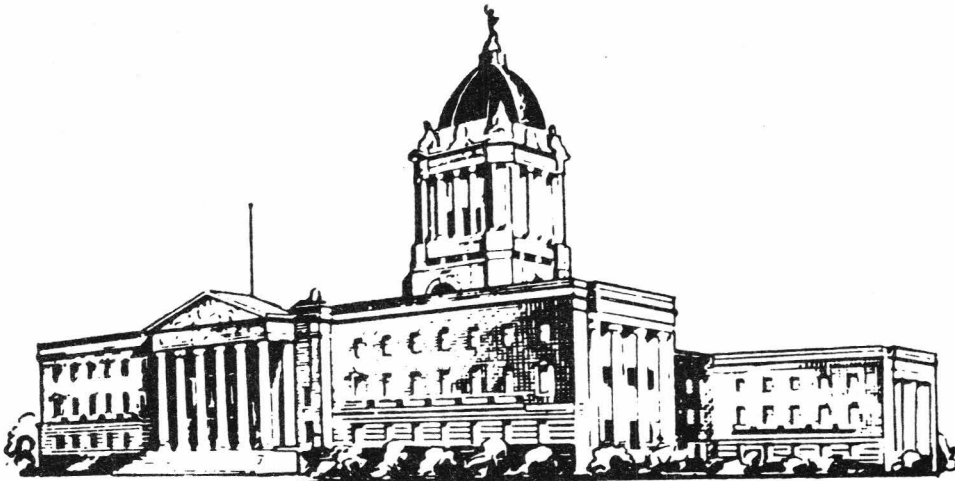




Third Session — Thirty-First Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

28 Elizabeth II

*Published under the
authority of
The Honourable Harry E. Graham
Speaker*



VOL. XXVII No. 81B

2:30 P.M. Wednesday, June 13, 1979

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 13, 1979

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Before we proceed, I should like to draw the honourable members attention to the Gallery, where we have numerous students from various schools. Unfortunately, I do not have the names of the various schools, but we welcome you all here this afternoon. Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Tourism.

HON. NORMA L. PRICE (Assiniboia): Mr. Speaker, I would like to table the Annual Report of the Legislative Library and the Provincial Archives for the calendar year 1978.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY: Mr. Speaker, my question is to the Attorney-General. Is the Attorney-General able to provide an answer to the question which was raised yesterday in connection with the sale of hamburger meat, it having been shown that in some instances apparently that that meat in fact was not beef?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.H. MERCIER (Osborne): No, I am not, Mr. Speaker. I hope to be able to do that very shortly.

MR. PAWLEY: A further supplementary question on the same matter to the Minister of Consumer Affairs. In view of the reports this morning involving the investigations and findings, that in a number of retail outlets throughout Canada, that hamburger has, in fact, been sold while that product has not been beef. Can the minister advise whether any information has come to his department of such sales in Manitoba?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. WARNER H. JORGENSON (Morris): Investigations have been made, a number of tests have been taken. They're in the process now, of analyzing those particular tests. My understanding is that two or three of them, or several of them I should say, I wouldn't want to identify a particular number, but several of them have been proved positive. In other words, they did contain traces of other meat than beef. Retests are now being taken to determine whether or not those were as a result of perhaps a deliberate attempt to mix portions of meat, or whether there were some other factors involved, but investigations are continuing.

MR. PAWLEY: Can the minister advise as to whether or not in the interim, in the period of time between now and the final test, whether or not any action has been taken to ensure that those outlets who appear to have had other than beef in their hamburger content are not presently selling such product prior to the final test.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. JORGENSON: I would think, Mr. Speaker, in the light of the knowledge that tests are being undertaken it would be sufficient to deter anyone who might have had those tendencies.

MR. SPEAKER: The Honourable Meer for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is directed to the Minister of Health. Over the last three months I have been asking the Minister to investigate private guest houses that provide room and board for senior citizens and others who can't get into government or non-profit personal care homes. I would like to ask the Minister if he can indicate if private guest homes are physically safe, hygienic, provide nutritious food and provide adequate health care for the people who have to stay in them?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker' unquestionably some of them are and do. I think that, unquestionably also, some of them aren't and don't, but we have completed a review or an inventory of guest homes in Winnipeg and in Manitoba generally, and certainly the subject is one that is receiving intensive study in my department. The honourable member will appreciate that we're talking here about privately operated residences. There is no obligation, contract or arrangement of any kind for the delivery of health services or anything of the like.

MR. PARASIUK: I have a supplementary to the Minister. Instead of compiling lists of guest homes, will the government immediately launch an investigation into the living conditions of these guest houses with a view to introducing licensing and regulations since this portion of the private sector providing health care can not adequately regulate itself?

MR. SHERMAN: Mr. Speaker, this is not a section of the area of the province that provides health care. Many people live in guest homes because they want to. Many people live in environments of their own choosing. It's true that other people are placed in guest homes, and certainly we have concern for the environment in which they live. The question of the honourable member borders on a massive bureaucratic machinery and a massive bureaucratic invasion of an area that thus far has been left to private operation. I'm not prepared to say that we are inclined to move in the manner in which he is suggesting. What we are inclined to do, and my office is doing, is studying the field to determine what might be done in a limited way.

MR. SPEAKER: The Honourable Member for Transcona with a final splimentary.

MR. PARASIUK: Yes, Mr. Speaker. Despite the laissez-faire attitude of the Minister, could he indicate if he's concerned that some of these guest houses lack smoke detectors, fire alarms, fire escapes, adequate toilet facilities and that they have faulty electrical wiring, that some have electrical fixtures with wiring exposed and that there are reports that residents are being sold from one guest house to another? Now, despite the laissez-faire attitude of the Minister, is he not concerned that citizens of Manitoba are being subject to that type of condition in the private sector that he doesn't want to regulate?

MR. SHERN: Mr. Speaker, I'm concerned that there are no doubt thousands of homes and houses and residences of this province that contain the same shortcomings as though referred to by the honourable member and related specifically to guest homes. This is no doubt and obviously a question of concern. There is no doubt a relative social blight involved here where some guest homes are concerned. There are many such blights, many such challenges which face us. I believe we can deal with the problem without necessarily acting in the kind of manner that is implicit in the honourable member's questions.

MR. SPEAKER: The Honourable Member for Transcona with a fourth question.

MR. PARASIUK: Yes, Mr. Speaker, I would like to ask the Minister if he can confirm that I first raised questions about guest houses when a death took place in one of them and that I've been asking the Minister to investigate guest houses for over three months now and that he has been showing no concern for investigating these guest houses but rather is interested solely in compiling lists or inventory lists of the number of guest houses in Winnipeg?

MR. SPEAKER: Order please. Order please. The honourable member was rising to make a statement rather than ask a question. This is the question period. The Honourable Member for Transcona.

MR. PARASIUK: . . . question. I would like the Minister to confirm whether or not I didn't first raise this matter some three months ago requesting urgent investigation from the government on this urgent matter?

MR. SHERMAN: I can confirm that, Mr. Speaker. I can also confirm that I raised the matter long before that incident with officials in my department, with our office of Residential Care, with the city of Winnipeg, and the record will show that we have been examining this question and compiling an inventory over the past many months. We are ready to now study the results of that inventory and accept advice as to what might be done to insure standards within the parameters of the kinds of freedoms of society that all of us on this side of the House believe in.

MR. PAWLEY: A supplementary. Did I hear the Minister correctly to excuse the lack of safety equipment of one form or another in the private guest homes in which the inhabitants therein are immobile with the fact that there are thousands of residences which also lack the same safety provisions despite the fact that in those residences the occupants are mobile?

MR. SHERMAN: I'm not sure, Mr. Speaker, whether I caught the full import of the Honourable Leader of the Opposition's question. If I understood it correctly what I said was the kinds of conditions alluded to by the Honourable Member for Transcona, exist I'm sure in thousands of residences throughout this province whether they are guest homes or not. Many private residences, I'm sure the Honourable Leader of the Opposition would concede, have those same shortcomings.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Well, Mr. Speaker, through you to the Minister of Health, I'm wondering if he is aware that two years ago the province of Manitoba was moving conjointly with the City of Winnipeg to undertake a system of supervision and licensing, and setting of standards for guest homes. Therefore it's two years since that was undertaken. Is the Minister now saying that despite the moves in that direction by the former government this government does not intend to continue that move?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No, I'm not saying we don't intend to continue that move, Mr. Speaker, what I'm saying is that we are studying the question, we are looking for advice and input from those in the field plus advice and input from the city of Winnipeg, particularly the Committee on the Environment, which is as fundamentally involved in this question as we are, and we have , been in close communication with the city and intend to do our best to resolve the question this summer, as to what kind of approach, what kind of policy might be undertaken to safeguard the safety of residents in these homes, without intruding on the rights of people in society to operate guest homes if they wish to.

MR. MILLER: Mr. Speaker, since many of the people living in guest homes are there because they've been directed there, through various placement agencies, due to the lack of personal care homes, does the minister not realize that 19 months, or even longer than that, of study has been more than adequate, and that the province should undertake what the city cannot undertake, setting of standards and the licensing of them?

MR. SPEAKER: Order please. Does the Honourable Member of Seven Oaks have a question?

MR. MILLER: I asked it.

MR. SHERMAN: Yes I realize that, Mr. Speaker, and the Honourable Member for Seven Oaks having once been the Minister of Health, should recognize the same problems that any Minister of Health recognizes in this area, that is, that as soon as you set standards you invite the problem of facilities that don't meet those standards. Then those facilities have to be closed; then those people are out on the street. —(Interjection)— Well, the Honourable Member for St. Johns says, "so". That

may be part of his philosophy, Mr. Speaker, throw them out mn the street. —(Interjection)— It's not part of our philosophy to throw them out on the street. What I'm simply suggesting, in response to the Member for Seven Oaks, is that he knows as well as I do that these problems are complex, that they include anomalies, and we haven't got all the anomalies resolved yet.

MR. MILLER: Mr. Speaker, certainly the Member for Seven Oaks knows the problem, and that's why a study was undertaken two years ago. But is the minister suggesting because a problem may ensue from action, therefore, no action should be taken, that people should live in miserable, impossible surroundings?

MR. SHERMAN: No, but I'm suggesting, Mr. Speaker, better the devil you know than the devil you don't know.

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

MR. SAUL CHERNIACK: Mr. Speaker, could I ask the Minister of Health that having stated that the accommodation is so inadequate, as he described it, would he not agree that it is time after 19 months, so that he should do what should have been done, what had to be done in order to prepare the way for an improvement of facilities, rather than accept the devil, which he seems prepared to live with?

MR. SHERMAN: I didn't describe the conditions as being deplorable in the universal sense that the Honourable Member for St. Johns implies, Mr. Speaker. It was the Member for Transcona who did, and I said that conditions of that kind can exist in other than guest homes. There are, in the guest home field, some very good guest homes. I would think, unquestionably, there are also some very poor ones, but we still have to consider the people who are in there, many who have elected by choice to live there —(Interjection)— Well, the honourable members can sneer at that, Mr. Speaker, they can sneer at that. The fact of the matter is that people by and large, in society, even those on social allowances, who are entitled to the same rights as anyone else, oftentimes, most of the time, pick and choose their accommodation. Who are we to tell them where to live? Who are we to tell them to get out because this particular facility doesn't measure up to our standards on St. Johns Avenue or Seven Oaks Avenue or Academy Road, or anywhere else, or Pembina Highway. We're not going to do that, Mr. Speaker. They're going to have their freedom of choice. We do want to ensure as much safety as possible. We're working at ways to ensure that.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker. I'd like to address a question to the Minister of Finance, who is responsible for the Manitoba Energy Council. Has the government in Manitoba prepared a position to present to the National Energy Board for the forthcoming hearings of that Board, respecting an application from gas producers in Alberta to increase the exports of relatively low-cost gas to the United States?

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Yes, Mr. Speaker, we have indicated our intent to intervene at the hearings and will be making representation.

MR. EVANS: Thank you, Mr. Speaker. I wonder if the Honourable Minister can advise the House whethe the government of Manitoba will either oppose or support such an application by Alberta gas producers to increase exports to the United States?

MR. CRAIK: Mr. Speaker, our basic position will be built around the principle that the guarantee of 30 year of deliverability to all of the present Canadian hookups, not just to the province of Alberta, and that will be our basic position that we will take to the Energy Board. We have some concerns that the present situation does not guarantee that; however, that remains to be seen. There's more information to yet be gained from it, but that is the basic position we'll be taking.

