice the time that we do in consideration of the estimates of the various departments of government. We would never know what is the correct decision.

In any parliamentary democracy, the onus is charged upon the respective administration to investigate, to consider, and to carry through their policies. It might well be that the Member for Portage la Prairie can have some legitimate criticism for the expenditure of \$9, 271 in this particular field, and I don't fault him for that. There's no fault at all. But I do fault him. I do fault the Opposition for saying that simply because this expenditure was made that it should become immediately available to the members in Opposition as well, in order that they may be in a position to criticize the desires of the Government of the Day. And that, to me, is the point that was raised by my colleague the Minister of Agriculture. On one hand, when the Estimates of the Department of Agriculture were considered a year or so ago, there was ample opportunity for a full debate into the legitimacy or otherwise of this expenditure. If memory serves me correctly, such did not transpire, but here we have this year, on the 23rd of April - which incidentally, Mr. Speaker, is St. George's Day - that instead of waving the red cross of Britain, the red cross on a white background, here is the Honourable the Member for Fort Garry attempting to raise another cross in order to confuse the due process of government which did emanate from the land of my native ancestors.

So I think, Mr. Speaker, that the Honourable the Minister of Agriculture is quite within due bound when he turns around and says that this is privileged internal information and should not be revealed to all and sundry in the House. It is not a new procedure; it is one that has been observed historically in the Legislature of the Province of Manitoba. And I think that the Government of Manitoba will be quite justified in rejecting the request of the Honourable the Member for Portage la Prairie despite the emotional appeal to be kind to him, the emotional appeal simply because it's St. George's Day, the emotional appeal of the Member for Fort Garry.

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MR. SPEAKER: Are you ready for the question? The Honourable Member for Portage la Prairie shall be closing debate.

MR. G. JOHNSTON: Mr. Speaker, I can't resist the opportunity to make a reply to a few of the points raised by my honourable friend the Minister of Labour. Usually when the honourable member has a weak case he can do a much better job than he did today, but I guess with the strain of this being St. George's Day and the strain of his problems yesterday, he can be forgiven for not presenting a stronger attempt than he usually makes. But I might remind the Minister that the matter that I raised by way of an Order for Return is contained in the Milk Control Board Annual Report of 1973-74 and it was tabled this Session. I presume it was tabled because legislation required it to be tabled in this Chamber, so we're not talking about an internal study made within a department, we're talking about a report that was made to the Legislature, namely the Milk Control Board Annual Report. And when the Minister says, well, he's surprised that nothing was said about this a year ago, we didn't know about it a year ago. We only knew about it when we received the report.

Now the Minister of Agriculture has stated - and I was sorry I wasn't in the House; I believe it was last week when he spoke to this resolution - but he said that we would have a chance to debate this matter in the future when he introduces a bill, if and when the government goes ahead. But, Mr. Speaker, let's examine the steps that the government has taken. First of all, the Department of Agriculture has forwarded a sum of money to the Milk Control Board to carry out the study. That's the first step. Then, by some unknown process, unknown to us on this side, a company is formed called Crocus Foods, and without any background, without any former experience to justify them in obtaining a loan, they all of a sudden receive a \$140,000 loan from the Manitoba Development Fund, which is very very strange. So we have two steps have taken place. First the study; then a sizeable loan - and we must remember that the Minister during his Estimates said that if they decide not to go ahead with the construction of the Crocus Food plant, then the \$140,000 will be a write-off to the MDF. He said that. Which I find very very strange, that seasoned businessmen who make up the Board of Directors of MDF would grant a loan under those circumstances, that if someone decided not to proceed, then the \$140,000 is going to become a write-off.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, so that there is no misunderstanding on that question, that is not the basis upon which the loan was granted. The MDF is assured payment in full from the government on that loan.

MR. G. JOHNSTON: Well, I thank the Minister of Mines for this revealing piece of information because I'm only going by what the Minister of Agriculture told us, and he told us during his Estimates that the \$140,000 would be a write-off if they didn't proceed.

MR. GREEN: If the Minister of Agriculture said what the honourable member has just said, it is not what he previously said. It may be a write-off, as other studies are write-offs, but it will not be a write-off for the Manitoba Development Corporation. They are to be repaid.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): I'm not sure whether the member is quoting me accurately. I know I said that it would be a write-off. Whether I said it would be a write-off of the MDC or the Government, I'm not aware of at the moment. It'll be a write-off if it is not proceeded with, but I'm not sure if I said the MDC.

MR. G. JOHNSTON: If my memory serves me, Mr. Speaker, the Minister said that the \$140,000 would be a write-off. He made no mention of the government guaranteeing the loan. The point I'm trying to make, Mr. Speaker, is the sequence of events that are leading up to the decision, which we have been given to understand by the Minister of Agriculture that if Crocus Foods gets the DREE grant they intend to proceed. Now I'm disturbed that the government would deny the information to the Opposition, namely the study, which was the first step. The second step has been taken; the company has been formed. They are financed by an MDF loan, and the first step has been spelled out by the Minister. We're talking about a plant upwards of \$8 million. Now the whole point of the Order for Return is for information for members on this side. We believe from what has been said by government members, particularly the Minister of Agriculture, that the government has every intention of going ahead if they get their DREE grant.

