

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, April 29, 1968

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions  
Presenting Reports by Standing and Special Committees  
Notices of Motion

I wonder if I may take a moment of the House's time to introduce the students we have with us today. We have 90 students of Grade 8 and 9 standing of the Nordale School. These students are under the direction of Mr. Loiselle, Mrs. Pilotte and Miss Prodonick. This school is located in the constituency of the Honourable the Minister of Mines and Natural Resources.

We also have with us today 59 students of Grade 4 and 5 standing of the Faraday School. These students are under the direction of Mr. Laycock, Mrs. Goszer and Miss Dashefsky. This school is located in the constituency of the Honourable Members for Inkster and St. John's.

There are also with us today 18 students of Grade 8 standing of the Edmund Partridge School. These students are under the direction of Miss Murray. This School is located in the constituency of the Honourable Member for Seven Oaks. On behalf of all the honourable members of the Legislative Assembly, I welcome you all here today.

Introduction of Bills.

HON. STERLING R. LYON Q. C. (Attorney-General)(Fort Garry) introduced Bill No. 75, the Condominium Act; and Bill No. 95, an Act to amend the Trustee Act.

HON. STEWART E. McLEAN Q. C. (Provincial Secretary)(Dauphin): Mr. Speaker, may the next item stand, His Honour was not available for his message.

MR. SPEAKER: The Honourable Minister of Education.

HON. GEORGE JOHNSON (Minister of Education)(Gimli): . . . also that first Bill, Mr. Speaker, if that could be allowed to stand. The Lieutenant-Governor has not been able to recommend it as yet. I would therefore like to, while I'm on my feet, move, seconded by the Honourable member . . .

MR. SPEAKER: Order please. Does the House agree with the recommendation. The Honourable the Minister of Education.

MR. JOHNSON introduced Bill No. 91, an Act to amend The Trade-Schools Regulation Act.

MR. McLEAN introduced Bill No. 98, an Act to amend The Highway Traffic Act (2).

MR. LYON introduced Bill No. 88, an Act to amend The Election Act (2); and Bill No. 89, an Act to amend The Controverted Elections Act.

MR. JOHNSON introduced Bill No. 94, an Act to amend The Public Schools Act (2).

MR. JOHNSON: Mr. Speaker, with reference to the next Act, I would ask that this be held for the time being, with the permission of the House.

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Speaker, I beg the indulgence of the House to have this matter stand. His Honour's recommendations are not available at this time.

MR. SPEAKER: Agreed?

MR. McLEAN: . . . on the Order Paper stand?

MR. SPEAKER: Agreed? The Honourable Member for Winnipeg Centre.

MR. JAMES COWAN Q. C. (Winnipeg Centre) introduced Bill No. 101, an Act to amend an Act to incorporate The Sinking Fund Trustees of The Winnipeg School Division No. 1.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I'd like to direct a question to the Honourable Minister of Mines and Natural Resources. It is with respect to his meeting at The Pas on Saturday. I wonder if he'd be kind enough to give a general statement to the House about the assurances that were given at the meeting. For example, in a news report I have before me, the question was asked "What guarantees are there that the small operators currently using the timber in the 40,000 square mile area assigned to Churchill Forest Products, will not be forced out of business whether through low prices paid by the company or by being dictated on economic terms." I wonder if the Minister could answer that question.

HON. DONALD W. CRAIK (Minister of Mines and Natural Resources)(St. Vital): Mr. Speaker, I'd be very happy to accommodate the Honourable Member from Portage, to answer as far as possible the general question which he has quoted here was asked. The answer given was one I think that has been given in the House here before as well, that is that the agreement which exists between the Province of Manitoba and Churchill Forest Industries specifies in it that the quotas which were doubled two years ago at the time of the signing of the agreement, doubled by the province, for the existing operators, would stay in effect for 15 years from that time or 13 years from now, and that the cutting rights that they had at the time would last only to the expiry dates that existed from that point. The actual location of new cutting rights to fulfill their quotas is a matter to be decided between the operator, Churchill Forest Industries and the Government of Manitoba.

MR. JOHNSTON: A supplemental question, Mr. Speaker. Is there any truth to the report that some of the lumbermen at the meeting said that they were being offered \$5.00 per cord less than they can obtain elsewhere, by Churchill Forest Products on a sub-contract basis?

MR. CRAIK: Well, it was a question whether this was stated or whether this was so.

MR. JOHNSTON: Mr. Speaker, I would make two questions: Was it stated at the meeting by operators or an operator, and also is it true? Is it true that they were actually offered \$5.00 per cord less than they could obtain elsewhere?

MR. CRAIK: The statement was made as to price at the meeting but the negotiations that take place between Churchill and their contractors or sub-contractors to their contractors is not of any direct concern to the government.

MR. JOHNSTON: I believe I have one more question on this subject, Mr. Speaker. What protection is there for the existing operators who will have to negotiate prices with Churchill Forest Products. What guarantees are there for them in case negotiations break down?

MR. CRAIK: Mr. Speaker, their protection is the same as it is between any two parties that negotiate a private deal.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources. Last night, during an interview on CBC on the subject of Churchill Forest Products, he said there would be a delay on the project getting under way. How long will this delay be?

MR. CRAIK: Mr. Speaker, I didn't see the program which the honourable member refers to so I don't know to what - I don't recall referring to any specific delay. Perhaps if he would clarify the question further I might be able to answer it as to whether or not he's talking about delay in the start of the sawmill or just what it is. Maybe he could clarify it a little further.

MR. GUTTORMSON: Mr. Speaker, I got the impression from his remarks that there will be a delay in the start of the sawmill.

MR. CRAIK: Well, it probably refers to the statement that the start of the sawmill which was announced in the House at an earlier date was to be at the reduced capacity of 50 million board feet but to go to the full capacity of 30 million board feet by 1969.

MR. SAUL M. CHERNIACK Q. C. (St. John's): Mr. Speaker, may I ask the Minister of Mines and Natural Resources to indicate just how this agreement was changed along the lines that he discussed, that's the agreement between the government and Churchill Forest Products dated February 24, 1966, clause 2 (f): "It is undertaken by the company to establish a sawmill within 30 months after the effective date, adequate for the production of 30 million board feet." As I understood the Honourable Minister on the CBC report - this was his own statement - that the delay was due to the current market situation in regard to newsprint. I'd like to know if that is correct, and if so, how does that have any effect on the agreement with the government?

MR. CRAIK: Well, Mr. Speaker, I repeat that I didn't see the program. I assume that the program was taken from my talks with the town council in The Pas on Saturday but any reference to the sawmill saying that it's start up would depend on the newsprint market, I don't think was made by me.

MR. CHERNIACK: May I then ask just what was the reason for the delay and how could the reason be justified by the agreement which provides a definite start within 30 months after the effective date which I think is this summer?

MR. CRAIK: Well, Mr. Speaker, just to repeat - there is no connection here. I think the honourable member might check. I don't think I made any reference to the tie in between the

(MR. CRAIK cont'd.)... sawmill and the newsprint market. This was not made to my recollection. The reason this question was asked at the meeting it was indicated that it was due partially to the fact that the overall inventory within the 75 mile radius of The Pas, was not complete to the extent to allow the long-term cutting plans and as a result we felt that it was in the interests of all concerned to not force the start-up date any further than we had to and the agreement was changed in July, 1966 to allow for the reduced initial capacity of the plant.

MR. CHERNIACK: Mr. Speaker, I don't want to -- I'm not repeating anything I'm saying except that I would like an explanation. Is the Honourable Minister saying that there was no reference to the world market in his comments as to the reason for delay; and if so, I'm wondering just what he means by it was in the interest of all concerned to cut down the capacity of the sawmill from what was set out in the agreement. In what way is the government interested in cutting down the productive capacity?

MR. CRAIK: Mr. Speaker, I indicated that the primary reason for setting it back from the government's responsibility point of view, is the holdup to some extent of the inventory which is required for long-term cutting plans. The initial cutting area for the sawmill is going ahead in the Atik Lake area but the initial cutting area is based on the provisional inventory information we have only on that area. It's not based on the entire inventory for the 75 mile radius of The Pas.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I'd like to direct a question to the Minister of Industry and Commerce. Could the Minister ascertain to what extent moneys have been advanced under the loan of three million five, to Churchill Forest Products from the Manitoba Development Fund; and could he also advise the House as to the amount of Federal moneys of the \$5 million outright grant, have been granted to the Churchill Forest Products?

HON. SIDNEY SPIVAK Q.C. (Minister of Industry and Commerce)(River Heights): The answer, Mr. Speaker, is no.

MR. GREEN: Mr. Speaker, I'd like the Minister to advise me whether he won't ascertain it or he can't ascertain it, because his answer it ambiguous.

MR. SPIVAK: Mr. Speaker, I cannot answer that question.

MR. GREEN: Well, Mr. Speaker, than I'll put the question possibly in the form that the Minister can answer it. Is it possible for the Minister to ascertain the amount of moneys that have been advanced by the Manitoba Development Fund to the Churchill Forest Products under the \$3,500,000 loan which they have undertaken to give to the Churchill Forest Products?

MR. SPIVAK: Mr. Speaker, whether it would be possible or whether it would not, I would not be able to give that information to the House.

MR. GREEN: Mr. Speaker, then I would ask whether the Minister would ascertain that information for himself, for the government.