MR. SPEAKER: The Honourable Member for Brandon East with a final supplementary.

MR. EVANS: Well, a supplementary then, Mr. Speaker. Then I would take it that the Minister — I'm not quite clear by his answer — but would the Minister be telling the House that it is in the

best interests of Manitoba to support, for exale, the position of the province of Ontario, which is that it is not in the best interests of Canadian consumers, and therefore Manitoba consumers, to allow increases in cheap gas exports which will hasten the day when Canadians will require the higher cost gas from the frontier areas of the country.

MR. CRAIK: Well, Mr. Speaker, we're looking at all aspects of our proposal. It's not yet ready to go. We've indicated our intention to intervene at the general hearings in this particular case. Our position in general will be to protect the position of Manitoba, to guarantee both supply and price, and if we find that the original criteria set by the Energy Board, which was in part pretty much exactly the same as what the province of Manitoba presented as a desirable target at the last hearings, if they fall short of that with this proposed export we would not support the idea of any further export. We would have no hesitation in opposing it.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Cultural Affairs. Can she ensure the people of the province that the Royal Winnipeg Ballet will be in operation in the 1979-80 season?

MR. SPEAKER: The Honourable Minister of Tourism.

MRS. PRICE: I'm afraid I can't guarantee anything in that vein, Mr. Speaker. I can tell you that they are working very hard and I think a lot of adverse publicity that they had was very detrimental to them, but they are working very hard at this time to be in operation.

MR. SPEAKER: The Honourable Member for Elmwood with a supplementary.

MR. DOERN: Mr. Speaker, can the Minister indicate whether any attempt will be made to improve the salaries of the dancers who are apparently substantially below other companies in Canada?

MRS. PRICE: Mr. Speaker, I don't have a say over what the salaries are for the dancers. That's entirely up to their Board.

MR. SPEAKER: The Honourable Member for Elmwood with a final supplementary.

MR. DOERN: Mr. Speaker, in view of the —(Interjection)— I'm going to side-step that allegation. Mr. Speaker, I'd like to ask the Minister whether, in view of the problems of the company, namely half the company has resigned, there have been a number of administrative people who have resigned, will the Arts Council or the department offer any special assistance, financial or other, in an attempt to pull the company together and get them through this crisis?

MRS. PRICE: Mr. Speaker, it isn't really unusual for six or eight dancers to quit every season. It's just that it was magnified by the publicity that they got. But I'm sure that they will be back in operation, and the operating of their company is entirely up to them how they operate it.

MR. SPEAKER: The Honourable Member for Pembina.

MR. DON ORCHARD: Mr. Speaker, I have a question for the Minister of Agriculture. Does he have any up-to-date information on the strike vote on the west coast by the longshoremen, which has so drastically affected grain movement and grain shipments from western Canada?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, at this particular time I am checking out with the officials involved to see what the situation is but would be hopeful to alleviate the problems of grain movement through the west coast, would hope that it would be resolved very shortly.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Mr. Speaker, my question is to the Minister responsible for the Manitoba Telephone System. Can the Minister indicate how much money was spent to procure an ad in the Beer and Skits latest addition that was presented at the latest Beer and Skits presentation in the

City of Winnipeg?

MR. SPEAKER: The Honourable Minister responsible for Manitoba Telephones.

HON. EDWARD MCGILL (Brandon West): No, Mr. Speaker, I am unable to give the member that information.

MR. COWAN: Yes, thank you, Mr. Speaker. Well, whatever they spent, it was a waste of the taxpayers' money. I might add, Mr. Speaker, I would ask the Minister if he is prepared to take this opportunity to apologize for that ad, which I believe to be an affront to the women of this province and also an affront to the very hardworking and diligent telephone repair service. As that ad is in definite bad taste and an affront, is the Minister prepared to apologize for the Manitoba Telephone System placing such an ad in a publication?

MR. MCGILL: Mr. Speaker, the Member for Churchill is questioning a particular advertisement that was made by the Manitoba Telep System. All decisions and matters relating to the hone way in which the Manitoba Telephone System uses funds for that purpose are the responsibility of the management and the Board of Manitoba Telephone System and it is not the responsibility of the Minister to directly involve himself in such decisions.

MR. SPEAKER: The Honourable Member for Churchill with a final supplementary.

MR. COWAN: Yes, Mr. Speaker. Regardless of the Minister's attempt to disallow himself from ministerial responsibility in this regard, is the Minister then prepared to ignore the blatantly sexist comments of the First Leader and his colleagues in the front and back benches and issue a directive that the Manitoba Telephone System, for the matters of policy, should not make it a practice of incorporating sexes and ads that are in bad taste into any publication in this province, or any other province for that matter.

MR. MCGILL: Well, Mr. Speaker, the member is referring to a particular advertisement which I have not seen. He apparently has seen, and in his judgment this advertisement contravenes certain principles which he has adopted.

Mr. Speaker, I am not prepared to make any commitment with respect to that particular advertisement. I will have a look at the advertisement, if it's available, and endeavour to decide whether or not the member's point of view is one worth proceeding.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Speaker, I would like to . . . —(Interjections)—

MR. SPEAKER: Order, order please. Order please. The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Speaker, I would like to follow up on the question put to the Minister of Agriculture, from the Member for Pembina, and I would like to ask the Minister if he can tell us from what points in Manitoba's grain production area grain is shipped to west coast ports?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, the Member for Lac du Bonnet, I am sure, is quite well aware of the fact that the majority of our grain goes through the east port terminals, but we are looking at a total package of product that has to be moved in all directions. And I think it has an affect on the amount of grain that is moved out of this country. As far as the actual points, I think there is a minimal amount of rapeseed would find its way to the west coast ports, and maybe some of those other types of special crops. But in general the majority of it goes to the east ports.

MR. USKIN: Well, Mr. Speaker, since the Minister confirms that it has no direct impact on Manitoba grain shipments, I would ask the Minister is he would caucus with his colleagues so that they would stop bringing in hate propoganda against an agency or trade union that has no impact on grain deliveries in this province.

MR. DOWNEY: Mr. Speaker, I certainly will caucus with my members and I would certainly like

to inform the Member for Lac du Bonnet, who does know very little about the effect that it has on Manitoba farmers, it does have quite an effect on the farmers, in the longer term.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: A supplementary to the Minister of Agriculture. Does that mean that the Minister's answer to us is that he will caucus with his colleagues and tell them to continue the hate campaign that is being waged against trade unionists in British Columbia?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: I, Mr. Speaker, will continue to show the concern that has to be shown to the farmers of western Canada.

MR. GREEN: Mr. Speaker, in that concern, does the Minister believe that his colleagues should start a hate campaign against the employers of the employees who are not working in British Columbia?

MR. DOWNEY: No, Mr. Speaker.

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

MR. D. JAMES WALDING: Mr. Speaker, my question is for the Honourable Minister of Municipal Affairs. I would like to ask him if he has had any discussions with the City of Winnipeg concerning the Assiniboine Zoo and the possibility of levying entrance fees.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MERCIER: No, Mr. Speaker.

MR. WALDING: A supplementary question, Mr. Speaker. In view of the fact that the provincial government in its block funding provides more than enough funds to administer the Zoo, can the Honourable Minister assure the people of Manitoba that there will be no admission charges made for the Zoo?

MR. MERCIER: Mr. Speaker, in the \$30 million block grant funding to the City of Winnipeg, which was developed in accordance with principles of funding nine conditional grants previously to the City of Winnipeg, which included a sufficient amount of moneys to cover funding for Assiniboine Park and Zoo, and which was in fact about 1 percent more than the amount of the moneys the City of Winnipeg was asking for this year, there are sufficient moneys in there to cover the operation of Assiniboine Park and Zoo. Any decisions in the future with respect to whether or not any admittance fee would be imposed upon admittance to the Zoo is a decision of the City of Winnipeg Council.

MR. SPEAKER: The Honourable Member for St. Vital with a final supplementary.

MR. WALDING: Mr. Speaker, to the same Minister. In view of the fact that the province decided to fund that facility in order that the people of Manitoba would be able to enter without any fee, is the Minister now prepared to continue that assurance to the people of Manitoba that there will be no entrance fees levied on the Zoo?

MR. MERCIER: Mr. Speaker, that will be a decision of members of City of Winnipeg Council.

MR. SPEAKER: The Honourable Member for Pembina.

MR. DON ORCHARD: Mr. Speaker, a question for the Minister of Agriculture. Can the Minister of Agriculture confirm that the Canadian Wheat Board is responsible for international export of grains from both the west coast and Thunder Bay?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Yes, Mr. Speaker. The Canadian Wheat Board is responsible for the marketing of wheat, oats and barley in the international markets, from all ports of Canada.

MR. ORCHARD: Mr. Speaker, a supplementary to the Minister of Agriculture. In view of the fact that grain shipments from the west coast and commitments made by the Canadian Wheat Board are being missed because of the longshoremen's strike on the west coast, does that affect exports of all grains from all ports in Canada by the Canadian Wheat Board?

MR. DOWNEY: Yes, Mr. Speaker, and, as the Canadian Wheat Board have stated recently, they are already a million tons behind last year's shipments and it is very urgent.

MR. SPEAKER: The Honourable Member for Pembina with a final supplementary.

MR. ORCHARD: Thank you, Mr. Speaker, a final supplementary. Can the Minister confirm that that loss of export sales, because of the strike and other problems in the grain handling system, is probably going to cost western Canadian farmers and Manitoba farmers a total of \$200 million to \$300 million this year, which are lost from the balance of payments of the Canadian economy?

MR. DOWNEY: Mr. Speaker, there have been some estimates made of somewhat greater than that, due to the problems that are in the total grain handling and transportation system and it's one of the things that we, as a government, have been dealing with over the past few months and hope to continue to deal with the new federal government and resolve some of the problems.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. USKIW: Yes, Mr. Speaker. Could the Minister of Agriculture, and perhaps even the First Minister, indicate to this House what is the primary cause for the lack of grain movement to west coast ports or east coast ports, and that is the reason why the Canadian Wheat Board has had to hold back on sales? Can he give us the primary reason for the holdback on sales and can he confirm whether or not it is the total transportation system in Canada that has been the bottleneck for years now and the railways in particular, who have not supplied the box cars, and the fact, Mr. Chairman, that the Member for Pembina would like to shift that blame over onto a two week strike, confirms to you, Sir, the hate campaign that is being launched by members opposite.

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Mr. Speaker, I believe that somewhere in the rhetoric there was a question' and for the elucidation of the former socialist Minister of Agriculture, may I say, Mr. Speaker, that one part of his statement is quite correct, as the Minister of Agriculture, who understands farming now, as opposed to the one . . . If my honourable friend would prefer the now Minister of Agriculture who understands farming, I can clarify statement is quite that for him. What he said in one portion of his correct, that we have a total system, grain handling system of which labour is only one component, which is not capable of delivering our product to market. But what my honourable friends are blind to, I'm afraid in their doctrinaire frenzy, Mr. Speaker, trying to set themselves up as the only friend of labour, what s, they're blind to, Mr. Speaker, is thi that we had a twelve day strike for instance last year at the Port of Churchill which caused that port to loose — how many million bushels? — about 5 million bushels lost from that one port for a very short strike. Now there was a case where the strike by itself, not the railway cars, not the Wheat Board or anybody else could be blamed, it was the strike, and it was labour and management. Because strikes are caused by two parties, by labour and management.

Mr. Speaker, what I am saying to my honourable friends and what I've said so often is that it is the job of government, and if I may say so the job of a responsible opposition as well, to consider the total public interest. And the total public interest in Canada today, in western Canada in particular but on the national scale as well, dictates that no private dispute between management and labour should be allowed to cripple an industry that is so fundamentally important to the well-being of all Canadians, and in particular the well-being of western Canadian farmers and Manitoba farmers.

So I hope that my honourable friend will realize that while he might like to kick up a little bit of a storm and please his friend! in the CLC and so on, that really we on this side of the House in any case understand what the public interest is and we will act in support of that public interest which in this case means a quick resolution to a strike which is crippling a fundamental industry

which is important for the future benefit of all Canadians.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a supplementary.