MR. SPEAKER: The Honourable Minister of Agriculture.

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MR. USKIW: . . . Mr. Chairman, on a point of privilege, that I assured the House that if the government decide to proceed, that they will have their opportunity to debate that decision. I did not say that that decision was made.

MR. G. JOHNSTON: Well, Mr. Speaker, when the government causes a company to be set up, guarantees a \$140,000 loan, we are not that simple-minded over here that we'd believe that they're just playing around. They have intentions of proceeding if they get the DREE loan. Oh yes. The members opposite say will they be able to debate it? After the fact. After the fact, and they know full well that's the case. The bill that the Minister of Agriculture intends to introduce, I submit, Mr. Speaker, is window-dressing. The decision has been made, the company's been formed, it's been advanced capital, and when they get their final okay in Ottawa they intend to go ahead.--(Interjection)--Yes. We'll have our chance to debate it after the fact. And I say that's not good enough. That's not good enough.

Mr. Speaker, I can recall when the First Minister, one of his public statements made when he formed the government, he said to the people of the province that he intended to run an open government. He intended to open up more than had happened under previous administrations and make information available to the people and also to the members of this House. And I say that this is not happening in this particular case. In this particular case, the government would lead members on this side to be very suspicious that they have something to conceal. If they can't table or make available a copy of a report that they are basing their decisions on, then I think members on this side have cause to be alarmed at the way the government's proceeding. In other words, one could well ask the question: "What has the government got to hide? What are they hiding?" If they're doing something for the good of the people of the province, they should be proud of it and they should explain it, or at least they should let be known the studies that led them to make the decision to form the company, Crocus Foods.

MR. USKIW: Mr. Speaker, I wonder if the member would yield the floor?

MR. G. JOHNSTON: Yes.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I wonder if the member would indicate to the House when a debate was entered into on something that had not yet been finally decided, when a debate was entered into on a study and well before a decision was made. I don't recall any investment of the Manitoba Development Corporation coming here for debate in advance of the project being launched. I recall a lot of debate after the project was launched, or during, but never in the time of consideration of the project.

MR. G. JOHNSTON: Well, Mr. Speaker, I will answer the question in this manner. If it was only the study had been made, I would say that the Minister is quite reasonable in that request, but the second step has been taken, the company has been formed; they have a loan to operate with and they have started into business whether or not the ground has been broken at the plant or not. So I am saying now that to debate it later is after the fact. Had we only been talking about the study, I can appreciate the Minister's point, but I don't appreciate it when they have formed the company and have a \$140,000 loan from MDF and the loan is guaranteed by the government.

If this proposal proceeds, there has been enough said in the dairy community, both by producers and by processors, to suggest that there's going to be a dislocation of some jobs. How many we don't know. We've heard of one plant that has talked to 50 employees. We have heard concerns expressed by members who are representing constituencies in western Manitoba and southern Manitoba, expressing concern that there will be a loss of jobs in their areas. So surely there should be a debate before the government takes the step after having had the proposal in their hands. And there was no opportunity for that debate. I have, and I told the Minister of Agriculture that I was going to write the Minister in Ottawa who is responsible for DREE grants, and I did. And I asked him, before he considered the loan would he be sure that there was an in-depth feasibility study carried out to see if there would be cause of loss of jobs and a dislocation in the industry. In other words, putting a plant up in Selkirk may employ a few hundred people, or a number of people, but at the same time it would cause losses of jobs in other areas of the province. Well I don't think that's a very good way to operate, and I don't like to see the government go into this thing the way they're going at it, asking us to debate after the fact without the information that they have.

QUESTION put, MOTION declared carried.

## ORDER FOR RETURN

MR. G. JOHNSTON: Ayes and Nays, Mr. Speaker.

MR. SPEAKER: Very well. Call in the members.

Order please. The motion before the House is the Order for Return by the Honourable Member for Portage la Prairie.

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

YEAS

Messrs:	Banman	F. Johnston
	Bilton	Jorgenson
	Blake	McGill
	Brown	McGregor
	Einarson	McKellar
	Enns	Minaker
	Ferguson	Patrick
	Graham	Sherman
	Henderson	Spivak
	G. Johnston	

NAYS

Messrs.	Adam	McBryde
	Barrow	Miller
	Bostrom	Osland
	Boyce	Paulley
	Cherniack	Pawley
	Derewianchuk	Petursson
	Desjardins	Schreyer
	Dillen	Shafransky
	Doern	Toupin
	Gottfried	Turnbull
	Green	Uruski
	Hanuschak	Uskiw
	Jenkins	Walding

MR. CLERK: Yeas 19; Nays 26.

MR. SPEAKER: In my opinion the Nays have it. I declare the motion lost.

Is the House prepared to carry on, or do they wish to call it 5:30? The hour of adjournment having been agreed upon, the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon. (Thursday)