MR. SPEAKER: I wonder ... the Honourable Member for Turtle Mountain.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Speaker, I'd like to direct a question to the First Minister. Where can we find who has the authority to allow motor skidoo races on highways, road allowances or Crown lands in the winter months? Who has that authority?

HON. WALTER WEIR (Premier)(Minnedosa): Mr. Speaker, I think it might better have been directed to my colleague, the Minister of Public Utilities, but unless he has a definite answer I'll be happy to take the question as notice.

MR. McLEAN: Mr. Speaker, no such authority exists.

MR. DOW: A supplementary question, then Mr. Speaker. If there's no authority, there are communities that do have them and yet they have been refused in other communities. I wonder why.

MR. McLEAN: I didn't hear the full question.

MR. DOW: I wonder why that some communities can hold them and others can't in the winter months. Seemingly they get permits from somebody. Well, Mr. Speaker, if I may ask another question. Will the Minister have some type of a policy to issue along these lines for the forthcoming winter?

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day are called, I would like to direct a question to my honourable friend the Minister of Public Works. Can any interested person obtain or purchase one of the many dwellings at the MacDonald Airport; and if so, what procedure do you follow to obtain one?

MR. McLEAN: Mr. Speaker, the dwellings are not for sale at the present time. If they were I presume that there would be a public announcement and an opportunity given for people

(MR. McLEAN cont'd.)... who wish to tender on them.

MR. SHOEMAKER: Mr. Chairman, a subsequent question. I understood that several had already been disposed of. Am I correct in that assumption?

MR. McLEAN: My recollection would be that there have been some to government departments and one was moved on an experimental basis.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, I would like to direct a question to the Leader of the House. When may I expect to have tabled a Return No. 49 of the Session a year ago, seeing that it has now been ordered by the House for one year, one month and 19 days.

MR. LYON: I'll be happy to look into it, Mr. Speaker.

MR. CAMPBELL: Soon?

MR. LYON: Very soon. I'll look into it soon.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to direct my question to the Honourable the Attorney-General. Has his department completed the investigation into the allegation against the Mayor of Carberry, alleging a violation of The Municipal Act?

MR. LYON: I have no report from the law officers of the Crown, Mr. Speaker.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): I'd like to address a question to the Minister of Municipal Affairs. Does the Boundaries Commission operate a full-time office over in the Mitchell Copp Building?

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)(Cypress): Yes, Mr. Speaker.

MR. MOLGAT: Could the Minister tell us what is the staff in that office and what the hours of business are there.

MRS. FORBES: Regular business hours, Mr. Speaker, and the staff is there, yes.

MR. MOLGAT: I admit the Minister may not know this off-hand, but could she obtain for me the number of staff members employed at that location.

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

MR. JOHNSON: Before the Orders of the Day I would like to lay on the table of the House the Annual Report of the Public Schools Finance Board for the year ending December 31, 1967.

#### ORDERS OF THE DAY

MR. SPEAKER: Orders of the Day. Orders for Return. The Honourable Member for Burrows.

MR. HANUSCHAK: I wish to move, seconded by the Honourable Member for Kildonan. THAT an Order of the House do Issue for a Return showing:

1. The legal description and street addresses of all properties purchased by the Manitoba Government or any Crown Corporation in the areas bounded on the north by Bannatyne Avenue, on the south by Logan Avenue, on the east by the Red River, and on the west by King Street since 1964.
2. The names of the vendor of each of the said properties and the purchase price thereof.
3. The names of any agents employed in connection with any of the said purchases and the amount of commission paid.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Order for Return. The Honourable Member for Wellington.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I would move, seconded by the Honourable Member for Inkster,

THAT an Order of the House do issue for a Return showing

1. The location of winter roads in northern Manitoba, in the general area north of the C.N.R. Railroad that lies between The Pas and Churchill.
2. The points connected by these winter roads.
3. The extent in mileage covered by these winter roads.
4. By whom these winter roads have been built.
5. By whom these winter roads are used.
6. Information about how these roads are paid for:
  - (a) privately?
  - (b) provincially?
  - (c) federally?

MR. SPEAKER presented the motion.

MR. ENNS: Mr. Speaker, I have no objection to this Order for Return. I would merely suggest though to the honourable member that the "winter roads" is a broad one. I can supply this information with respect to those roads where the department has any involvement. It would become rather difficult where they are wholly private, at least to the extent that we have knowledge about the funding, about the actual costs involved. With that reservation, Mr. Speaker, I accept the Order for Return and we'll see what we can do with it.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Committee of the Whole House.

MR. McLEAN: Mr. Speaker, I move, seconded by the Honourable the Minister of Health, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following bills as set out in the Order Paper, Nos. 11, 12, 13, 17, 19, 20, 21, 23, 24, 25, 26, 33, 34, 35, and 36.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of the Whole House with the Honourable Member for Arthur in the Chair.

#### COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Committee proceed. We were on Bill No. 11, An Act to amend The Public Utilities Board Act. We were on Section 7, subsection (9). (9) --passed.

MR. CHERNIACK: Mr. Chairman, the Honourable Member for Rhineland was speaking at the time that you called it 12:30. I don't know if he's through.

Mr. Chairman, you may recall that we were discussing this point, dealing with special deals, preferential deals being made with various consumers and if you refer back to Hansard you will find that the Honourable Minister of Public Utilities stated that having done all the things he said he would do, that is to review and look into what has been said, he was recommending the section to the committee as amended in committee. He stated he believes this is a satisfactory measure and is in the public interest. After that I spoke at some length and the Honourable Member for Seven Oaks spoke on this matter and then the Honourable Member for Rhineland had started, and I'm wondering if in the light of what has been said, whether the Minister of Public Utilities is prepared to make any further statement to challenge what we posed as being strong objection to both the amendment in the Bill and the manner in which the Bill was amended in Committee, not the manner but the form of the amendment, and I'm hoping that he would give the consideration to us of indicating in what way he disagrees with what we had to say. I'm sorry that the Honourable the Minister of Municipal Affairs isn't here because I'm sure that she too would be able to give us the benefit of their thinking on this subject.

MR. McLEAN: Mr. Chairman, I had thought perhaps this matter had been thrashed over about as often as was useful in this form but perhaps I should accept the invitation to make a few remarks.

The Honourable the Member for St. John's always manages to - oh I shouldn't say always - frequently manages to insert a sinister motivation in things with which he doesn't agree and so he uses the words "special deals," "preferential deals", suggesting these undercover cloak and dagger kinds of transactions in which of course any person who is responsible in public life would naturally be very concerned about such a suggestion.

I want to point out that the matter of incentives to industry is not new and everyone who is engaged in municipal life is fully familiar with them including the Honourable the Member for Seven Oaks, who undoubtedly has heard this subject debated many times and knows, I'm sure the feeling of many municipal people and many citizens, that there are occasions when this device is a useful one in order to establish an industry and to provide employment and assessment and all that sort of thing.

I can agree that probably if we lived in a perfect world it wouldn't be the most desirable thing to have happening. We don't live in a perfect world and so our problem is to cope as reasonably and as rationally as we can with the situation as we have it. We have not been free of these matters simply because there may be those who don't think it a wise idea and the Bills from time to time have come to this Legislature and have been dealt with and we have only suggested here a method by which it is possible for these matters to be dealt with in the local municipal corporation concerned.

I want to repeat what I said before that as far as I am aware there is no pending

(MR. McLEAN cont'd.)... application, no municipal corporation with some requests before it and that this plan is presented in order to provide a basis of dealing with future requests.

The Honourable the Member for St. John's said that the provision which exists in The Municipal Act have been on the books for 10 years, a period which coincides with the lifetime of the present administration in Manitoba. Well it will be of some interest to him and perhaps those who heard him say that, that particular provision has been on the statute books of Manitoba since 1933, a date which rather pre-dates the time of the present administration, so that any thought of suggesting that somehow or other we're engaged in this as a kind of sort of matter of principle I would have to reject.

And then may I also remind the members, Mr. Chairman that on the last occasion, on the last occasion when this problem was presented to this House and presented a practical test of the principle which the Honourable Member for St. John's advocates at great length and with great clarity, that was the matter of the Town of Winkler and the Co-op Prairie Cannery Limited which was dealt with during the session of 1966-67 and it was considered by the House and no one from the party of which the Honourable Member for St. John's is such a distinguished member, made any comment. They did not challenge, they did not present this theory which they so strongly espouse now and no word was heard from them on that occasion and the Bill was adopted by a voice vote without any opposition and indeed the Member for Rhineland was the only member who spoke on the matter at that time.

It not only received second reading in the House but approval in principle, it went to Law Amendments Committee where there was no amendment proposed, it came back into Committee of the Whole and through third reading and through all of that time this great repugnance which the Honourable the Member for St. John's now brings forth, was not expressed. I can only say that the House is familiar with the applications, they are aware that they're going to come to this House if they are not dealt with locally and I put forward that this is a method by which applications of this nature can be dealt with by the people who live in the local area concerned.

He speaks of the people in other municipalities. Well naturally of course if an industry is going to go to Brandon, I suppose that my fellow citizens in Dauphin would oppose it if they had an opportunity to do so on the basis that they would like to have it for Dauphin, and no useful purpose, I believe, would be served in allowing that kind of forum, even if it were advisable, no useful service would be performed by allowing that to occur. These are matters of negotiation, they are matter which are dealt with by publicly elected bodies and they are matters which we now propose should also be brought to the attention of local people who are more directly concerned than to this Legislature. I can only put this matter forward on that basis. I know the pristine purity of the idea that is suggested. I simply say, Mr. Chairman, it won't work in a country that's peopled with men and women of varying interests and hopes and ambitions for themselves and their communities and we are trying to simply provide some rational measure which will allow it to be dealt with in what we think would be a proper manner.