MR. USKIW: Mr. Speaker, I would like to ask the First Minister whether he wouldn't consider it a positive move to have a caucus with his members on the question of grain transportation and grain handling, including labour and management, and whether he wouldn't put on the agenda the fact that his members have always attacked one side of the ledger, but have so far failed to attack the other side, Mr. Speaker, and that is that we have had a strike in this country for at least 10 years now by the railway companies who have refused to renew box cars because they refuse to haul grain at the present rate and therefore that has caused the bottleneck that has been a problem to the prairies now for a decade. It's been a strike, it's been a lockout, Mr. Speaker. It was a lockout for 10 years but there hasn't been one question from that side of the House about what this government is trying to do about a railway company lockout.

MR. SPEAKER: Is there any inclination to adjourn debate at this point? The Honourable First Minister.

MR. LYON: Mr. Speaker, in view of the fact that we are nearing the blessed end of this Session, I'm sure, Sir, that you're not paying as close attention to the fine rules as you would ordinarily do, but with your permission, Sir, I would merely say to my honourable friend two things:

No. 1 — When there is grain in the terminals, as there is at the present time and the ships can't be loaded, that has nothing to do with railway box cars or anything else. That has to do with the labour and management dispute; and

No. 2 — Mr. Speaker, that unlike our honourable friends opposite, this government has tried to take initiatives with respect to the whole grain handling and transportation system, covering, Mr. Speaker, all aspects of that. All aspects: The shortcomings of the wheatboard; the shortcomings of private industry; the shortcomings of the railroads; the shortcomings of all of the people in the system because we realize here on this side of the House, even if my honourable friends don't, that you have to have a co-operative action among all of the participants right from the farmer on through to the man who loads the grain onto the ships, and until you get that kind of a mood going, then Canada is not going to be able to realize the almost unlimited potential that we have to market a grain, or to market grains which are in world wide demand at escalating prices.

Now, Mr. Speaker, if there is anything wrong with members on this side of the House or indeed on the other side of the House questioning why that fundamental trade is held up, I would like to know what's wrong about it. And it's not a question of hate mongering or anything at all, it's a question of paying some positive attention to the public interest in this country and getting one of our biggest industries moving again.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a final question.

MR. USKIW: Yes, Mr. Speaker. Given the fact, Mr. Speaker, that members opposite have asked this government to move in a way that would end the strike at the west coast ports, and that they legislate labour back to work, I would ask the First Minister whether he would consider convening a conference of Prairie Ministers and the federal Minister to determine whether they can legislate the CNR and the CPR back to work because they have been on strike for 10 years?

MR. LYON: Mr. Speaker, perhaps I should refresh the honourable member's memory. I announced last week and I tabled in the House a copy of a telex that went from the chairman of the Western Premier's Conference, Premier Bennett of British Columbia, speaking on behalf of Premier Lougheed of Alberta, Premier Blakeney of Saskatchewan, and the Premier of Manitoba, in which he requested that the federal government take whatever action was possible at the time to bring an end to the stoppage. . . wasn't talking about legislating people back to work or anything else although that is the ultimate remedy that has to be applied if proper bargaining cannot be achieved. And, Mr. Speaker, may I say that that is the proper remedy to be applied in labour management dispute where the public interest is suffering. Let's make that perfectly clear, and let's make it equally clear, Mr. Speaker, that the socialist Premier of Saskatchewan agrees with that position, the Conservative Premier of Alberta, the Social Credit Premier of British Columbia, and the Conservative Premier of Manitoba, and so do the vast majority of the people of Manitoba, notwithstanding what my socialist friends opposite may think.

MR. SPEAKER: Order please. The hour for Question Period having expired, we'll proceed with

the Orders of the Day.

ORDERS OF THE DAY

MR. JORGENSEN: I wonder, Mr. Speaker, if we may now proceed to a more formal debate. I wonder, Mr. Speaker, if you would call Bill No. 68 and then 69.

SECOND READING

BILL NO. 68 — THE STATUTE LAW AMENDMENT ACT, 1979 (2)

MR. MERCIER presented Bill No. 68, The Statute Law Amendment Act, 1979 (2) for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Well, Mr. Speaker, when the bill was distributed there was also distributed with it an explanation of the individual sections of the Act. Those that are considered to be of a substantive nature are marked with an asterisk with an explanation in order to more fully bring them to the attention of individual members. Mr. Speaker, I would point out that at Law Amendments Committee there will be some clerical errors corrected with respect to Section 4, Section 77(a) of the Child Welfare Act after the word "director" will be added "or society"; and to Section 10 of the Act — pardon me, Section 9 of the Act to 10(1)(a) which in the second line reads "Subsection 5", that will be changed to Subsection 6 as it will also be changed in Section 7 — 10(2) from Subsection 5 to Subsection 6.

Mr. Speaker, I think that is sufficient. The explanation, the written explanation has been sent out to individual members and perhaps the bill could be explored in greater depth at Law Amendment Committee.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Kildonan.

MR. PETER FOX: Mr. Speaker, I move, seconded by the Honourable Member for Lac du Bonnet that debate be adjourned.

MOTION presented and carried.

BILL NO. 69 — AN ACT TO AMEND THE ELECTORAL DIVISIONS ACT

MR. LYON presented Bill No. 69, An Act to Amend the Electoral Divisions Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, this bill will not require any lengthy words of explanation because of course it encompasses the report of the Electoral Boundaries Commission which was received by the government last December 12th, I believe it was, and subsequently tabled in the House at the beginning of the session.

I would at the outset, however, Sir, like to take the opportunity to, on behalf of the government and the people of the province, to thank the Commissioners, Chief Justice Freedman, the president of the University of Manitoba and the distinguished Clerk of our House, the Chief Electoral Officer as well for the work that they did in the preparation of these boundaries. Mr. Speaker, I think they worked diligently and hard and with all of the fallibilities that humans have they came up with probably as good a set of boundaries as any similar group of three of us might have done, although I realize that on both sides of the House there will be reservations to that statement.

There are anomalies in every set of boundaries that are laid down for provincial election purposes. There are bound to be anomalies. There are bound to be situations that individual members, be they urban members, rural members, northern members or whatever, will find disagreement with. It serves no useful or constructive purpose for me to outline some of the anomalies as seen through

our eyes. I'm sure that my honourable friends opposite will be able equally to point out some of the anomalies as seen from their eyes. But on balance this is the way such bills must be considered, on balance it represents a fair, workmanlike job for a very difficult kind of delineation of electoral boundaries.

I bring to the House's attention, Mr. Speaker, the fact that the Electoral Boundaries Commission did make certain observations in the course of its report with respect to the House at some time giving consideration to a possible enlargement of the number of seats perhaps for consideration as they were saying, for the next redistribution. I would think that that is a matter that should receive some serious attention on all sides of the House, because of course, as the province continues to grow the 57 seats that we have had now for some 20 or 25 years has remained constant, with the resultant effect, of course, that the number of constituents to be represented, particularly in urban seats as well as in rural seats, continues to grow.

So without making any position of the government, or without taking any position of the government, I would suggest that all members of the House — because this is really a House matter, it's not a partisan matter at all — all members of the House should give consideration to that report and read the report carefully, because there are some interesting and I think constructive observations in the report.

What we are dealing with here, though, Sir, is the end result of that report, the delineation of the boundaries for the 57 seats. The bill appears, of course, as a schedule to the Electoral Divisions Act. It would repeal the present schedule which encompasses the present boundaries and, according to the advice I have had, would come into effect on the dissolution of the present Legislature of Manitoba. It is for that reason, of course, that it stated in the final section of the bill that the bill comes into force on Royal proclamation.

I commend the bill to the House, Mr. Speaker, and will look forward to any questions or clarifications that I may attempt to answer with assistance.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I would like to simply add words from this side in commending those that formed part of the Boundaries Commission report. We too are very pleased with the work that was done, the impartiality that was demonstrated, and though it is true there will be parts of the report that I'm sure different members will find areas that they would take exception to, in general, I believe, that we, certainly on this side of the House like on the other side, on the government side, have found this report to be well done and to be fair. And I believe in that way it stands in sharp contrast to the practice which is followed in some other provinces. We avoid, in Manitoba, the accusation of gerrymandering because we have confidence in the mechanism which is established by way of our legislation in order to deal with the reforming of boundaries every ten years. And insofar as the present report and the legislation before us, it certainly is no exception to that.

From the First Minister's comments, I then gather that there has been no change from the recommendations. Of course we have not had opportunity to check the various legal descriptions in detail, but from the First Minister's comments I believe I can safely conclude then that there is no change whatsoever from the recommendations of the Boundaries Commission. And in understanding that then, Mr. Speaker, I want to indicate that the opposition fully accepts the report, and thus is fully in support of the bill which is before us, and we would wish to expedite the process of that legislation so that it can take effect upon proclamation, which certainly is understood due to the fact that it will take effect just prior to the next general provincial election. And I suppose if it were proclaimed earlier than that, then there would be some complications in the event of by-elections. So, we're fully in support of the legislation, Mr. Speaker, and our members will give whole-hearted endorsement to the bill, with that understanding, of course, that the bill and the legal definitions that are included therein, are precisely as per the recommendations of the Commission.

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

MR. LYON: Mr. Speaker, in response to the Leader of the Opposition, I can say only this, that the instructions were to prepare the bill, in accordance with the Boundaries, as set forth by the Electoral Boundaries Commission Report. I have not, personally, read every line and compared every line in the 57 seats, but I can say that on the best information and belief that I have, according to the best advice that I can receive, that the boundaries do coincide exactly with those as set forth in the Electoral Boundaries Commission.

Now, I'll put the usual lawyers proviso —(Interjection)— Charleswood's in Inkster. I'll put the usual legal proviso in, Mr. Speaker, that subject to typographical errors or other changes that may have inadvertently taken place, which we can examine more closely if it is the desire of the House, in Committee, but those were the instructions. The bill, I believe, has appeared in accordance with those instructions, to follow the report, and if there in wording, we can certainly make sure that are any divergencies found they're cleared in the committee stage, and the maps will be available as well, Mr. Speaker. And, of course, bringing the bill in at this time when we are not, all things being equal, contemplating the early dissolution of the Legislature, we will have other opportunities to make those long-winded comparisons, and if any anomaly or amendment appears to be required, of course, it can be then done. And I think that answers my honourable friend's question.

QUESTION put, MOTION carried.

ADJOURNED DEBATES — SECOND READINGS

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Well, Mr. Speaker, I wonder if you would call Bill No. 41. That's the Private Members' Bill that I would like to process so that it can be dealt with in committee.

MR. SPEAKER: Bill No. 41, An Act to amend An Act to incorporate United Health Services Corporation. It has been standing in the name of the Honourable Member for Wellington.

MR. FOX: Yes, Mr. Speaker. In view of the fact that the Honourable Member for Wellington is not able to be present today, I have confirmed that it can go past econd Reading.

QUESTION put, MOTION carried.

MR. JORGENSON: Bill No. 39, 57, 59 and 60.

BILL NO, 39, THE STATUTE LAW AMENDMENT ACT, 1979

MR. SPEAKER: The Honourable Member for Kildonan.

MR. FOX: Mr. Speaker, if we can have this matter stand; if any other member wishes to speak, they can be my guest.

MR. SPEAKER: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Speaker. There is just one section of this ominous bill that I wanted to, omnibus instead of ominous. Now, although it is an ominous section of an omnibus bill we'll get — it right yet — that I'd like to make comment on, and it will take me just one moment. I assure you that I will be briefer in my comments this afternoon than I was this morning. Although it may take me as long to find the proper section, as the amount of time I used up this morning, if I can have the indulgence for just one moment.

No. 12, which refers to Clause 6(1)(a) of The Fatality Inquiries Act — I would just like to make brief comment, that there is a change here that appears upon my initial reading, to limit the circumstances under which an inquiry of a fatality would be held, and I note that the Act is amended by striking out the words "unexplained or sudden manner" and substituting therefor the words "or unexplained manner or suddenly of unknown cause". And I would just wish to bring forth a couple of examples where I think this would act to the detriment of, in specific, working people in this province.

As you know now, and it's a topic that we discussed during the question period earlier in the session, that if there's a fatality in a mine, and for an example, let us say that a bulk of loose or rock fell on a miner and resulted in a fatality of that miner or that miner and other miners, we would automatically have an inquiry under under the old Act because it was unexplained no, but it was in a sudden manner, yes. If a work person was working underneath a piece of machinery and it was a mobile piece of machinery that happened to back over that person, that again would come under the provisions and would require an inquiry because it was in a sudden manner, although both are explained — both are very explainable; they're quite obvious what happened. But what is not quite so obvious is why it happened. One could say the brakes failed on a machine; one could say that proper shoring of the loose was not accomplished, but that does not explain why

proper shoring was not accomplished, or why the brakes were faulty, and not repaired or not found to be faulty, and subsequently repaired. So there is a need for an inquiry in instances of that nature.