MR. CHERNIACK: Mr. Chairman, may I indicate my thanks to the Minister for rising to speak on this in such an impromptu manner and his memory for being able to recall previous votes. I hate to suggest this, and I won't say he always does, but he often seems to suggest sinister motives on this side with all sorts of connotations in his phraseology to make it appear that there is some hypocrisy taking place here. I doubt if he means it, I'm sure he wouldn't, but somehow or other he gets it out and it may slip out because of some idea that he has regarding his position here. So overlooking that, or attempting to overlook it, with some difficulty, he speaks now about the repugnance which I have in dealing with or accepting this type of motivation. It's a peculiar thing that the Honourable Minister finds it necessary to explain that we are not living in a perfect world. I'm sure that only naive people would think that we are; but the pristine purity about which he speaks is surely something at which he should aim and certainly to the extent that the world is not perfect, he must learn to cope rationally. And who doesn't? We all must. But where we can control certain fate or where we can plan to do things in a better manner, surely, surely the Honourable Member should make that effort.

He speaks of these special deals and preferential deals -- I might refer him to the last word on the third line of his own proposed subsection where the word is "preferential" and I would like to ask him just what better word I should have used in describing what he calls a preferential rate and to the effect that it's a special deal. Well he knows it is. He knows it

(MR. CHERNIACK cont'd.)... is recognized as such. If he didn't use the expression surely the Minister of Municipal Affairs used the expression because I recall it being used. And since it is a special deal, does he think that there's something sinister implied when it is used? And I say no, there's nothing sinister, it's just a fact, it's a fact that it is a special deal and he justifies it as being part of an imperfect world. Well this I think is nonsense because it is municipalities within this province which are affected by it. It isn't outside competition we're talking about; it isn't competition as between provinces which I hoped that he would decry when he spoke on this, because I think he would think it's unfortunate, but he didn't mention that at all, he didn't refer to that aspect which I thought was a pretty good analogy to the present situation. But here is a situation which we can control and he shrugs his shoulders because it's an imperfect world, dealing with ambitious people and he says: well that's life and we'll accept it, but the fact is, he's making it possible.

And when he speaks of the Winkler situation, he speaks of a situation that was brought to this Legislature which made it possible for all legislators to look at it, examine it and decide what to do about it. In the case of the Winkler Co-op obviously what happened is that it was looked at, people made a decision as to what to do about it and did what they decided to do. I reserve the right to do as I did in the Winkler Co-op; I reserve the right to deal differently if I feel the situation so warrants it. I don't recall, nor does the Honourable Minister know, I'm sure, what was discussed in Committee or if it was discussed, but to that extent I don't feel that that is an answer to this because what this bill does is to take it out of the legislature rather than leave it in where we had the opportunity to look at it.

So I reject his analogy; I think it is just digging and looking for some way in which to throw a barb across this way. I admit to him that he succeeded because I was hurt, stabbed by the thought that he projected that I am not finding it easy to live in this non-perfect world, because of the pristine purity which he suggests. May I only conclude then in saying that I suggested nothing cloak and dagger; I just suggested that this was a preferential deal, a special deal and should be within the scope of this legislature and not pushed away from it.

The only other point I would like to comment on is the ten year reference which I made - again he says that I was suggesting that the government was engaged in something adverse. The fact is the ten year figure as I recall it was the one used by the Honourable Minister of Municipal Affairs who said something about ten years and I took what she said to mean that it's been there for ten years. The fact that it's been there longer does not make any change in any inference I drew because I certainly didn't imply that this government was any worse than the one that preceded it. So let him take whatever solace he can out of that.

MR. CHAIRMAN: Subsection 9, as amended.

MR. RUSSELL PAULLEY (Leader of N.D.P.)(Radisson): Mr. Chairman, I feel inclined to say a word or two in connection with this matter. First of all, may I make a confession as a former mayor of my municipality of Transcona, and say, I believe I have said this before, that during my tenure of office as Mayor of Transcona we did have a by-law that was submitted to the ratepayers of my town to agree with special preferentials being given to an industry to locate in the town. As a result of that and a favourable vote, certain concessions over a stipulated period of time were given and I confess that I was a party to that at that particular time. But since that time, since that time, further consideration of the whole matter of preferential treatment in respect of the type of legislation that the Minister is proposing has been under my personal consideration and many others as well.

I am sure that the Honourable Member for Lakeside will recall the report of the Joint Provincial Municipal Committee that was I believe, reported either in 1951 or 1952, somewhere around that general area, and if I recall correctly the then Deputy Minister of Municipal Affairs, the late Murray Fisher made recommendations or at least proposed a paper at that particular time suggesting that the preferential treatment to industries, to churches and to other organizations should be withdrawn. Now it might be that my honourable friend the Minister of Public Works or Public Utilities in this case, is correct when he said that this legislation has been on the books since 1933, but I would suggest to my honourable friend that he obtain a copy of the recommendations of the Joint Provincial Committee of the year that I refer to and I'm sure he'll find at that particular time some 13 or 14 years ago, a recommendation was made to having these preferential treatments ceased.

I also would suggest to my honourable friend the Minister that if he doesn't believe in the proposition that we are endeavouring to present to him in this house, he should have listened

(MR. PAULLEY cont'd.) . . . to the radio program or TV program of yesterday evening where his colleague the Minister of Mines and Natural Resources speaking in The Pas, made reference to preferential treatment given by the Saskatchewan Government in respect of a Forest Industry at Prince Albert. I gathered from my honourable friend's remarks, off the cuff as they were, that he was raising objections to preferential treatment even as one province against the other.

I'm sure my honourable friend the Minister of Public Utilities is aware of the fact that one of the basic considerations of the Carter Commission on Taxation was because we historically here have given preferential treatment to one segment or the other in respect of taxation. It might be an idea for my honourable friend the Minister of Public Utilities to talk to the Provincial Treasurer respecting preferential treatment in taxation; because this is basically what we come to eventually. We are all concerned with the plight of the local taxpayer in the municipality, and it is historic, it is historic here in Manitoba that many communities, including as I mentioned, mine, consider that because of the influx of industry into their community on preferential basis or otherwise it enhances the well being of that particular community.

But I think, Mr. Chairman, the more and more we investigate into the whole matter of concessions of industry, particularly in a community, we can come but to no other conclusion that it adds rather than subtracts from the burden on the local taxpayer. We have had these concessions over the years and I doubt very much whether many of the communities have gained any more than they would have had there been no rights of tax concessions across the whole of the province.

Now maybe my honourable friend the Minister of Education from the constituency of Gimli would argue that if Seagrams and Company weren't given tax concessions at Gimli for a period of ten years, the present distillery under construction would not have been built there. I wonder, Mr. Chairman, that if Seagrams were interested in building a distillery in the west or in Manitoba, that it really wouldn't have mattered whether it was built in Gimli or in Dauphin, or in any of the other areas of the province, but the people in that particular area, as a result of the tax concessions eventually will foot the bill.

I would suggest that the same is true also of the distillery being built in the Town of Minnedosa. I suggest that the distillery might have been built in the constituency of the First Minister, without concessions, providing the facilities that they required and the commodities that they required were available. I'm sure that the Honourable the Minister of Agriculture would be just as happy if the distillery being built at Gimli was being built in Stonewall area. I'm sure that the Honourable Member for Springfield would have loved it in his grain growing community. I suggest that really we are continuing to allow unfair competition within our municipalities to the detriment of the municipalities themselves in the long run and it's not really enhancing the economy of the province as a whole.

I'm sure that if Seagrams as I mentioned a moment ago, wanted to build in Manitoba, they didn't require the concessions that were granted. I'm sure that the industry that located in my town of Transcona some ten, twelve years ago, or a little longer than that, because of the facilities that were provided for them or available for them, would have located if that was their desire to locate there. I wonder, Mr. Chairman, whether we are really fooling ourselves.

Now it's fine for the Honourable the Minister to say, well now we're still leaving this at a local level and the ratepayers first of all in the community have the opportunity of supporting or turning it down and footing the bill. I think basically that if we were under a proper system of taxation in Manitoba, where the prime responsibility was absorbed as it should indeed be, for the provision of services to people, that if they were absorbed by the provincial authority the way they should, we wouldn't have this rat race that we have got insofar as attracting industry is concerned.

May I revert to my own town. I don't know what is cooking out in Transcona at the present time insofar as concessions to industry are concerned, but I remarked the other day, dealing with the estimates of the Minister of Industry and Commerce, that out there the taxpayer of Transcona has spent considerable sums of money in the establishment of an industrial park for the purpose of location of industries and originally of course it was supposed to receive a new cable plant that it didn't. I think this provision is enough to make available the facilities without additional tax concessions on top of it and that if anybody or any community had this opportunity it would be well enough.

And also, Mr. Chairman, I think my colleague from St. John's established a firm point



(MR. PAULLEY cont'd.)... for consideration when he suggested that as in the case, if I recall correctly, of the Minnedosa Brewery, the Seagrams at Gimli, Winkler Co-op Cannery, I believe also Campbell's Soup at Portage la Prairie, they by special bills in this House, receive the approval in addition to the ratepayer approval if I recall correctly. But as my colleague established, we had an opportunity then of keeping our fingers on the pulse as to these concessions.