Now what we have, according to the amendment, it must be unexplained manner, which neither those cases would be, or suddenly of unknown cause, which neither of those cases would be, because the cause in both instances would be 'known. Now, why do I make that point, if we know why the fatality occurred, if it is of an explainable nature, why should one want to go through the expense and the time-consuming process of an inquiry. Well, because what we have to be concerned place. This has to be of with is preventing fatalities in the work utmost concern, not only to members of this side, but to members of that side, to members of the government, utmost concern to the people of the province as a whole. And many times, although it is blatantly apparent why a fatality occurred, the causes behind that, the reasons that that situation was allowed to exist that resulted in a fatality, are not so apparent. And the inquiry in the past has acted as a method by which we could investigate those causes. We could go back beyond the actual occurrence of a fatality and we could investigate the reasons behind. And that is very important because as a result of those investigations, reports were made, recommendations were made, improvements were made. I'm not trying to justify another bureaucratic process. I'm trying to justify a process that has, in the past, proven to be an effective means of preventing possible and future fatalities in the work places.

So, I think it's important that we allow that process to continue unhindered. I think it's important that we encourage that to happen' So I am somewhat upset that this amendment may add to the detriment of that process. It may mean that, over a period of time, that people will start to say, well, we know that's an explainable cause, sudden, yes, but explainable, so we don't need the inquiry. And if that starts to happen, then we will start to lose that very important examination of the fatality that occurred and how, most important, not to assess blame; but, most importantly, not to explain cause but to lead to recommendations that may prevent future occurrences of that nature. And it has acted in the past as that sort of a vehicle; it would act in the future as that sort of a vehicle, so I have to argue against taking it out of the Act.

The second subsection 18(12) subsection (2), which is subsection 18(1) amendment, says that a judge, I believe it is, it says "and shall issue a subpoena for any witnesses required by a Crown Attorney or the Crown Counsel", and that is being struck from the amendment, which means that the judge no longer has to issue that subpoena but may, upon the judge's own discretion issue that subpoena. If I am reading the Act correctly — and I may stand corrected on this because I lack some of the expertise and experience that one should have before publicly dealing with detailed amendments of this nature — but it has been my information that that, again, will act to the detriment of the whole inquiry's process. We do have a problem in this area with what witnesses should be required to attend inquiries and give evidence before inquiries but that this does not in any way ameliorate the problem that we have but does tend to intensify the problem that we have, and will act to the detriment of those inquiries that are held, which will probably be fewer because of the preceding change in the Act.

So that, very briefly, is all the time that I wish to take to discuss what I consider to be an important matter, and I don't want anyone to infer because I have not spent a large amount of time discussing it that it is not important, but I do feel that we can discuss it better during the Committee readings and therefore would not wish to take any more of the time of the House on this matter but just to bring it to their attention; and also to bring to the House's attention some of the objections to that specific change in this ominous section of an omnibus bill. Thank you.

MR. SPEAKER: Is it agreed, then, that the bill shall stand in the name of the Honourable Member for Kildonan? (Agreed)

BILL NO. 57, AN ACT TO AMEND THE METALLIC MINERALS ROYALTY ACT

MR. SPEAKER: Bill No. 57, An Act to amend The Metallic Minerals Royalty Act. The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. I only wish to add a few words to the debate on this particular subject because I believe arguments have been heard on both sides regarding the relative merits or the drawbacks of the particular piece of legislation that we have in front of us.

I suppose, first of all, that one would have to agree that the objective of the Minister, of the government, is admirable inasmuch as, I believe, they are interested in further mining development in the Province of Manitoba. They're interested in more mining exploration and subsequent mining development, more investment in the mining field. And that is a goal, Mr. Speaker, that all of us

surely share in this particular Chamber and it's a goal that all Manitobans would want any government to pursue.

The real crux of the problem in this debate, of course, is whether the implications of policy in this legislation are such that there will be some impact on the degree of exploration and the rate of development in the province. The fact is that during the New Democratic Party administration it has been pointed out by some colleagues of mine, we, indeed, had a fair amount of exploration and development and general expansion in the mining field. And there is some argument to be made that if you provide tax concessions, of whatever nature, or royalty changes, whatever you might wish to call that tax it's still a tax, in effect, at least the company would look upon it as some sort of an imposition on its profit picture, so whatever you want to call it, a royalty system or a taxation system, the fact is that there is no evidence that the existing system, the system that was in effect under the New Democratic Party administration, in any way was detrimental to the mining development of the Province of Manitoba.

There is also no evidence, and I haven't heard any sound argument with facts and economic studies and so on, to show that what is proposed in this particular bill, The Metallic Minerals Royalty Act, that more exploration and more investment in the mining industry would occur on account of it. In fact, it goes without saying that if it could be proved by the Minister and by the government that this Act would have that positive effect, I think probably the majority in this Legislature would want to support it. I know I, for one, would want to support it if the Minister could prove to the House that, by passage of this bill, Manitoba would will be better off; Manitoba will receive more revenue from the mining companies and that, in turn, that the mining companies would be expanding and more jobs would be created, but that on balance there would be a net benefit to the province.

And I say, on balance, Mr. Speaker, because it could be — and I'm not pointing a finger at any one development, any one mine, any one area in the province — but it could be that you could have a mining development which is a cost to the province or a cost to that country in which the mining development occurs. I'm not only talking about environmental considerations and environmental damage but a cost inasmuch as very often a government of a jurisdiction is required to put infrastructure in place to service the mining activity. The construction of roads; the construction of communication facilities. If a town is developed, then there is the cost of constructing schools, provision of health facilities and a whole host of measures. And I think it would be an interesting exercise some time to look at some mining developments that occurred in different areas of the world, different parts of Canada and Manitoba, and to see to what extent the area benefitted from that particular development. In other words, sort of a cost-benefit analysis to see whether, indeed, at the bottom line that we were in a plus position and not a negative position.

And, of course, whenever you attempt to reduce the tax revenue or the royalty revenue from the mining industry and when you bring that about, you're obviously reducing, in some way, the benefit that accrues to all of the people of that jurisdiction, all of the people of our province who ultimately own the resources that are in the ground. So what I'm getting at, Mr. Speaker, is that there is no correlation between any tax relief, any royalty relief and exploration. There has been no evidence to show that there is a direct, positive correlation between the two. There's no evidence therefor, Mr. Speaker, that what the Minister is proposing will work. Incidentally, I appreciate that there is an anomaly in this whole matter. I think it was pointed out this morning when we were discussing the estimates of revenue for the province for the year ending March 31, 1980, that the tax revenue from minerals was actually going to increase substantially.

As a matter of fact, if I read the Estimates, Mr. Speaker, accurately here, the estimated tax from the section called "Metallic Minerals Tax" was \$3 million last year — that is for the year ending March 31st, 1979 — and it's estimated to be \$15 million for the year ending March 31, 1980, in other words it's going to be from 3 to 15. It's going to expand fivefold. In other words, the anomaly is, if I understand what we're doing correctly, is that this legislation is actually increasing the tax burden on the mining companies. And I know that is not what the Minister is intending. And I know he'll get up and say that in the short run this is a factor but it's the long run that we're concerned with, and in the long run we are providing some sort of relief of general government impositions, whether they be called taxes or royalties on the mining industry.

So maybe that is true; in the long run the Minister may be providing an easier situation for the mining companies involved. But I really wonder, Mr. Speaker, whether we are going to get that which we all desire, whether we're really going to get any significant increase in exploration activity, whether we're really going to get any significant mining development out of this. And I don't think, looking at any just one year, a change in one year over the other is going to make a case for this legislation. In other words, if this legislation is passed and next year we see an increase in mining exploration, I don't think just from that we can conclude that the legislation is achieving the desired objective compared to the previous year.

And indeed if the level of exploration dropped next to last year, I don't think one could argue that maybe it isn't achieving its desired objectives, that it's not working. What I'm saying, Mr. Speaker, is that there's no evidence that this measure, this technique, this instrument of taxation as we know it and the royalty system as we know it, has any significance in the long run on the investment decisions made, on the exploration decisions made by the large mining companies that operate in the province of Manitoba. The big actors in the mining industry in Manitoba are large corporations of international status, three large ones that we know of, of course in particular, International Nickel, Sherritt-Gordon and Hudson Bay Mining and Smelting Company. The three large ones, as I recall, there may be one or two other smaller ones, but I think those are the three large companies. And they're pretty big boys. They're pretty big boys. And they know what they're doing. And I'm sure they will be very happy to accept any gifts in effect that the Minister would like to provide for them by way of this legislation.

But I really believe that in the long run the executives, the management of these companies, or indeed any other companies that are serious in doing business in Manitoba or having some activity in Manitoba will obviously take into consideration some other very real factors, factors that I would suggest may be far more important than what is discussed in this legislation. Factors such as the international price of the particular mineral in question. We know copper prices have a way of being very volatile. They go up and they go down. Likewise, there's such a thing as a change in the international demand for nickel or for zinc. I mention those three minerals because I think those are the chief three minerals, hard rock minerals that we produce in the province of Manitoba, zinc, nickel and copper.

If for any reason the international market should be soft for whatever reason and demand therefore fall off considerably, there's no question that these companies may be discouraged from engaging in exploration and development, wherever they may be, whether it's Manitoba, Quebec, Ontario or half-way across the world, regardless. They are in the capitalist system, they're governed by the profit motive, they're very concerned with what happens to the international markets. They're very concerned about international demand. And supply of course for their products, for the various minerals that they're interested in. And so I say that has surely got to be a much more fundamental, much more critical factor at work in the mines of those who make decisions in the mining companies with regard to exploration and development.

And then there are other factors, the real costs that the mining companies have to contend with, not only wage costs, but costs of energy to operate machinery and the plant and equipment. Costs of transportation to get the ore or by-products or whatever, or some form of processed ore from the mine site to whatever seaport or to whatever market may be in question.

Wage costs and various other costs that are real costs, that are, I would submit perhaps more fundamental and far more significant to the companies than what is being discussed in this particular legislation. So what I'm suggesting, Mr. Speaker, is that — I haven't heard any proof or any convincing arguments from the other side that this particular piece of legislation is going to achieve the objective of increased exploration and increased development.

I think that there's an important philosophical question here. There's a pragmatic question, and that is, the pragmatic question obviously is, we should only have mining development if it's going to be for the general welfare of the province of Manitoba. On balance, we want mining development that's going to be good for us, rather than bad for us. In other words, we don't want mining development that's going to take our wealth, not give us adequate return, and indeed cost the province of Manitoba perhaps millions of dollars in putting in infrastructure to support that particular mining venture. We want to see at the bottom of that balance sheet black figures, red figures. We want plusses, not minuses, and I suggest any attempt to not collect a fair share of this wealth is contributing towards putting minus figures at the bottom of the balance sheet.

The Minister has not been able, so far as I understand, has not been able to indicate at all, precisely at all that this legislation will have the desired effect. He has not shown what the burden of the existing system is. He has not come up with any sort of cost benefit approach which he seems to like with regard to the whole matter of mining development and then an exploration in the province of Manitoba.

So on that basis, Mr. Speaker, I don't know how members of the House could support this particular legislation. There's no evidence that what we are doing here will be in the long term best interests of mining development, of economic development in Manitoba. I repeat we all want economic development. We all want jobs. We all want to see our province grow and prosper and that goes for both sides of the House, but I simply say that this is a wrong headed approach, and it will not achieve the desired results that the Minister seems to think it will achieve. Thank you.

MR. SPEAKER: Before we proceed I wonder if I can ask the indulgence of the House to make

a rather unusual move and I call on the Honourable Minister of Mines and Resources and the Environment to introduce a group of visitors that are in the gallery. The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): Thank you, Mr. Speaker. I haven't been advised of the group's title which are present in the gallery, but I know that they're an awful lot of fine ladies there from sure as Killarney, and I'd like you to join us in welcoming them here.

MR. SPEAKER: The Honourable Member for Transcona.

MR. PARASIUK: I move to speak on this bill because I think that it is far too defeatist and it reflects a very general position that exists in Canada, not just in Manitoba, with respect to dealing with our resources in a way that will both conserve non-renewable resources and also maximize their potential not only in this generation, but for future generations.