My honourable friend the Member for Dauphin says that there are no pending applications. I accept that coming from my honourable friend as being a statement of fact, that there may be no pending applications at the present time. I think rather than changing the legislation as he is doing at the present time, of allowing agreements to be entered into to charge an individual consumer a preferential rate, that the trend of this government should be toward the abolition of special privileges granted to industry in the respective municipalities in our province. And if the municipalities, as I'm sure, Mr. Chairman, you would agree, and the Minister, require additional support, for the local community for the provision of services, both to property and to people, then it should be coming from the central government of the Province of Manitoba. They should not be continuously in a rat race to get industry into their communities at the eventual expense of the ratepayers as a whole.

Mr. Chairman, just three or four weeks ago there is another group that historically has been granted exemptions from local taxation, namely our religious institutions and our churches. They apparently are beginning to look at their particular and favoured position in the community; because if I recall correctly my Mon Senior Chartrand the other day, acting as an informal spokesman for the Roman Church suggested that the day may be coming and may be close when they, the Churches, will lose their special privileges insofar as municipal taxation, and they recognize, they recognize that special concession at the local level is harmful to all of the people of the community. My own church, if I recall correctly, through Bishop Anderson, interjected and said that he too on behalf of the Anglican Fraternity can see the end of this in order that all of us within the community have to pay on a fair share basis in all of the institutions, and if this can apply to our religious inclinations then certainly we should not be extending the rights of exemptions to others as we do by this legislation.

So, I suggest Mr. Chairman, through you to the Minister of Public Utilities, that my colleagues who have taken part in this debate are doing so on a firm basis and they have the support, they have support in many quarters, of others who have been deeply concerned with the plight of the taxpayer at the local level and also are concerned as to the continuation of historic exemptions and rather than expand the field as indeed this legislation does, it's time the Minister of Public Utilities and the government of this province looked at the whole question of tax exemptions so that there is a fair sharing of taxation at the local levels.

MR. SAUL MILLER (Seven Oaks): Mr. Chairman, I just want to add a few remarks to what I said the other day on this same subject. At that time I didn't have this information with me. I referred to the Royal Commission on Local Government Organization and Finance in 1964 and in there they clearly set out their thinking on this whole idea of tax exemptions and preferences.

The Minister today suggested that the Member for St. John's is suffering from a case of pristine purity and I'm sure he won't feel the same way about the Chairman of that Commission who today is the Governor-General of Canada, Roland Michener, John Thompson who was a Minister of the Crown with this government a few years back, James McInnis who is with Metro today but who was the Treasurer of the City of Winnipeg a few years ago, Professor Donnelly and Donald L. Campbell. These certainly could be considered and accepted as being hard-nosed individuals who recognize the so-called incentives that the Minister is suggesting, the incentive of negotiation to get the best deal for one's municipality.

The Minister also referred to the cloak and dagger atmosphere that we were trying to generate into the picture here and I can tell him, if he's not aware of it, that there's plenty of cloak and dagger negotiations going on throughout Greater Winnipeg and in Manitoba because we know, those of us at the municipal level know, we don't have to go to look for these firms who are looking for concessions. They seek us out, and they'll shop around from municipality to municipality and they will seek out the best deals they can get, and it's either through tax exemptions or through fixed assessment or through special deals on utilities, they are wise enough and they're smart enough and they're good enough businessmen to know that they can get deals if they look for them. They do get municipalities bidding against each other and

(MR. MILLER cont'd.)... surely we don't want this in Manitoba because this is at best, a short-sighted policy. The Commission in its recommendations said very distinctly "We recommend that the authority to grant any kind of special municipal preferences to industry be discontinued." It's very very clear and it's not said by members of this side, this is said by people who can be considered very practical and very businesslike. They say "at present industry may be exempted in whole or in part, etc. and these exemptions may be granted for a maximum period of ten years. We have recommended that authority to grant such exemptions be rescinded. We disapprove of such special legislation which permits the granting of fixed assessments to particular industries." They say further "The practice of allowing municipalities to grant concessions to industry is gradually dying out. Enabling legislation for this purpose was repealed in Alberta in 1957, was repealed in British Columbia in 1958, was repealed in Ontario in 1961. Only five provinces now allow municipalities to offer concessions; that's Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick and Manitoba." This is in 1964, and for all I know between 1964 and the present day maybe other municipalities provinces have taken the same steps, but we on the other hand seem to be stuck with this idea that because we did it since 1933, we're somehow stuck with it.

Now, they don't do anybody any good because at best it's an artificial advantage that they get. It's inevitable that once they get it, in one area, a year later or two years later or a week later, another industry in another town then demands, and rightfully, says that it has been placed in an unsatisfactory position competition wise and they've got to compete and so they look to the municipality in which they're located to give them the same kind of concession so that they won't be put at a disadvantage with their competitors. So what we're doing is creating competition but not based on fair costs, but rather on giveaways within a municipality to an industry. This enters into the picture, and as I say it's false and is a very short-term advantage which in the long run can't assist anyone.

So, I would suggest, Mr. Chairman, that although the Minister claims that in the past certain Bills have been approved - maybe they have, I don't know - but it's time we looked at this. The Minister says that this is a useful device to get industry and to provide employment. It may be that day, or for that particular town, today this may be a device, but what it does to the neighbouring town is something else - it may be very negative, it may have a very adverse effect. Within the metropolitan area, I can see a situation such as this. Let's take a hypothetical situation, let us take an area such as Tuxedo which has a very high industrial rate base, which has residences that are assessed very high because they're all expensive because of the type of zoning in the area, or the requirements for building in the area. They could, therefore, very easily attract an industry that uses a lot of water and by giving them a special rate on a water rate, make it sufficiently enticing for that industry to say yes, we will certainly come into the Town of Tuxedo because we can save ourselves a considerable amount of money on the utility rates we'd have to pay. On the other hand, an area such as Transcona, which may need industry just as badly and perhaps more, I know they need it more than Tuxedo does - is in no position to compete. They simply can't do it, because any concessions they give have to come out of the pockets of the ratepayers who are not in the same favourable position as that of the residents of Tuxedo. So, when he says that this is a method of doing it and can't hurt anyone, this is not so. The hypothetical illustration I gave is something that can, and does happen. It's hypothetical in a sense that I'm not quoting any particular incident, but it certainly can happen and I don't doubt will happen if this type of legislation is permitted to remain on the statute books and if Manitoba doesn't do what other provinces do - recognize that within the province we should not have municipalities bidding against one another with giveaway programs of this type, because although you may call it a special rate for a utility, what in fact you're doing is this: You are saying "Here is 10,000, 20,000 or 100,000 every year and you build in our area," and this is an out and out purchase of an industry to come into your area. It may give that area or that town an immediate advantage but it's an advantage that has no lasting value because inevitably you're creating that same competition throughout that everyone in the future will have to meet and in the long run the only ones who benefit are perhaps the industries, but certainly the taxpayers will not, because any advantage they gain in the short run will be lost in the long run.

So, Mr. Chairman, I certainly hope that the government look at this seriously, not only with regard to this particular Bill but the whole question of concessions to industries to attract them to come into a given municipality through a giveaway - either of a business tax or realty

(MR. MILLER cont'd.)... tax or water utility rate, whatever it may be. The Royal Commission recommended against, they said we should stop it and I think it's high time that recommendation - I think it's 42 - should be enacted in Manitoba.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, we've had a good deal of discussion on this particular bill, first on principle on second reading, then in Committee and now we're back into Committee of the Whole. I don't see eye to eye with some of the speakers that have already spoken in principle on this Bill because to me it seems that the people should have the right to decide for themselves and if a special deal is made, this will be then up to the people in a given community to decide. They will be the ones that will pass on it and they will be the ones that will have to foot the bill for it, too. So, this is quite logical, this is in my opinion quite fair. In the past these bills were referred to this Chamber, to the House, and we as members had to pass on it. Whether the people back home were supporting that legislation we don't know, we didn't know, and therefore the Act or the amendment that is before us now is definitely in order and in my opinion a very valid one and one that we should pass. We have had similar matters brought into effect at local levels because legislation was passed here giving authority to the executives, or the boards of town council and so on to pass on daylight saving time, when in my opinion it should be up to local referendum, but it wasn't. The local town councils decided on this and I felt that these matters should have been done locally by referendum. Now, under this section here, we're assured that this will be put to a vote locally and the people will decide themselves. I think this is quite in order and this is something we should support.

On the matter of deals at the provincial level, these are made by the government and are brought into the House so that we can discuss these; nevertheless we might oppose them but the government who has the majority can put them through regardless. But at least these will be brought to our attention and brought in so that we can discuss them - like we did the Churchill Forest industries deal that was made. We on this side of the House objected to it but the government nevertheless imposed it. But we have our right to discuss it and to put our views on record and I think that is the way it should be.

MR. CHAIRMAN: Subsection 9 as amended, passed.

MR. PAULLEY: No, Mr. Chairman, I want to register opposition to the passage of subsection 9 on behalf of my group and I want to request a recorded vote.

MR. CHAIRMAN: Call in the Members. Bill No. 11, section 7, subsection 9, as amended. All those in favour of subsection 9 as amended please rise.

A STANDING COUNTED VOTE WAS TAKEN, the results being as follows: Yeas: 43  
Nays: 9.

MR. CHAIRMAN: Subsection 9 as amended passed. (The remainder of Bill No. 11 was read section by section and passed.)