And, it's especially important that a province not succumb to this defeatist attitude in dealing with large, multinational corporations, because the thing that gives a province distinctive strength, and the thing that has given western Canadian provinces distinctive strength has been the natural resources that it possesses.

There are provinces to the east that depleted their resources fairly quickly, notably New Brunswick, and circumstances changed with respect to the building of wooden ships, and it found itself to be a have-not province.

We have the situation of Ontario, which was very much a manufacturing province, whose economy is based on the manufacturing sector, and it's finding itself increasingly in a very difficult situation in dealing with multinational corporations that may, in fact, move from one country to another, and we had the situation recently of Canada and Ontario bidding to get a Ford plant to locate in Ontario as opposed to locating in United States in Ohio. But, Ontario's doing that because it realizes that its strength for now rests on the manufacturing sector.

Well, in the western provinces, their strength and their emerging strength and I think their future prosperity lies in large part with non-renewable resources.

We in Manitoba are blessed with the renewable resource, hydroelectric energy, but for the interim, for the yes, I would agree, I can appreciate interim, we have — (Interjection)— and beef, / tha agriculture, which is a natural resource, and Hydro electric power, again another natural resource. People sometimes try and throw forestry in that, and in our northern climate, it's not quite a renewable, but you get caught in that funny situation where we're at a disadvantage competitively with say a country like Brazil.

But, when it comes to mineral resources or oil resources for those countries, provinces to the west of us, there are far too many people in southern parts of the province and Canada generally who look upon these mineral resources as some type of economic panacea, and they have this tremendous pressure in their own minds to get that ore out as quickly as possible, create jobs, create Thompson, create these other places. They think that we are, in fact, adding to the wealth of society if we extract these non-renewable resources as quickly as possible, and indeed, that isn't the case.

We've had studies in this province in the past that have indicated that the cost to society in developing some of our northern mines in terms of providing hospitals, in terms of providing schools, in terms of providing roads, has been greater than the value of the minerals extracted.

So what I suggest is important, is that governments be conservers of our mineral resources, and that they not be in some frantic rush to extract them and to ship them out of the province in raw, unprocessed form; that instead, what they do is take their time to ensure that that resource, which won't run away, is extracted only when the conditions are favourable. And that means that we have to be very careful with respect to our royalties; we, in fact, charge royalties that some of my rural colleagues on the other side of the House certainly wouldn't charge as rent if someone wanted to rent their farms, or royalties on oil, they're much different. I don't think you'd get farmers renting their land out for 18 percent of the net profit of an operation. Most people sharecrop at what? — 25 percent, 33 percent of the gross; but we have situations where we're trying to push for the royalties of 18 percent of net profit, including a number of expenses that farmers wouldn't tolerate, because I think farmers are a lot more wiser in this respect than governments have been over the years in terms of trying to determine what is the economic rent that should be charged for the usage of their soil and the economic rent for a scarce resource and a depleting resource, such as a mineral, should surely be much higher than that.

To use an analogy, I don't know of any farmer in his right mind who would rent his land out for a quarter or a third of the sharecrop and allow the person renting the farm to take off the topsoil. But, that is what we tend to do, and that is the attitude that we tend to have with respect

to mineral development.

And, I say that this isn't a problem with this particular province alone or with this particular administration alone; I think that this is a problem that exists in most countries that have mineral resources, especially those that are developing countries, and I think, in this respect, when you look at our mineral resources, we certainly are a developing country; that is, we extract the material and we ship it out in raw form.

Probably we'd have a much different attitude, Mr. Speaker, if we had a much more positive, activist approach to our mineral resources and what they, in fact, could do for Canada and the Province of Manitoba over the longer run.

I don't see anything here that, in fact, will stimulate the development of a resource industry in such a way that the resources will be processed in Manitoba. That's something that's completely lacking.

I don't see anything in this legislation that'll improve our negotiating position vis-a-vis the multinational mining companies. In fact, what we are doing is taking a defeatist attitude and we are backing off and we're trying to reduce ourselves to the lowest common denominator in Canada.

And I think that the challenge of the multinationals to provinces and to countries, in terms of economic negotiations, is a very serious one that is only starting.

And I think since the Second World War, we've had the emergence of the multi-national corporation aided with modern technology in communication and transportation' to the extent that I really think that the multinationals have become a new type of virtual entity, a new type of entity, institution in our governmental institutions. In a sense, it transcends the nation's state, and it's far more powerful than our other international institutions like the United Nations, and that creates tremendous problems for countries and provinces in trying to negotiate with these companies that have no particular provincial or national allegiances; that, in fact, have as their primary and I would say sole motivation, the maximization of profit; who, in fact, will whipsaw one country against another, one province against another in trying to increase the profits that might accrue to that company.

Now, I think when it comes to a sector like manufacturing, or if you take something, a section of manufacturing sector, the garment industry, I think provinces are in a very weak position and I think countries are in a weak position, and whenever provinces have tried to negotiate in a tough manner with the garment plants, the garment plants have said, "Well, look you know, if you don't lower the minimum wage in Manitoba or keep the minimum wage constant, if you don't give us tax breaks, we'll go to Puerto Rico, things are better for us there, or we'll go to Haiti," and we have the weird situation of hockey gloves in Canada now being made in Haiti. But, having gone to Haiti, the garment plants did the same thing with the Haitian Government, and with the Puerto Rican Government they said, "If you don't give us a deal, we'll go to Japan or we'll go to Taiwan." Now they're ending up going to China, or Hong Kong, or South Korea.

That is a never-ending cycle and it's a tough negotiation and I really think that at present the provinces and the countries probably aren't equal to the task of negotiating well enough with these multinational companies.

But when you look at natural resources, I would suggest to you, Mr. Speaker, that provinces do have some advantage, they are in a much stronger negotiating position, if only they have the will, and if only they have the confidence to pursue the negotiating position that they have which is a strong one. And, a strong position, of course, is that they have the resource.

Resources are not the property of the multinational mining companies; resources are owned by the people of Manitoba, and given that they are owned by the people of Manitoba, we shouldn't be embarrassed or ashamed to act as owners. Somehow, we get embarrassed that through some weird circumstances going back to 1930, ownership of natural resources was transferred over to the provinces, and I'm glad that they were. I think we're very lucky.

I say that with a bit of a caveat and that I think that the federal government was somewhat short-sighted in transferring that ownership over holus-bolus in 1930, but I do think that because the province owns the natural resources, owns the non-renewable mineral resources, that it has to think out very carefully what price is the price that justifies giving up that resource forever. At what point you cash in those chips? And for what purpose?

And I think that the previous administration was developing an ongoing policy in that respect; I think that it was an evolutionary policy. I don't look upon it as a metric standard; I look upon it as something that was evolving; that had sufficient flexibility in it that allowed for joint participation; that allowed for, I think, a fair return to the mining companies and allowed for a fairer return to the province than was the case before.

Now, I think Manitoba was indeed leading the way at that time with respect to a rational policy of resource extraction. I think we had some way to go yet, in terms of developing the policy of

adding as much value added to that resource in Manitoba before it was shipped out of Manitoba, and that's why I say that's part of an evolving minerals policy, but I do think we have a good beginning. And I think companies had a fairly clear idea of what was involved and they really weren't backing away from that. They are far too intelligent for that. They may, in fact, feign stupidity, and we are stupid if, indeed, we accept that feigning as being real. They, indeed, could and were making a profit under the circumstances that existed in the previous administration.

But, Mr. Speaker, we've backed away from that. We say now that we want to accept, as the futuristic policy of this government, the worst policy that exists in another province. We are saying that we are going to rely entirely upon what the private sector — I would say the multinational sector — conceives as being the price that should be paid in order for these resources to be taken out of Manitoba forever. And because these resources are being taken out of the province forever I think we have to do a lot better than an 18 percent flat royalty fee. And I think we have to go beyond the inducement, which really isn't necessary, of allowing a company to write off all of its exploration expenses incurred in finding a mine before it pays any royalty whatsoever. That is incredible, because if the mining companies say that they need a high return because of the great risk involved. And yet what we are doing in this legislation is that we are decreasing the risk. And one of the things that we don't think about well enough, as owners of this resource, is that we do a lot of things as government, or as a people, to reduce the risks for mining companies.

Millions of dollars are spent on geophysical surveys. Those are paid for by the taxpayers of Manitoba, and they're paid for by the taxpayers of Canada. That reduces risks to mining companies. And it was in part because of that, because of the fact that the public was already investing money in resource development and in mineral development, that it seemed the logical step and was the logical step to go further and to say, well look, let's in fact pursue that investment that we've already made with respect to geophysical surveys. And since we own the ore, and if we've flown over the area we've seen that there's a very good possibility of ore being located in this particular area, why not develop it ourselves? Those are our resources. But members opposite in that situation are embarrassed that those are our resources and somehow they want to give them away. I get the impression that if they could members opposite would like to do away the Act of 1930, and indeed, pass over the ownership of natural resources to some type of trusteeship formed by multinational corporations. At least that Act would reduce the responsibility that is placed on the shoulders of a government to conserve and protect the resources, or the birthright of the people of Manitoba.

And we haven't been protecting the birthright of the people of Manitoba — certainly not well enough. When you look at some of the agreements that have been made in the past, they have been sweetheart agreements in my estimation with the large companies. And we have taken the attitude that a contract's a contract and we won't break that contract, and that's held. Unfortunately, in my estimation the contracts haven't held both ways. Whenever the company's found itself in trouble, it's turned around and it says, we're in trouble, we need some assistance. And often governments, at that stage, are willing to open a contract that in the past they said they wouldn't open.

So contract law seems to only operate in one direction — the obligations rests on the government but it doesn't rest on the companies, and there have been instances of that in the past.

A MEMBER: That's what they call free enterprise — taxpayers' money.

MR. PARASIUK: That's right. We have a situation, for example, where the previous administration established a stabilization fund, or ensured that the stabilization fund was significant, so that if there were any social costs or any social dislocations brought about by a mining development or by the closure of a mining development, that funds from mining would go towards paying that. When the mines closed down in Bissett, who paid for it, the companies that had extracted a lot of wealth from that mines, or the people of Manitoba and the people of Canada? We know that the social adjustment costs of that closure were paid for by the people and not by the company.

In a similar vein, what would happen right now if Lynn Lake closes down its operations as has been threatened? There would be tremendous social costs involved there and who would pay for those social costs? Would it be the mining company or would it be the people of Manitoba and the people of Canada? The way things are right now it would certainly be the public. That's why, Mr. Speaker, it is very important for us to look very carefully at these calculations of royalty and determine whether in fact that price we are getting is sufficient.

I think there is some consensus in society that, yes, we will sell the birthright, we'll sell it off slowly but we will sell it off for a sufficient price, because since the resource won't run away, we are in the bargaining position. And given inflation; and given the fact that with certainty, with certainty, we can predict that over the future generations that this province will continue to exist. Nickel will

be a scarcer commodity to the world than it is today. We can make that prediction with certainty over the future that we envisage for this province. You know, this province is just over 100 years old and we have acted as if somehow we don't expect it to survive for another 50 years. Well, surely we must expect that this province will continue to exist, not quite forever and ever, but it's going to exist for a very very long time. I would expect that it will exist surely as long as the civilizations of Western Europe. If in fact we start looking at that type of time frame, then many of the actions that we are taking right now in the name of progress and in the name of improvement are in fact extremely shortsighted.

I, for one, am not in a rush to exploit the mineral resources of Manitoba unless we get a good enough price and unless those resources can be refined and processed further in Manitoba. And I say that as a general objective, there will be instances in the short run where maybe you do that, but I have not seen a positive policy like that elucidated by the members opposite. They seem to say, our policy with respect to resources is whatever the private sector wants they can have. If they say they want it all tomorrow they can take it all tomorrow. We want to charge 18 percent, that's sufficient, and if in fact they can take it all in 10 years and then move out somewhere else, fine, we'll be satisfied.

They haven't said anything as to what's necessary to get the greatest return from the resources. Ownership is one way of getting a greater return from the resources. Higher royalties is another way of getting a greater return from resources. A combination of higher royalties and joint ventures is another alternative to getting a greater return from those resources. Those are things that an owner would normally and logically do. So why is it that the members opposite want us to back away from being owners? Why do they want to turn over that ownership function to people in multinationals from outside this province who don't own those resources? Why do they want to turn over all those benefits to those people?