BILL No. 12 was read section by section and passed.

MR. CHAIRMAN: Bill No. 13, an Act to Amend the School Attendance Act. Section 1 -- passed -- pardon me, Section 1 (g)(i)--passed; (ii) --passed.

MR. FROESE: Mr. Chairman, we discussed this Bill on second reading when it came to Committee; there was no discussion in Law Amendments as I remember correctly. I support the Bill and I did so on second reading, I support it in principle, but I feel that it could have gone a little farther, although in checking The School Attendance Act there are various means by which exemptions can be made of one kind or another so that it is not as restrictive or as tight as it looks at the surface.

However, when the Minister spoke on second reading he more or less inferred that I was hindering education or at least not supporting it the way I should and I had no way of rebuttal at the time; I had exhausted my right to speak. I for one certainly would want to tell him that I've supported education in Manitoba for many years. I've been active in it at the Trustees level, locally, provincially and so on, and have given many years of my time in it. I'm all for it and I do hope that my children will get a good education; but at the same time I don't necessarily want to impose it on others, that this should be a matter of free will and that the parents should have some say in the matter of education. We are running into this problem here since the school attendance age was raised and otherwise this amendment would not be before us, I'm sure. Just the other day I heard one of the principals here, one of the Winnipeg schools, that they definitely have a discipline problem and that teachers are retiring before the retiring age because of it and I imagine this very section is one of them. No doubt there would be other

(MR. FROESE cont'd.)... reasons as well and I think we should amend our legislation so that we have greater flexibility, that it is not so rigid and that it can accommodate the various situations .

It seems to me that the administration, the government, is very slow to admit errors. This is one thing they steer away from and they just will not do, even though they are facing the problem, even though they're trying to correct certain situations by bringing in legislation, but when you ask them to admit the error, this is not coming forward. This is one thing they will just shy away from and not do. However, Mr. Chairman, I mentioned at that time that I would bring in an amendment. I've decided not to because it would be rejected anyway, but I felt that I did want to make these few comments and that I do support the Bill.

MR. CHAIRMAN: (The balance of Bill 13 was read section by section and passed). Bill No. 17. An Act to amend The Wildlife Act. Section 21 (i) --passed; (ii) -- passed; (iii) -- passed.

MR. CAMPBELL: I wasn't in Law Amendments Committee when this Bill was discussed. Was any attention paid to the fact that we have an unusual designation of the Deputy to the Minister and the Assistant Deputy to the Minister? Is my honourable friend sticking to those designations or is he prepared to be consistent with other designations that we have in the Civil Service Act in other places?

MR. CRAIK: Mr. Chairman, I've discussed this with the legal people and asked them about the difference between using the terminology "Deputy Minister" and "Deputy to the Minister" and I think we're satisfied with naming it the way it is. It doesn't mean that the Deputy Minister will have his name changed but I think the way the wording is as you go through the -- if it was just "Deputy Minister" it would mean definition later on that the Deputy Minister means Deputy Minister to the Minister of Mines and Natural Resources and the way it's written here, "Deputy to the Minister" eliminates this requirement of defining the Deputy Minister later on. So I think that as it is, it's probably even more direct than using the term "Deputy Minister."

MR. CAMPBELL: Mr. Chairman, there may be something here that I am not aware of, but is this not referring to the Deputy Minister of the Department, in this case? Is it -- to put the question another way, is it contemplated that for the purposes of this Act, someone other than the Deputy Minister of the Department will be appointed to deputize for the Minister under some circumstances?

MR. CRAIK: No, just to - perhaps to put it more clearly, in the definition of the Minister, it says "Minister shall mean, or means Minister of Mines and Natural Resources." By making it Deputy to the Minister there's no definition of that required. If it was Deputy Minister then you'd have to have another definition that said "Deputy Minister" means Deputy Minister to the Minister of Mines and Natural Resources.

MR. CHAIRMAN: (vi) --passed.

MR. CAMPBELL: Mr. Chairman, is the Minister saying that he has discussed this with the Legislative Counsel and others following the questions that I raised and they say that they think it should be left this way?

MR. CRAIK: Yes, it was discussed after you raised the question at second reading.

MR. CHAIRMAN: (vi) --passed; 21 --passed; Section 1 --passed; Section 2, Clause 32 -- passed; Section 2 --passed; Section 3 (37)(a)--passed; (b) -- passed; (c) --passed; (d) --passed; 37 -- passed; Section 3 passed; Section 4 (c) --passed; 4 --passed; Section 5 (52) (2) --passed; Section 5 -- passed; Section 6 --passed; Section 7 --

MR. GUTTORMSON: Could the Minister indicate what the reason for the changes is. Does this allow the Minister to appoint honorary Conservation Officers? Previously the Lieutenant-Governor-in-Council appointed them. What is the purpose of that change?

MR. CRAIK: Well, Mr. Chairman, in answer to the Honourable Member's question, the honorary conservation officers are primarily those that are appointed from the other provinces where the conservation areas can be covered by a conservation officer from Saskatchewan. This is particularly in the northern regions where it's more convenient to have a certain area that comes over the border into Manitoba territory covered by the conservation officer on the Saskatchewan side rather than have an extra man to cover that territory from the Manitoba side. These officers do change periodically on the Saskatchewan side and it means that when they do change we normally have to go to the trouble and expense of preparing an Order-in-Council to recognize this new man in Saskatchewan as covering in Manitoba, and it's more a matter of

(MR. CRAIK cont'd.) . . . efficiency to have it done by the Minister because it is established as a fairly routine matter now.

MR. CHAIRMAN: (The balance of Bill 17, and Bills 19 and 20 were each read section by section and passed.) (Sections 1 to 5 of Bill 21 were read section by section and passed). Section 6 --

MR. GUTTORMSON: We're on Bill 21 aren't we?

MR. CHAIRMAN: We're on Bill 21, Section 6.

MR. GUTTORMSON: Mr. Chairman, the Minister has made a change that says this makes the Minister rather than the Department responsible for matters relating to forests. What is the purpose of this change?

MR. CRAIK: There are some cases where some pretty large quantities of - in terms of dollar value - of material may be in jeopardy in the decision of one of the officers that is in the field, particularly of junior rank, and this provision is in here primarily for him to be able to actually appeal to - not appeal - but to go to the Minister and ask him for his decision as to whether or not materials -- if it's confiscation because of an infraction of a ruling, to be able to go to the Minister and ask for his support on this, in which case the Minister is actually responsible for the decision. It's primarily for cases where confiscations are made of something that has value, dollar value, well beyond which he feels he is capable of making a decision on.

MR. GUTTORMSON: In other words, in the past the employee of the department could make that decision; now the Minister must make that decision. Is that correct?

MR. CRAIK: No, the Minister doesn't have to make the decision in all cases. The employee does have the provision here though that he can go to the Minister to get the back-up on a decision.

MR. CHAIRMAN: (Sections 6 to 11 of Bill 21 were read and passed.) Section 12 (3)--passed; 12--passed; Section . . .

MR. GUTTORMSON: Mr. Chairman, I see there's quite a change here that allows anything seized after 30 days can be sold. Previously it was six months. Now, I presume there was some reason for this. Could the Minister indicate what it was.

MR. CRAIK: When the Act was changed previously, I believe in 1965, this 30-day clause was brought in on part of this section. What this amendment does is brings the 30-day clause in to apply to the rest of the section pertaining to materials which may be seized under it.

MR. GUTTORMSON: In other words, if some material is seized it can be sold after 30 days. Is this correct? And previously if anything was seized by the Department, they couldn't sell it for 6 months. Is that correct? If that is correct, then I'm asking what is the reason for this change. You can sell it five months sooner now than you could have before and there must be some reason for this change.

MR. CRAIK: It does cut down that period of time. It also works in the opposite direction which means that unless the Crown begins prosecution under an infraction within 30 days, that the person can claim back his material as well. It does work both ways.

MR. CHAIRMAN: We're on Section 12. Subsection 3--passed; subsection 4 (5)--passed; section 12--passed; section 13 (d)--passed; 13 . . . The Member for Inkster.

MR. GREEN: On Section 13, the essential change appears to be that whereas previously the Minister could make regulations respecting the licensing of these people, now the Act is seeking to permit the regulations regulating the operations of sawmill operators. I just wonder whether there is anything specific that the Minister has in mind with respect to these operations that requires him to have uncontrolled discretion as to regulating their operations?

MR. CRAIK: No, I think the only change is - the old Act read here "respecting to licensing of sawmill operators" and then it said "lumber planers" but "lumber planer" is changed to "lumber planer operator".

MR. GREEN: Mr. Chairman, the clause that sort of concerns me is the addition of the power to set regulations regulating the operations of sawmill operators. Previously the regulations were permitted respecting the licensing of these people; now we've added on regulating the licensing and regulating the operations of these people, and I think that when a Minister asks for powers which will in effect give him an uncontrolled discretion to say almost anything without the permission of the Legislature regarding how people are to operate, I would think the very least is that he could have something in mind to indicate to the Legislature a reason for needing these powers. Up until now you haven't had the power to regulate the operations of sawmill operators, now you are asking for it, and it seems to me if you are asking for that

(MR. GREEN cont'd.) . . . . kind of power and it is arbitrary and it appears to be probably something of not great consequence, as I said in the House, nobody here is a sawmill operator or maybe there are one or two, if you had that type of regulation respecting the operation of lawyers, there would be a public outcry, Now what is there about these people that you wish to regulate? At least there should be some reason for asking for that kind of control. It's a bad kind of control to give to a Minister under the most compelling of circumstances, and at least there should be something in your mind as to why you need it.