You know, we have the farmers on the other side who say, don't you understand that ownership of land is so critical, and they scream and they fight and they yell about ownership of land, which is a renewable resources, and they are that concerned about it. And yet when it comes to a nonrenewable resources they really don't give a damn, they really don't care, and I wish they would act the same way with respect to the nonrenewable resource that they do with respect to the renewable resource land. If they took the same approach, we would have a far better situation than we have right now. There would still be room for improvement but we would have a far better situation than we have right now. But for some reason there is this conceptual block in their thinking that prevents them from putting minerals in the same category as land, and yet, when I began my statements, Mr. Speaker, it was the Member for Rock Lake who said: Look, wheat, beef, that's also a natural resource, what about the land? And I agreed with him. I said, sure, I understand that the land is a natural resource; I understand that it should be conserved; I understand that it should be husbanded; I understand that we should try to get the most from the land as is possible. And then, I say, let's do the same thing with respect to minerals. Let's do the same thing with respect to minerals and let's be in the driver's seat. Do you want Cargill to be in the driver's seat? I don't think so. I think you people want to be in the driver's seat. I don't want Inco to be in the driver's seat with respect to the resources that we own. I don't want Newmont, which own Sherritt-Gordon Mines, to be in the driver's seat with respect to resources that we own.

I don't know if I want all those resources developed as quickly as possible at 18 percent net profit. I don't know, and I certainly don't, let me assure you, I don't feel that mining companies are justified in writing off all their accumulated exploration expenses before they pay one cent of royalty to the people of Manitoba for taking ore out when they find it. The previous situation was that you paid in relation to your yearly balance, and what the people now can do is that they can accumulate their losses and write them off against their years of profit. I think that really reduces the risk so much to mining companies that instead of having an 18 percent royalty we should probably have that royalty at around 50 percent, because their risk has been reduced. You know, why should a company get 72 percent, if in fact — or 82 percent — if in fact we are charging 18 percent royalty on profits, why should it get the other 82 percent? What type of return on investment is that?

Now, you know, I look primarily at the rural members of the caucus opposite because I think that they should be the ones to be able to understand that concept of rent and apply that same concept that they would apply to their land to that of the public resources that they own. You know, the Canadian and Manitoba resource policies remind me of these three dimensional holographs that everyone's talking about, they appear to be real. We assume that we are getting something for them, and we assume when we see a three dimensional holograph that it exists, that it is something. But on closer inspection we find that it's quite hollow, that it's a facade, that there is nothing behind that.

I suggest to you, Mr. Speaker, that what's been happening with our resource policies over the

last 50 years in Canada has left Canadians with very little net gain. I would suggest to you that most of it has been exported away, and that the public has paid for the bulk of the development costs, and that the only people who have really paid, or given the public treasury anything from the mining developments, have indeed been the workers who have paid money through their income taxes.

I would suggest that those are probably the only true payers of revenue to the province when it's come to resource development.

Mr. Speaker, I think that we have fallen to the lowest denominator; we have accepted as the standard, Ontario; we fail to realize that the royalties of Ontario are a pittance in relation to the size of that province; and that when you look at all the mining developments that have taken place in Ontario over the last 50 years, the Sudbury development, the Timmins development, you'll find that they have received very little. And in contrast, if you look at what's taken place in Saskatchewan over the last 25 years, you'll note that their royalties have been increasing constantly; that they have been able to build up the royalty element of their revenue to a very significant size. Now a portion of that granted, a large portion, comes from oil. But an increasing portion is coming from areas other than oil. It's coming from potash, it's coming from uranium, it's coming from other areas.

I used to do work for the federal government on northern development about 10, 12 years ago, and the interesting thing was that Saskatchewan of 10, 12 years ago, was in a similar situation to Manitoba. They were just on the edge of finding some finds, because I do believe that we're at that stage in Manitoba right now. But fortunately, they had an aggressive government in power that was not afraid to negotiate in a tough manner with the multi-national companies, and they were able to gain royalty revenues over a period of time, which were far greater than would have taken place otherwise.

I think that's what we need right now. And the Minister, I'm quite certain, will come back to us and say, well look, 18 percent will draw further investment, it'll draw greater exploration, and that indeed the amount of royalties this year will be greater than that which we project for last year. And he will say, and I would think that that's going to be true as well, that for the year following, at 18 percent we will probably get more than we got in 1976 because he conveniently will forget to look at the commodity cycle that existed worldwide at that stage, which had a depressed price for minerals, and what he won't do, Mr. Speaker, and what I challenge him to do, is keep two sets of books. It's not hard, he's got the staff, we know he has the staff to do this, he can keep two sets of books.

He can tell us how much he will get over the next two years from his 18 percent royalty and he also will be able, from the prices of minerals, and the volume of minerals taken out, to determine how much the province of Manitoba would have received under the two-tier system. And I would challenge the Minister to keep those two books, to keep those records, so that we can be in a good position two years from now, because I do expect the government to use its majority in this respect, to put through this legislation, but I think if it's trying to be very honest in this respect, it should keep those two sets of books. And then we will find out which set would have produced greater revenue for Manitoba, which set was geared more to the public interest, which set of books was geared to being an owner and which set was geared to being a puppet.

Now I challenge the Minister to do that, because I'll tell him one other thing, that when we form the government, we will in fact set up those books again and we will be able to tell him, but I prefer that he have the honesty and integrity to tell us over the next two years.

MR. SPEAKER: The Honourable Minister will be closing debate. The Honourable Minister of Mines.

MR. RANSOM: Thank you, Mr. Speaker. I would like to open my response with a quotation from a publication which was released in October of 1977 by our party during the election campaign. It was entitled "The Challenges Ahead for Manitoba". I do this because the Honourable Leader of the Opposition raised the question, when he responded, when he spoke on second reading of this bill, he said, "Why this bill now? Why are they doing it now?" He was trying to make some sort of case that this was a payoff to the mining companies. I want to read this into the record, Mr. Speaker, to show you where the Conservative Party stood before the election and where they stand after the election.

And in response, or in anticipation of forming the new government at that time, we had said the following, and I quote: "It should revise mining royalties and taxes to a level which, while providing a reasonable royalty to the province as public trustee, will nonetheless make mining in Manitoba competitive with other provinces, allowing mining companies in Manitoba to earn fairer returns. A new government should end public sector competition in mineral exploration, and should be prepared

to consider incentives for mining exploration in priority areas.”

Mr. Speaker, that was the policy, the publicly stated policy of the Conservative Party during the 1977 election. The public was well aware of what the policies of this party would be when they formed the government, and the public responded and we are quite aware of the outcome of that election, Mr. Speaker. And that answers the question of why this bill now, because this bill is only a partial fulfillment, really, of the promises that were made, in that one of the other aspects that we said we would do, was to end government participation, compulsory government participation in exploration, and to end the site specific exploration which government itself was involved in.

Those two things were done very early, Mr. Speaker, and this particular piece of legislation that is before us now was not introduced last year, because the First Ministers, when they met in February of 1978, had recognized that there was a problem in the mining industry across Canada, and they directed the Mines Ministers and the Finance Ministers to have their officials undertake a review of the economic conditions surrounding the mining industry, and we co-operated in that study and we undertook to delay our action until the outcome of that study.

And as I've referred to it a number of times, as has the Minister of Finance, that study confirmed the basis for the action that we are taking now, and pointed out the circumstances that have surrounded the mining industry over the past decade or more. When the Member for Churchill this morning said, if the mining industry had been in trouble — well, Mr. Speaker, the then Prime Minister of Canada and the 10 premiers of the provinces recognized in February of 1978 that the mining industry was in trouble; they asked the Mines Ministers and the Finance Ministers to investigate it, they in fact reported that there has been a decline in investment and exploration in the mining industry, commencing around 1970, thereabouts, and it happens that during that period between 1969 and 1975, that the total taxation facing the mining industry in Canada has more than doubled. Now, Mr. Speaker, the Member for Churchill evidently was unaware of those kinds of facts which are available on the basis of a 10 province and federal government study into the mining industry.

Mr. Speaker, the honourable members opposite have made much from time to time by saying that we had declared dependency on the mining companies, and that dependency has to be looked as opposed to the control that the honourable members opposite seek. And when we say, or when they say that we are dependent upon the mining industry, Mr. Speaker, I would have to again refer to that First Ministers' Summit Conference on the economy in February of 1978, when all the First Ministers, including the First Minister of the Province of Saskatchewan, agreed —(Interjection)— well, I can't help it if he's inconsistent with his approach. They all agreed, Mr. Speaker, that we are in fact, dependent upon the private sector to generate wealth in this country, and that despite the Prime Minister's musings at the end of 1975, when he said that the private sector had failed, by February of 1978, he had come to recognize, perhaps too late, Mr. Speaker, he had come to recognize the importance of the private sector. And we are indeed, dependent upon the private sector to generate the wealth in this economy that provides the services, that provides the health care, that provides the transportation, the education, all the services that people demand from government. The wealth is generated by the private sector in our economy, Mr. Speaker.

The honourable members opposite don't wish to accept that, and we must look beyond the specific attack upon this bill, Mr. Speaker, because this is not just an attack upon Bill 57 and a change in the mining royalties. This is an attack upon what we might call the free enterprise system, the economic system that has built this country to where it is today. —(Interjection)—

Let's review the NDP mining strategy, Mr. Speaker, because this is important for the people of the province to understand what the strategy of the members opposite was when they were in government, with respect to mining. Their strategy was to impose high taxes on the mining companies that already existed in the province. Those companies didn't come in here under a New Democratic administration. They were already here. They were already here, and they undertook to tax them at an extremely high level, Mr. Speaker, which was not competitive with any other jurisdiction in Canada, and the intention of that was ultimately to prove then, the failure of the private sector because they knew very well that with that kind of level of taxation, they could not expect a substantial amount of development to take place. —(Interjection)— The marginal rates, Mr. Speaker, they speak of 18 percent royalties. They don't acknowledge that the total royalty and taxation that could potentially face the mining company operating in Manitoba was 73 to 75 percent, 76 if you like. That was the sort of level of taxation that a mining company could expect to face coming to Manitoba, Mr. Speaker. —(Interjection)—

Well, the Honourable Member for Transcona made reference before. He said, if we only take 18 percent, Mr. Speaker, why should the company have the other 82 percent? ' How misleading can you get? The 18 percent refers to the royalty. The 18 percent does not refer to the taxation. He says, "What kind of return is that?", somehow trying to make us believe that the return to

that company would be 82 percent.

Mr. Speaker, the return that a mining company could expect operating under the system that was the system of taxation in Saskatchewan that would apply to metallic metal mines, their return would be higher in Saskatchewan than it would be in Manitoba under the conditions that the previous government had imposed. So when the Honourable Member for Transcona talks about the growth of mining royalties, of mineral royalties in Saskatchewan, he is not talking about metallic metal mines. He is talking about oil, primarily oil, potash. The amount of revenue generated by potash in Saskatchewan compared to the amount generated by oil is not very great. We don't happen to have those reserves of potash and oil developed here now. We do have metallic metal mines, and that's what we're talking about, is the comparison of what a company could expect investing in Manitoba as compared to other jurisdictions in Canada.

The honourable members opposite in their strategy for mining development in Manitoba had, in addition to the high levels of taxation, had also undertaken to require compulsory participation of any company that wished to spend more than \$10,000 in the province on exploration. They had to, by law, give the provincial government the option of participating at a 50 percent level, a compulsory feature, Mr. Speaker, which was not well received by the companies, despite what the honourable members opposite say, and I might just make brief reference to a report, a paper that was presented by one Mike Muzykowski, who is the general manager for Granges Explorations, the company that had found the Trout Lake deposit at Flin Flon which the Honourable Member for Inkster is quite proud of, but I want to just give you a little bit of history of what that company thought about the exploration atmosphere in Manitoba.

And they said, "Staking of claims", and this, by the way, Mr. Speaker, is a paper that was presented at the 47th Annual Convention of the Prospectors and Developers Association. They said, "Staking of claims in the area began in August, 1974 and overlapped into the following year". When this program was undertaken the mineral laws were quite reasonable in Manitoba, but early in 1975 they were changed retroactively. It was then that mandatory participation by the province was invoked. They said, "After studying those new statutes, we found that they were still better than those in B. C. We decided to continue our program since the Manitoba government had decided to accept the financial risks by statute and were willing to put up 50 percent share of exploration funds after claiming 50 percent interest."