MR. CRAIK: What is meant by regulations here refers specifically to the case of measuring the amount of stumpage upon which the province collects its revenue and the stumpage is based on the board feet measure of production from the sawmill. What the department is attempting to do here is to put some regulation on the size of the material that is produced. By way of example here, at the present time somebody can be producing 2 x 4's that can be manufactured, can be normally called 2 x 4's but may be rough cut to sizes which go excessively over this, but their stumpage rate is based on the conversion of the board foot measure of the 2 x 4's into stumpage. Under the present regulations there's no method of controlling the amount of oversize cut of a given board measure, a nominal measure of the lumber cut, and this is in here specifically to put regulation on the size tolerances which can be produced.

MR. GREEN: Well, Mr. Chairman, I think we sometimes get careless about these things and it seems to me that this is a situation which deserves that characteristic, because if we are concerned with regulating the size of the log, the lumber being cut, then that's what should be said, but this clause gives the Minister the power to make blanket regulations concerning the operations of sawmill operators. Mr. Chairman, I would interpret that as being the power to regulate the hours, the size of the saws, the type of people who work in the operation. It's just completely open end, and if we are talking about the power to make regulations and if we recognize this to be a rather difficult thing to do without giving arbitrary powers to the Minister, then I think that these clauses respecting regulations should say what they mean and no more than what they mean, and if the Minister is talking about regulating the size to which lumber will be cut, then that's what should be said. It shouldn't give him the power to regulate the operations of sawmill operators.

I repeat, Mr. Chairman, it may seem a small point because it doesn't refer to somebody that we know about, but if it was some area in which possibly a greater number of people had the power and had the concern then this type of clause would not be permitted. I plead with the Minister to, in enacting a regulatory clause which gives him the power to pass laws by Orders-in-Council, rather than by coming to the Legislature, he should either know more clearly what he wants, or if he does know more clearly what he wants, then he should limit the regulatory clause to only what he wants and nothing more.

MR. CHAIRMAN: (b)--passed

MR. CRAIK: Mr. Speaker, before we leave this, to make this clear, I believe that under the old Act, under section 43 the way it reads there is the blanket sort of regulations that have to some extent existed, because it says - "may make regulations and orders not inconsistent within the other provision of this Act, (b) respecting the licensing of sawmill operators, lumber planers and scalers."

MR. GREEN: That's exactly what I said at the outset respecting the licensing of them. In other words you are going to be able to make regulations which says that licenses will be granted on the following terms and conditions or something of that nature and you have had that in the past; now you are adding onto this power of making regulations with respect to the licensing of these people the power to make regulations concerning the operations of these people. That is quite a different thing - much more broadly based in my opinion - and I think that if you are asking for that type of power, you should have a better basis from which to proceed than merely saying that it's only going to affect the length of the lumber that is cut.

Mr. Chairman, I tried to deal with this and I'm having the greatest difficulty on a broader principle. This is the kind of regulation for instance that disturbs many many other people when you say that you are going to give the Minister the power to do this without coming to the Legislature. We don't know what type of regulations there are going to be made. We are giving you a blank cheque to say anything almost that you want to and you haven't really given any justification for asking for the addition of that power.

MR. FROESE: Mr. Chairman, the way I understand it it also means that he will have discretionary power without going to Cabinet. This will be his sole right and we as a House

(MR. FROESE cont'd.) . . . . are giving him this right under this Section.

MR. CHAIRMAN: (The balance of Bill 21 and Bills Nos. 23, 24, 25 and 26 were each read section by section and passed.) Bill No. 33, an Act to Amend the Mortgage Act, Section 115--passed; section 1--passed; section 2--passed.

MR. CAMPBELL: Before this is finally dealt with, I would just like to seek legal advice on the question; does this mean that in all cases, the personal covenant is extinguished?

MR. LYON: Only, Mr. Chairman, does it disappear where there has been a foreclosure and in the mortgage, but not on any collateral security that might be attached to the mortgage. It only extinguishes the personal covenant in the mortgage itself but only in the case of foreclosure.

MR. CAMPBELL: In all cases of foreclosure it extinguishes the covenant.

MR. LYON: In the mortgage.

MR. CAMPBELL: In the mortgage. Is this, might I ask if this is uniform legislation, Mr. Chairman?

MR. LYON: No, no it isn't, Mr. Chairman.

MR. CAMPBELL: Does my honourable friend, Mr. Chairman, know of other provinces that have already done this?

MR. LYON: We don't know, Mr. Chairman, of any other provinces that have this specific section but according to the information that I have just been given it's possible that the law has said this in other provinces. The problem apparently became first apparent during the 30's when there were a lot of foreclosures going on and then the personal covenants were left outstanding.

MR. CAMPBELL: Mr. Chairman, it was a sort of Damocles that hung over the heads of a lot of us for a long time. I'm not objecting to it, but I just wanted to make sure that in cases of foreclosure that out goes the personal covenant insofar as that mortgage is concerned. It doesn't affect collateral security.

MR. LYON: No.

MR. CHAIRMAN: (The balance of Bill No. 33, and Bill 34 were read section by section and passed) Bill No. 35. Section 1--passed

MR. CAMPBELL: Mr. Chairman, I think there was very little discussion on this Bill during the time of second reading debate. I would like to ask the Honourable Minister what form of security would be contemplated here that the government would give for an overdraft at the bank.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): Mr. Chairman, it is proposed to design and negotiate with the banks, or more particularly the Royal Bank, a variable treasury bill, which will have an upper limit on it, of the same amount as the line of credit granted by the bank. If the total line of credit granted by the bank should be, shall we say, \$20 million the variable treasury bill would have an upper limit of \$20 million, but the bank each day would enter upon that treasury bill only the amount of what would otherwise have been the overdraft.

That is to say, it will be in effect a treasury bill. It will be a charge upon the consolidated revenue and the amount of that treasury bill at the close of business any day is a charge upon the Consolidated Fund of the province. Now the exact form of it, whether it will resemble the present piece of paper upon which a treasury bill is written, or whether it will be in the form of perhaps a book or a bound book I'm not able to say, because we haven't formed the arrangement. I think the principle is right, so that we do not have to count it a part of the public debt every day, the grand total of treasury bills issued and held against the contingency that the province would at some time draw the entire credits that the bank has made available.

MR. CAMPBELL: Mr. Chairman, I think this is the explanation that was given at the time of the second reading. My question was partly because of the fact that the explanatory note mentions that new section 20 allows securities other than treasury bills to be issued. Well now, this will still be a treasury bill of a type I take it, but as the Honourable Minister mentioned, it's capable of having very, varying amounts written in as the day to day occasions require. Is that correct?

MR. EVANS: It would vary as my honourable friend says and whether I have been justified in using the term treasury bill to describe it, is quite doubtful in my own mind as we discuss it in Committee now; it might well be that a better term should be found, because in some respects it does not resemble a treasury bill. The amount of the overdraft entered upon it at

(MR. EVANS cont'd.) . . . . any given time is a charge upon the Consolidated Revenue Fund but the instrument itself does not constitute a part of the funded debt of the province at that moment, otherwise there would be double counting of the same debt.

Now I think there is no doubt that every treasury bill that's issued is a part of the funded debt, and for that reason as I stand here now, I think it wise to reconsider that title of treasury bill. I have been using it purely for the sake of illustration, because it is a treasury bill or series of treasury bills that we give to the bank as a security for an overdraft at any given point, but this instrument will be so different in character that we should probably find a different title.

MR. CAMPBELL: I tried to quickly look up the Treasury Act to refresh my memory on it and I didn't succeed in finding what I wanted, probably my recollection is wrong, but I had the feeling that we are limited by the Treasury Act as to the type of instrument that the government is allowed to provide. For instance, there's debentures and I think maybe the old term stock still shows in there, treasury bills, etc., etc., it seemed to me that there was no provision made for a security other than those that are mentioned in the Treasury Act itself.

MR. EVANS: Mr. Chairman, I would take it that that's part of the purpose of Bill 35, is to authorize, in section 20 subsection (2) to authorize the issue of a different type of security.

MR. CHAIRMAN: Section 2--passed; subsection 2--passed; subsection 3--passed . . .

MR. CAMPBELL: When you come to (3), Mr. Chairman, my honourable friend the Minister and I had a - oh, just a fringe argument the other day, not a very serious one but a sort of a fringe one as to just what should be included in the public debts. What I understand the Honourable the Minister to say now, Mr. Chairman, is that all that he is trying to avoid here is any amount that might be duplicated in another place. Is that correct?

MR. EVANS: This is for the purpose of avoiding the double counting of both the overdraft and the security provided to cover the overdrafts, and our insipient argument which took the form mostly of headshakes and nods was on a slightly different point, as I recall it, as to whether indeed some of the treasury bills held for our own account could be regarded as an asset. That seemed to be partly a different matter.

MR. CAMPBELL: But so far as this one is concerned, it is simply to -- one of them, the overdraft itself let us say, will still show or be shown as a part of the public debt, or the security that's decided upon will be shown, but not both. I think that's the idea, is it?

MR. EVANS: Certainly the present intention is to show the overdraft but not the security.

MR. FROESE: Mr. Chairman, how much would this amount to, let's say on a given day, or at any period of time. No doubt this will vary, but have you any expectation as to how much this could amount to or any idea?

MR. EVANS: I think, Mr. Chairman, that all of the overdraft authorities that the province holds with all of the banks, or added together, they would amount to some \$45 million. The amounts have varied from being in a credit balance position of several millions at a given time down to, but not I think quite reaching, the total of \$45 million.

MR. FROESE: Well, let's say at the year end, if we were to get figures as to what the situation is then.

MR. EVANS: In my budget address, I think, Mr. Chairman, my honourable friend will find the total of treasury bills issued. I wonder if I should explain at this point that certainly in recent months, if not recent years, there is literally nothing, there is no such thing as an overdraft at the bank. I think at the initiative of the Bank of Canada the banks were instructed not to have overdrafts. An overdraft is created -- it runs during the day and by nightfall there's a certain amount which would be an overdraft if we stopped at that point. However, at that point the arrangement is made with the bank to buy Province of Manitoba treasury bills to an amount equal to what would otherwise be the overdraft. Consequently, the entire debt under present circumstances is represented in the total of the treasury bills issued, and my honourable friend I think will find the total of them - I'm sorry I can't recall them from memory - about page 42-3-4 or 5 of my budget address.

MR. CHAIRMAN: (Section 20, subsection (3) to Section 69 (c) were read section by section and passed),

MR. CAMPBELL: Mr. Chairman, I figured that when we got to this whole section, that it is the intention to have these records kept in a different form through photographing or something of that kind.

MR. EVANS: Yes, this represents the plan which will be followed in the Treasury, that



(MR. EVANS cont'd.) . . . . . if any of the documents is destroyed before the time set out at present in the Treasury Act - I think some it's seven years for cheques, some various years for other things, 20 years for all other documents - they may be destroyed earlier only if a microfilm or similar record is kept, which will be kept for at least the limit set out in the Treasury Act at present, and probably longer.

MR. CHAIRMAN: (The remainder of Bill No. 35, and Bill No. 36 were read section by section and passed.)

Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of the Whole has passed Bills 11, 12, 13, 17, 19, 20, 21, 23, 24, 25, 26, 33, 34, 35 and 36 without amendment and directed me to report the same.

. . . . . continued on next page

IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member from Springfield, that the report of the committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried. BILL NO. 11 was read a third time and passed.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne) presented Bill No. 31, an Act to amend The Employment Standards Act, for third reading.

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, I do not rise to oppose the passage of Bill 31 because it does contain many clauses that will be advantageous in general. I merely rise to protest those sections of the Bill that, throughout the committee stage and both in and out of the House, that the New Democratic Party members in this Assembly have protested against, and indeed as representatives of labour as well. At that time, Mr. Speaker, we endeavoured to point out that it seemed to us that sections within this Bill were going contrary to the agreed-upon legislation of the Woods Committee. It you recall, Mr. Speaker -- or at least, Mr. Speaker, during the deliberations of the Committee of the Whole House, we made a number of suggestions for the improvement of the Bill which we had rejected subsequently by the Minister of Labour and by a majority of the House.

So, Mr. Speaker, I merely rise once again to protest the provisions in this Bill which do not find our favour, and I appeal to the Minister of Labour to take a very close look at the objections that we have raised, and I feel sure that if he does take a close look, he will too come to the conclusions that we expressed in respect to Bill 31.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. LYON presented Bill No. 7, The Presumption of Death Act, for third reading.

MR. SPEAKER presented the motion.

MR. PAULLEY: Just prior to passing for third reading Bill No. 7, I rise to point out that members in this group have grave objections to at least one provision in Bill No. 7, namely the special consideration given to insurance companies contained within this Presumption of Death Act. However, we recognize that there are a number of features within the Bill that are worthy of support, and on that basis we will not oppose the passing of Bill No. 7. But here again I respectfully suggest to the Attorney-General that he should take another look at this Bill because of the provision of exemption given to the life insurance industry.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

BILLS NOS. 8, 12, 13, 17, 19, 20, 21, 23, 24, 25, 26, 33, 34, 35 and 36 were each read a third time and passed.

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. GUTTORMSON: I rise at this point to discuss a department which I think must have some changes made to it. I refer to the Veterinary Services Branch, and it's probably the most neglected branch in the Department of Agriculture.

Last year I raised this matter and pointed out the situation at that time, and I also pointed out that I did not blame the Minister for this situation because he had inherited the department with this condition but hoped that changes would be made. However, this year I'm afraid I can't be as lenient because none of the things that I raised in the House last year have been changed. Only today I visited the branch out at the University of Manitoba. There hasn't been a cent spent on the Veterinary Services Branch and the conditions out there are no better today than they were a year ago. The plight of this department is really deplorable. There's only four vets there, Mr. Chairman, and the space that these men have to work in is extremely crowded.

As a matter of fact, the space that the men use for the autopsy rooms is probably half the size of the Minister's office, and at times they are confronted with four and five large animals at a time and the men literally have to walk over these animals to get around, to get around to

(MR. GUTTORMSON cont'd)...do their work. For the public who wishes to come into the department, the only entrance is to walk into the department where the autopsies are going on, and to me this certainly isn't in the best interests of health. A farmer coming into this branch risks the chance of taking out more germs with him by tramping on the floor of the building because he has no other way of getting in. He must walk right past the slab, or whatever you want to call it, where the men are working on the dead animals.

There are no washroom facilities for the staff in these premises; they must go to another building. There's no cloak room for the staff. Last year, Dr. Van Dreumel, a man who did some outstanding work on salmonella in my constituency when we had the outbreak some two years ago, I understand left the department last September. Now I'm concerned with reports that I get from friends of mine in the Manufacturers Feed Association who advise me that - and the Minister can correct me if this information is wrong - that the Director is leaving, Dr. McGowan. I hope this is not correct, but I'm told Dr. McGowan is leaving the department. Now this would certainly be unfortunate if it's true. They lost Dr. Van Dreumel last year and we're having an awful time seeming to keep people, and I'm afraid we won't be able to replace them unless circumstances change drastically in this department.

At the time when I spoke on this matter last year the Minister, in part, said: "I am on pretty weak ground to debate with you. Our facilities are hopelessly inadequate." Now these were the Minister's words in the debate last year. So the Minister at that time appeared to be aware of this situation, and judging from his remarks he was in complete sympathy with the remarks that I was making on this situation.

Based on the staff and the work load, the employees of the Veterinary Services Branch in Manitoba do eight times as much work as those in British Columbia. I believe they have four to five times as many vets in Alberta as we do in Manitoba.

MR. ENNS: They have a few more cattle, too.

MR. GUTTORMSON: Yes, that's quite true, they do have more cattle, but do they have that many times as many cattle? For example, in the Annual Report it says here on Page 60: "The fiscal year under discussion was once again characterized by a significant increase in work load." And when one looks at the Annual Report, the number of animals that were processed during the year is fabulous. According to your own report, on Page 61: "Swine, 1,046; cattle, 2,126; horses, 236; sheep, 100; dogs and cats, 565; wildlife and zoo specimens, 199; milk samples for mastitis test, 11,000. Then there are carcasses and portions by species: swine, 1,046 and so on.

These statistics just bear out that the work load of these people is tremendous and the facilities - it's unbelievable. At the back of the building there are some seven oil drums used to remove the carcasses after they have been examined by the veterinarians. If the rendering truck doesn't arrive they may stay in there as long as 48 hours, and the Minister can appreciate what the situation is in the hot summer when these animals are left out in the heat for perhaps 48 hours in the hot sun. The flies when we were there today, gathering around the barrels -- and there wasn't too much in there today. It's certainly not in the best interests of health to have this situation continue. Surely something must be done to change the present circumstances, when you realize that the number of animals these people are handling, and the quarters they have to do it is just, as I said, half the size of the Minister's office.

I would hope that the Minister would make some changes in the present policy, or the policy that did exist before, whereby they will share in the cost of the Veterinary College in Saskatoon. Under the present circumstances, boys from Manitoba wishing to take this course in Saskatoon, they're virtually being shut out. I spoke to a young fellow yesterday who wanted to get into the College at Saskatoon and he said he had been rejected. He told me that the Dean has told him straight, "You're from Manitoba, your chances of getting in are very slim because other provinces share towards the cost of this operation". Manitoba apparently refuses and therefore the other provinces are getting preference, and if there aren't openings then we just don't get in. I mean, they take Saskatchewan and Alberta students first, and if there are any vacancies after that our local students get in.

Now this is certainly not a situation that's very healthy. I know in my own particular riding we don't have a single vet and some of the people in the northern part of it - the Minister knows my area quite well - they have to travel as much as 150 miles to get to the nearest vet, and if they do bring in a vet that tends to look after the needs of an animal the cost is so prohibitive. Now the only way we can ease this situation is to get more students taking this course

(MR. GUTTORMSON cont'd)...so that we'll have more veterinarians in Manitoba. The present circumstances are certainly inadequate.

I would hope that -- the Minister indicated last year - but as I said before he agreed that the circumstances were hopelessly inadequate - and he also added, this was in his remarks last year, this was an election promise to improve the situation there. Well now, two years have lapsed, Mr. Chairman, since the last election and I don't think there's been five cents spent on the facilities, that is capital expenditures, since that time. The Minister, I trust, has been out there to see the facilities, and I would urge other members of the House who have not been there to take a look for themselves to see what the circumstances are so that they'll know first hand what's going on out there.