So, Mr. Speaker, they recognized that they had an offer they couldn't refuse. They had the option of exploring in British Columbia; the NDP government of Dave Barrett had imposed even more severe circumstances there, and he credits Dave Barrett with being responsible for the find at Trout Lake, because he drove them out of B. C. to come to Manitoba.

Then, Mr. Speaker, he said . . .

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: I wonder if the honourable member will permit a question.

MR. RANSOM: When I'm finished, Mr. Speaker. Then they came to Manitoba and, recognizing the situation they were faced with, naturally they remained because they already knew, had a very good idea of what the prospects were. —(Interjection)— Well, Mr. Speaker, he says "Nonsense". The work had already commenced. —(Interjection)—

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

MR. GREEN: The regulations that were enacted were retroactive to any previous work. That company went in voluntarily, tried first with Manitoba Mineral Resources, couldn't get Albert Koffman to take it, and came in with the government voluntarily.

MR. SPEAKER: The Honourable Member for Inkster had no point of privilege. The Honourable Minister of Mines.

MR. RANSOM: Well, Mr. Speaker, I'm only quoting from what the —(Interjection)— I'm only quoting, Mr. Speaker, from what Mr. Muzykowski, who is the manager of exploration for Granges had to say. Now if the honourable member disagrees with that, then that's of course his right to do so. I'm simply pointing out how it's necessary in this Bill 57 which we're introducing to change the investment climate to make us more competitive with other jurist, and came in with the government voluntarily.

MR. SPEAKER: The Honourable Member for Inkster had no point of privilege. The Honourable

Minister of Mines.

MR. RANSOM: Well, Mr. Speaker, I'm only quoting from what the —(Interjection)— I'm only quoting, Mr. Speaker, from what Mr. Muzyłowski, who is the manager of exploration for Granges had to say. Now if the honourable member disagrees with that, then that's of course his right to do so. I'm simply pointing out how it's necessary in this Bill 57 which we're introducing to change the investment climate to make us more competitive with other jurisdictions in Canada, as we said we would do prior to the election. And I'm simply pointing out that this is part of the mining philosophy which we have in part of the program which we have. The previous government had intended to tax at a level, at a very high level, to require compulsory participation, to thereby discourage outside exploration and be able to show the failure of the private system and then take over the industry with the high levels of taxation that they had extracted from companies who were already here, existing in the province before the honourable members opposite formed the government.

They like to refer to the level of exploration, Mr. Speaker, that they say was maintained during the period of their government, Well, the Honourable Member for Inkster used a figure of exploration of \$16 million at one time. Well, I would like to use a figure that is the same as that used by the industry across the country and accepted by the industry for comparison purposes. On that basis, Mr. Speaker, in 1977 exploration in Manitoba was in the range of \$9 million and of that \$9 million 46 percent was provided from the taxpayers' pocket. 46 percent was public funds.

Now that is the way that exploration was maintained, Mr. Speaker, and of course that was part of the strategy, and I'm sure the Honourable Member for Inkster will agree that they said they would pick up the slack, that government would move in to control the industry. And that's what happened. \$9 million, 46 percent of it was from the taxpayers' pocket.

Now in 1978 after we assumed office, Mr. Speaker, the total exploration using the same method of measurement was only very slightly reduced because we had withdrawn the government from some of the exploration and companies had already committed themselves to a program and weren't able to respond by increasing their budgets as substantially as the exploration people would have liked. But in any case, it was still between 8 million and 9 million, closer to 9 million, as I recall, and of that only 23 percent was from the taxpayers' pocket. That's in one year, Mr. Speaker.

Now, in 1979, Mr. Speaker, it is going to be in excess of \$9 million of exploration and the taxpayers' pocket will not have provided any. That will be exclusive. That will be exclusive. —(Interjections)— Well Mr. Speaker, they continue . . .

MR. SPEAKER: Order please. The Honourable Minister of Mines.

MR. RANSOM: Well, Mr. Speaker, the honourable members opposite obviously don't understand where the money is coming from for mining exploration. A great proportion of that money is not coming from companies who are operative in Manitoba in terms of production. So when they say it's a write-off against their profits, these are companies, Mr. Speaker, that don't have profits in Manitoba to a very great —(Interjection)— Oh no, oh no. There is a substantial portion of that money that comes from companies outside this province that do not have an operating mine. —(Interjection)— Not earned from a Manitoba mine, Mr. Speaker, and that is the point which the honourable members opposite don't want to acknowledge. They recognize now that the climate for investment in Manitoba is now substantially improved. We are now once again competitive with other jurisdictions in Canada.

The honourable meers opposite don't want to be competitive with other jurisdictions in Canada because they don't believe in a competitive market system, Mr. Speaker, and that is the fundamental difference between the members on this side and that side.

This morning, Mr. Speaker, the Honourable Member for Churchill referred to production being increased, the value of production being increased under the previous NDP administration. Then he said that in 1978, in the first year of the Conservative administration, said the value of production went down. Mr. Speaker, that is a very good example of the way the honourable members opposite use a fact to mislead, to attempt to mislead the public on what has actually happened.

Now does he wish to stand and say that the decrease in production that took place in 1978 took place because the Conservative government was in office in Manitoba? Those announcements, Mr. Speaker, were made in October of 1977. I believe that, as a matter of fact, they were made a couple of days before we even took office. —(Interjection)— So they were made after the election. —(Interjection)— Well, the Honourable Member for Inkster is demonstrating once again how he likes to twist things. He says, Mr. Speaker, that they heard we were coming and so they laid off these people after the election. If that's the kind of case that he wants to make to the people of Manitoba, then that's fine. But during that period of time, when the honourable members opposite were in government and the level of mining value was going up, Mr. Speaker . . .

MR. SPEAKER: Order please. May I ask all members to kindly extend the courtesy to the member that is making his speech? Interruptions in debate are not conducive of good debating in this Chamber. The Honourable Minister of Mines.

MR. RANSOM: Thank you, Mr. Speaker. When the Honourable Member for Churchill referred to the increases in production value during the period of the administration of the previous government, one has to acknowledge, indeed there were increases, Mr. Speaker. But the companies that were bringing about that increase in production, Inco and Sherritt-Gordon, Hudson Bay Mining —(Interjection)— Falconbridge. Now there's an interesting situation, Mr. Speaker. The Member for Churchill tried to make us believe this morning that we were somehow responsible for the reduction that took place in the work force and production at Thompson in late '77 and '78.

Now, I could just as easily say, Mr. Speaker; I won't, no, I won't say it, but I'll point out to you that during the administration of the previous government, Falconbridge, which was an operative company in this province, shut down their operations and are no longer here. I'm not about to say, Mr. Speaker, that that was the responsibility of the previous administration, because I recognize

Now, I could just as easily say, Mr. Speaker; I won't, no, I won't say it, but I'll point out to you that during the administration of the previous government, Falconbridge, which was an operative company in this province, shut down their operations and are no longer here. I'm not about to say, Mr. Speaker, that that was the responsibility of the previous administration, because I recognize the international forces, the international market that mining must operate in and that when the ore runs out, a company doesn't have much choice.

The honourable members opposite aren't willing to be quite that honest in their presentation of facts. The honourable members opposite also, in their great desire to pursue government control and ownership, seemed to want to ignore the forces that exist in the marketplace the world over with respect to mining. As all the honourable members are aware, I'm sure, there is a very very high proportion of mining production in Canada that is exported into the world market and the honourable members opposite seem to somehow believe that they would be in a better position if only the government controlled the companies here in Manitoba, that somehow we would be able to ignore those international forces and be able to operate in those markets when a private company could not operate there.

Well, Mr. Speaker, let me just take a moment then to refer to some of the comments that have been made, if I can find them here right off. The Honourable Leader of the Opposition, for instance, in his — this was the Honourable Member for Selkirk — he said we're surrendering the pace; we're surrendering the determination as to the pace to the outside multi-national mining companies and as a result of that, Mr. Speaker, is that we lose an element of control insofar as how we can control the rate of unemployment in this province, for instance, we lose a certain element of control insofar as inflation is concerned in this province.

Well, Mr. Speaker, that indicates, in the quotation from the Honourable Leader of the Opposition, that somehow they could have prevented those layoffs at Thompson, you know, and they are fond of quoting that, another example of the misleading tactics the honourable members opposite are wont to use. They are fond of saying that Inco wanted to shift their production to Guatemala and to Indonesia. The fact of the matter was, Mr. Speaker, that at the time that those layoffs occurred in Thompson and Sudbury, there was no significant production taking place in Guatemala or Indonesia. —(Interjection)— It was not onstream, and that is the difference, Mr. Speaker, it is simply one more example of how they want to mislead the people of this province into believing that a set of conditions exist which in fact only exist in the minds of the socialist members opposite.

That is indeed the telling argument, Mr. Speaker, that's what this bill is about. Bill 57 recognizes what the Prime Minister of this country and ten provincial Premiers recognize, that it is the private sector which is the basis of the strength of this country, Mr. Speaker. The standard of living that we have today in this country is among the highest in the world. The people in this country or any other free country do not look to state-controlled economies to set their sights for standards of living and material goods, nor do they look to those state-controlled economies for examples of personal freedom, Mr. Speaker. And what these honourable members don't recognize, what they do not acknowledge, Mr. Speaker, is that in their quest for control, the people must control, the government must control the development, that as that control of the economy is increased, the control that the people have of their government is decreased, and that is the fundamental issue that stands between the members on this side and that side.

And this bill, Mr. Speaker, is going to return Manitoba to a competitive position. That is what we said we would do, we would be competitive with other jurisdictions in Canada, and when we have to compete, Mr. Speaker, in the international market, compete with world forces, we believe

that from a point of economic efficiency, that competition can best be carried out by the private sector, Mr. Speaker. We don't need, as the Prime Minister of Canada has now said, we don't need the same people running PetroCan that run the Post Office. Well, it's perhaps not a perfect analogy, Mr. Speaker, but it is a good example of how the government-run operation might stack up against one that is operated by the private sector where, as the honourable members says and as we acknowledge, profit is a primary motive. That is as it should be, Mr. Speaker, and the role of government is to control the amount of money that is taken through taxation to get a fair and competitive return to the people of the province.

The honourable members again want to bring in analogies with respect to farmland, for instance, and the only analogy there in terms of rental that really makes any sense is the Honourable Member for Transcona wanted to control the mining industry; they also wanted to control the farmland, Mr. Speaker. —(Interjection)— Well, there's a difference. We believe in people owning things; you believe in the people owning things, Mr. Speaker, that's the difference. And the more that the people own, the less the control that individual people have over their government.

Mr. Speaker, I have to respond to a few specific points which were raised by the honourable members opposite, and unfortunately I have to refer to the Abitibi Pulp and Paper agreement because that was referred to by the Honourable Member for Rupertsland when he tried to make the people here believe that we were going to be giving away \$1 million a year in royalties, Mr. Speaker, to the Abitibi Pulp and Paper Company. The fact of the matter is that Abitibi Pulp and Paper Company is simply going to be paying the same level of royalties, of stumpage rates that we are charging anyone else who wants to use the forest resource in Manitoba. But, the honourable gentlemen opposite were trying to impose the same sorts of conditions on that company as they were on the mining companies. Those companies had come into Manitoba under governments that believed in the private sector, that believed in private enterprise. They established here; they created jobs and employment, Mr. Speaker. Those members opposite then want to come in and squeeze every last nickel out of them, knowing that if you squeeze them hard enough, then they will go and the government will be able to take over, and that would meet their ends perfectly.

But if they're concerned about royalties, Mr. Speaker, then let's just look at two figures, two things that happened when they imposed their royalties on the Abitibi Paper Company, because in 1975, Abitibi had paid \$960,700 in stumpage fees. The honourable gentlemen opposite raised those stumpage rates to a level again which is not competitive with other provinces in Canada and within two years, Mr. Speaker, in 1977, the stumpage rates paid by Abitibi Paper Company had fallen to \$370,800.00. The stumpage fees by that company were half of what they had been two years previously. And what happened is very simple, because other companies were able to cut the same trees for a lower stumpage fee.

So they should not try to make us believe that their concern was for royalties, Mr. Speaker. That was not the case at all. Their concern was to put pressure on the Abitibi Pulp and Paper Company, that was their concern.

One or two other specific, and some of them relatively minor points, Mr. Speaker. This morning, the Honourable Member for Churchill talked about a hypothetical mine at Fox Lake. Well, he did not understand, of course, the information that was provided to him. We all recognize that there is in fact a mine operating at Fox Lake. What we referred to was a model over the life of the mine, and the mine, of course, has not operated over its life yet, it is still in active production. The model assumed a life of the mine; it also assumed what would have happened to that mine had it been located in B.C. and in Ontario and in the Province of Quebec, Mr. Speaker. So when the honourable member tries to make it appear that I'm not even aware of the existence of that mine in Northern Manitoba, it is simply one more little example of how they try and deal with the non-facts of the situation.

It is also interesting, and I'm sure all the members on this side will take note of this, that the Member for Churchill calls workers who vote Conservative stupid. Now, that is the kind of regard that those members opposite have for someone who doesn't agree with them. Mr. Speaker, they called the workers stupid because they voted Conservative. They called the city councillors stupid because they were in agreement with block funding. Now, Mr. Speaker, the people will remember the attitude that these members have towards those who have a fundamental and legitimate difference of opinion.

Also, Mr. Speaker, I have to draw attention to one statement that the Leader of the Opposition made as well, which I would hope is generated out of ignorance rather than out of any attempt to purposely mislead. But when the honourable member says, "We lose, Mr. Speaker, the ability to control whether or not there will be waste and environmental damage done in the province," Mr. Speaker, surely the honourable member knows that the province has the authority and has the right to control what happens to the environment, whether it is a Crown corporation or whether it is a private corporation. He need only ask the honourable member who sits beside him as to

the extent of the powers that the government has with respect to the control of the environment. And to try and make the case that somehow because it is a private operation, that we do not have the ability to control what happens to the environment, is totally misleading, Mr. Speaker, totally misleading. In fact experience has shown, Mr. Speaker, that an independent control agency has a far greater chance of maintaining satisfactory standards than a company, an operation which is responsible both for the production and for the control, for the regulation of its own actions.

That is the sort of situation that is not desirable, Mr. Speaker, and that is the sort of situation that occurs, of course, with a state-controlled economy. With government involvement in the operation of business and production, you'll become involved in both the production and the control, and —(Interjection)— Well, Mr. Speaker, there are some things. . . If common sense happens to be a little more prevalent on this side House than it is on the other side, those honourable members want to refer to it as brainwashing. You put that one in the same basket, along with the stupid, their tagging of workers as stupid if they vote Conservative, City Councillors stupid if they agree with block funding. It's like the —(Interjection)— Yes, students are scabs if they want to try and work and earn a living for themselves, Mr. Speaker. It's just like the Honourable Member for Brandon East referring to the Island of Intelligence in the Sea of Ignorance after the election, something that people won't forget, Mr. Speaker.

So, Mr. Speaker, these are the fundamental issues that are attached to Bill 57. We said that we were going to be competitive. We now are in a position that is competitive with other provinces in Canada, and if that is unacceptable to the honourable Members opposite, then of course they will ultimately have their opportunity to put their case to the people of the province, but for the moment, Mr. Speaker, we are content that this is a realistic piece of legislation which now puts us in the mainstream in terms of the investment that a company might make in this province, the return that they can expect to get from it, and that we will, probably over a long period of time, not get substantially different return than we would get with the type of tax regime that the members opposite had. But the difference is that with this taxation amendment, Mr. Speaker, they will know that the maximum rate is going to be in the level of 56 percent of total royalties and taxation, not in the range of 76 percent, and that makes a substantial difference to people who are making an investment decision.

When the Honourable Member for Transcona refers to keeping two sets of books, that is something which cannot be done in this case because we will have development taking place in this province now as a result of returning this province to a competitive position. You will not be able to attribute that development to the scheme that the honourable members opposite had in position.

They don't acknowledge, the Member for Churchill, for example, Mr. Speaker, doesn't seem to understand the long time span either that takes place from exploration to development. This morning when he was taking credit for the increase in production, he didn't wish to acknowledge that all of that production was coming from mines that were discovered and put in production under a free enterprise type of government. That situation is returning to Manitoba Mr. Speaker, and I commend this bill to the House.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Inkster.

MR. GREEN: Yes, Mr. Speaker. I want to direct a question to the Honourable, the Minister, who said he would take one after he concluded his remarks. Would the Honourable Minister either obtain confirmation, or obtain a denial, from Albert Koffman, who is President of the Manitoba Mineral Resources Corporation, who told the Committee, which included the Member for St. James at the time that he told it, that Granges Exploration, on a completely voluntary basis, wished to participate 50 percent with Manitoba Mineral Resources, but the Mineral Resources Company no longer had any budget and he therefore went with the government program, a completely voluntary basis with Manitoba Minerals. He went with the government program after that voluntary effort did not prove to be available.

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, there's quite a difference between consent and not having consent, and that is the difference in the situation that the honourable member refers to. If Granges sought voluntary partners, then that is traditional in the mining industry. It's when they are forced to take a partner, to take government as a partner, that they object.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: The Honourable Minister in his remarks implied that Granges If Granges sought voluntary partners, then that is traditional in the mining industry. It's when they are forced to take a partner, to take government as a partner, that they object.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: The Honourable Minister in his remarks implied that Granges would not have gone with the government if it were not for a mandatory regulation. Will he confirm from Albert offman that without any mandatory regulation, Granges wanted the government as a 50 percent partner on the Trout Lake program, and that it was not that it was forced on him; he wanted it as a 50 percent partner.

MR. RANSOM: I merely was quoting from a paper that the honourable gentleman, Mr. Muzylowski had prepared. If the Honourable Member for Inkster needs somebody to drag that bush that the First Minister referred to, to cover his tracks, then I suggest that he confirm that.

MR. SPEAKER: Are you ready for the question?

QUESTION put, MOTION carried.

MR. GREEN: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the oembers. Order please. The question before the House is Second Reading of Bill No. 57, an Act to amend the Metallic Minerals Royalty Act.

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

YEAS: Messrs. Banman, Blake, Brown, Cosens, Craik, Domino, Downey, Driedger, Einarson, Enns, Ferguson, Gourlay, Hyde, Johnston, Jorgenson, Kovnats, Lyon, MacMaster, McGill, McGregor, McKenzie, Mercier, Minaker, Orchard, Mrs. Price, Messrs. Ransom, Sherman, Steen, Wilson.

NAYS: Messrs. Adam, Boyce, Cherniack, Cowan, Fox, Green, Hanuschak, Jenkins, McBryde, Malinowski, Miller, Parasiuk, Pawley, Uskiw, Walding.

MR. CLERK: Yeas 29, Nays 15.

MR. SPEAKER: I declare the motion carried.
The Honourable Government House Leader.

MR. JORGENSEN: I move, seconded by the Minister of Labour, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Ways and Means of raising 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 Radisson in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN, Mr. Abe Kovnats (Radisson): Order please. Main Supply. Resolved that towards making good certain sums of money granted to Her Majesty for the Public Service of the Province for the fiscal year ending the 31st day of March, 1980, the sum of \$1,704,666,900 be granted of the Consolidated Fund—pass — the Honourable Minister of Finance.

MR. CRAIK: Mr. Chairman, there were a number of questions placed by the Member for St. Johns that I will deal with at this point in time, and if I can go through them in the order in which I believe they appear here.

First, under the Attorney-General's, under the Fines and Costs figure, there is an increase there. The (a) Item, Fines and Costs, the increase of \$1,339,000 over 1978-79 print is mainly due to a cleanup of the backlog that is expected in the Provincial Judges' Court, Public Safety Building, by additional staff approved, and under (d) Law Land Titles Fees, there is an increase of \$880,000 there. This is partly due to the effects of inflation on property values, and partly due to the fact there has been some change in the fee schedules with regards to the Land Titles Office.

With regards to Legal Aid, Mr. Chairman, the large increase there from \$750 to \$2.2 million, the revenue from the Law Society Trust Fund was not transferred to the province in 1978-79 because of an apparent flaw in the Act, which is presently being amended. This flaw had not been recognized in previous years, and the revenues had been transferred in spite of it. Well, it hadn't been recognized that the flaw was there, and the transfer had been going on normally, and it has been recognized and that is being amended, or probably may already have been amended in one of the Acts that has been dealt with by the Attorney-General. Therefore there will be two years' revenues taken in 1979-80. The amendment is contained in Section 20 of Bill 39, Statute Law Amendment Act. Is there any carry-over of \$2 million from last year included in the Liquor Control Commission revenue? The Liquor Control Commission revenue increase is generated from the increased prices which were announced recently, that is primarily in the manufacturers' prices, and as a result, the province of course makes a substantial gain from it which comprises the difference primarily that's indicated here. The \$2 million carryforward was used in the 1976-77 year, and no longer exists.

Another question, Mr. Speaker, with regard to Consumer and Corporate Affairs, R 5A, 5C and 5E, under A Fees, increase of \$160,000, mainly due to increase in the number of incorporating businesses; 5C Licences, increase of 29,000 mainly due to change in regulations for the licensing of vendors and the anticipated registration of new vendors. And 5E Public Utilities Board, the increase of \$75,000 reflects the increase in professional fees which are fully recoverable under this revenue account. They are charged out to the various utilities.

Under Item R 8(a) Rentals, why the increase in R 8(a) Rentals From Various Government Properties? Mr. Speaker, the rentals from various government properties shown under Government Services, the largest item is mainly due to 434.7 thousand, estimated recoveries from the Health Services Commission and School Division for space rented at Churchill Town Centre, which is being taken over by the province.

Question, why is there is an increase in R 9B, Vital Statistics Certificates, reflects substantial increase in requests for birth certificates. That's what I am advised by the department, Mr. Speaker. I don't recall any change. Vital Statistics Certificates, people requesting birth certificates.

Water Power Rentals under R 12(b), Mr. Speaker. Increase in Water Power Rentals is largely due to units at Long Spruce and Jenpeg coming onstream; increase in Parks revenues is relative to the development fees for cottage lot development.

Question re R 20(g) Health shared cost —(Interjection)— well, Parks is the sale of cottage lots. R 20(g) is under Shared Cost Revenues this is primarily due to the Canada Assistance Plan, general increase in social allowance rates and salary increments.

Question was why has the Highways Miscellaneous Receipts Account R 30(g) increased from \$1 million to \$2.8 million. The majority of the increase in revenue, approximately 1.715 million, was due to grossing up of recoveries which were received from other jurisdictions but had previously been redeposited to the expenditure appropriation. Reference to the appropriation 15 5(b)(1) will indicate where the expenditure side has been increased. In other words, the grossing up on the revenue side that you see there, that increase will be reflected on the expenditure side under that item that I've given you 15 5(b)(1) under Expenditures.

Mr. Chairman, I have one more item if you want to do it.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, the question that was put was: "Why has the Agricultural Miscellaneous Receipts Account, R 30(a) increased from 410,700 to 5,368,000?"

The answer is that under the growth accounting policy receipts from the Vet Drug Clinic and Semen Distribution Centre, they are now required to be deposited to the revenue account rather than reducing the expenditure account as was done previously. This accounts for approximately 1.9 million of the increase. In addition, it is anticipated that there will be a recovery of approximately 3.0 million from the Farm Income Assurance Plan Beef Program because of the upturn in beef prices.

So, Mr. Chairman, that's it, with the exception, I think, of the one dealing with the Northern Affairs I think the member did indicate there that there might be some complications, and he is correct there. It deals with the Northlands Agreement and it is fairly complex to break that out,

but it is primarily the amount difference, a change in shift there is wrapped up in the Northlands Agreement.

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

MR. CHERNIACK: I thank the Honourable Minister. Question, Mr. Chairman.

MR. CHAIRMAN: Resolved that towards making good certain sums of money granted to Her Majesty for the Public Service of the province for the fiscal year ending the 31st day of March, 1980, the sum of \$1,704,666,900 be granted out of the Consolidated Fund—pass.

Committee rise. Call in the Speaker. *The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.*

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

MR. KOVNATS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Emerson that report of committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK, by leave, introduced Bill No. 62, An Act for granting to Her Majesty certain sums of money for the fiscal year ending the 31st day of March, 1980, and to authorize the borrowing of funds to provide for the cash requirements of the government .

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, it seems that we made reasonably good progress today. Tonight the Committee on Industrial Relations and the Committee on Private Bills will be meeting. I do not think that it will be necessary for the House to convene at 8:00 o'clock. I think we'll go straight into committee and as soon as those committees have completed their work, then they are through for the evening.

MR. SPEAKER: The hour being 5:30, the House is accordingly adjourned and stands adjourned until 10:00 o'clock tomorrow morning (Thursday).