This is a vitally important branch for agriculture and something just must be done. I don't think that we can stand to see it go another year. When we see expenditures for the Information Services Branch double for a branch that's not doing anything to enhance the situation in Manitoba, it seems wrong that we can't get some more money for this particular department which is in dire need of better facilities.

MR. LEONARD A. BARKMAN (Carillon): Mr. Chairman, I did not know that the Honourable Member for St. George would bring this up but I certainly agree with him. I think that the Minister certainly, Mr. Chairman, must be concerned about this matter, and it's getting down to the point where it's of very high importance that some changes must be made in this department: the facilities, the overcrowded part, the understaffed even I'm of the opinion that there are possibly only four vets and two technicians. I'm not sure of this but I wish the Minister could tell us. And I understand that as far as bacteria samples are concerned and what have you, the length of time that we have to send it to other provinces and so on, very often by the time they come back we have run into a snag of serious problems and death arising at the farmer's place. As the honourable my colleague mentioned, also in the cattle department, your report shows that the number of specimens has increased from 529 to 2,126. Surely when you triple, and more than triple, surely we must take a look at a thing like this.

I am very concerned about this department. We keep on talking about helping our farmers, helping them to improve on their farming methods, and I think, Mr. Chairman, that this is one place we can certainly start because nobody has to go down to that place twice to realize, with all the diseases that are prevalent today - and I'm sure the Minister could name hundreds of them - there's no doubt in anybody's mind that something has to be done. This is of paramount importance if we want to help our farmers that depend so much on this help. It may be costly but we have not spend any kind of money in this department really, compared to what amounts may be concerned as far as the farmers are concerned. I certainly want to go on record and hope and stress to the Minister, Mr. Chairman, that something must be done here and shortly.

MR. CHAIRMAN: (c) -- passed?

MR. GUTTORMSON: Mr. Chairman, is the Minister going to reply or give us any indication what might be done, or ...

MR. CHAIRMAN: Order please. I wonder - we've been about nine hours - I believe it's nine hours on the Minister's salary now and I wonder if I might suggest that probably the minister could answer some of these questions as we come to the particular items. The item is further down in the estimates here.

MR. GUTTORMSON: Mr. Chairman, at what point could you suggest we deal with this subject?

MR. CHAIRMAN: Veterinary is on Resolution 9.

MR. GUTTORMSON: Well, if the Minister prefers to deal with it at that point that's fine by me.

MR. CHAIRMAN: (c) -- passed; (d) -- passed; Resolution 7 --

MR. CAMPBELL: I think I will not raise my question at the moment here because there's a much larger item later on, but I would like to make the point that some place on the Minister's estimates we would appreciate a full report on what has been accomplished under ARDA and FRED, and the largest item of all, I gather, comes at the very end. I would like to make the same suggestion here that I made in Public Accounts Committee, and that is that I think it would be well for the sake of the private members who are not acquainted with the overall situation that the recoveries from Canada should be shown in all these cases.

MR. CHAIRMAN: Resolution 7...

MR. SAMUEL USKIW (Brokenhead): Mr. Chairman, I wonder if the Chair would object if I dealt extensively with the ARDA program at this point or whether I should do it — I think I should cover it at this stage because it would give the Minister an opportunity to give us some answers in his opening remarks as we go down the estimates and whereby I would have some opportunity of rebuttal or discussion on the subject matter.

ARDA, Mr. Chairman, is defined as a program for the rehabilitation of rural people and farmers in special categories. I think it's a very important program and it's a question of how we are administering the program as to whether or not we're going to get the maximum benefits from it. We recognize of course that there is federal involvement but that in fact the provincial government is largely responsible for the development of the program, and it's in this connection, Mr. Chairman, that I want to make some remarks on the way I see ARDA working in Manitoba.

One of the interesting parts about ARDA is that it has a proviso whereby the government can launch a program to convert farmlands into other uses, and this would be in the area where farmlands are of such a nature that they are not sufficiently productive to provide a reasonable living to the farmer in question or in the area of farmland which may be subjected to periodic flooding which has the net effect of reducing the income of that particular farmer and so forth. So it is a very important area, especially in view of the fact that in Manitoba we do have all types of problems related to agricultural productivity, and especially because we do have the problem of too much water in some areas of the province which has pretty well bankrupted many farmers, especially in the interlake area.

Now I want to refer to Page 19 of the book on ARDA — the green one — and quote the top section. "Within the interlake the project has been revised under the FRED program to permit individual farmers to make their own contract arrangements or do their own work on clearing and piling 10 to 500 acres. Four dollars per acre will be paid directly to the landowner once the total job has been completed satisfactorily. In 1967, applications for grants to clear over 30,000 acres were made by interlake farmers making use of individual policy".

Now in connection with this part of the development program under ARDA, I take issue with the Minister for providing this only for a given area of the province, because I understand that in other provinces it is a province-wide program, that is doesn't really matter in what area of the province farmers undertake to improve their land by bush clearing and so forth, that they are in fact eligible for the same brush clearing subsidy. I don't know what the Minister has in mind in Manitoba insofar as why he has restricted this program to certain areas of the province, mainly in the interlake, but I think this is one area that I would want some answer from the Minister because it seems to be unfair to some degree that one person in the southern part of Manitoba could not get a subsidy while someone at the other end receives a subsidy. Whether this is that important to the Minister I don't know, but I think it is one of the important points. If we want rural development, I think it should be province-wide. I don't think we should provide only assistance to specific areas within the province.

In the area of conversion of farmland into other areas of activity, I want to deal with the question of — and this is going to relate to my constituency, Mr. Chairman — the area in the St. Peters and Libau district which is under the interlake ARDA agreement and which the Minister at one time or another had announced that he was going to instruct his Land Acquisition Branch to go into the area and purchase substantially large acreages of farmland in recognition of the fact that because of the frequent flooding that takes place that these people can not make a living on their farmland

Now originally it was reported by various government people through the news media that they were going to purchase all the land on the inside or on the wet side of a dyke which they had at that time defined, and subsequently they suggested that maybe it wasn't going to be all the land on the inside of the dyke, that they were going to be selective and look at each case individually, and it sort of confused the people in the area as to what their respective positions were. We had substantial dyking done in 1966 and those people on the wet side of the dyke assumed that when the Minister announced the policy of land acquisition in the area of the wet side of the dyke that they were in fact going to be bought out by the land acquisition department.

Now in connection with this, we also had people at the time that were involved with the Red River Valley Board in that they had made application for moving grants to get out of the area, and then of course there was also the group that thought that they were going to remain in the area if the government was going to provide dyking for their protection. So you had three

(MR. USKIW cont'd)... areas here where government had from time to time suggested that they were going to move in these three respective directions, which had the net effect of confusing the whole community, and therefore some of the people, Mr. Chairman, did not accept the moving grants vis-a-vis the Red River Valley Board in hope that they would either be bought out through the ARDA land acquisition program; or secondly, in the hope that the government would construct dykes to protect them and that they wouldn't have to leave the area.

And just to prove to you what I am getting at, I want to read two letters to you for the information of the House. One is to the Secretary-Treasurer of the Municipality of St. Clements and this is from one of the provincial engineers, and it says as follows: "In reply to your letter of July 13, 1967, I would advise that all dyking for flooding purposes has been temporarily shelved" - now get the word temporarily - "awaiting a formal Federal-Provincial Agreement. It is hoped that this agreement will be signed in the very near future, after which time further work may be possible in the St. Peters area." This is July 18, 1967. Now there hasn't been any dyking done. This type of information led many people to bypass the grants under the Red River Valley Board, that is the moving grants. They interpreted this to mean that there will be something done in the way of dyking and that therefore they do not wish to move out, and certainly you couldn't blame them for feeling this way. Now I don't know whether they are still eligible under the terms of the Red River Valley people, whether upon the information of the Minister, if they learned that the Minister was not going to provide a dyke for the area, that they may still want to use the moving grants which were available a year ago under the Red River Valley Board program. So that there is real confusion, Mr. Chairman.

A letter that I received, from the Deputy Minister I believe it is, "Since our recent discussion in respect to the problem" - I'm quoting a reply to my letter - "Since our recent discussion in respect to the problem along St. Peters Road in the Rural Municipality of St. Clements, I have had an opportunity to discuss this with the engineers in the Water Control and Conservation Branch as well as obtaining information from the Red River Valley Board in respect to the building sites which are open to potential danger of flooding from the Red River. Last year consideration was given to constructing a dyke along the St. Peters Road to provide protection for the land from the high waters of Lake Winnipeg. However, the municipality was not agreeable to the construction of a dyke in this area and therefore no action was taken. The emergency dyking program around Lake Winnipeg was not extended this year due to lower water levels on the lake and it is not the intention of the province at this time to proceed with any further dyking in this area. In respect to eight property owners on the Red River lots, they have all applied for assistance from the Red River Valley Board. I understood that their applications have all been approved in accordance with the policy of the board and the work of raising or moving houses either has been done, or is in the process of being done, in all cases except one. The situation in this area, in my opinion, is no different than that in other locations" and so forth. Now this is September 13, 1967; the letter I quoted previously was July 13, 1967, only two months difference. In one letter the indication was there was going to be dyking; in the other letter the opposite is true.

So, Mr. Chairman, I don't know that the Minister could expect that the people in the area were not confused and that logically a lot of them - and they did in fact withhold from applying - I shouldn't say they withheld from applying for the moving grants, but they applied to make sure that it would be on record that they were interested in moving, but in the hope that something else would be done in the meantime. So, Mr. Chairman, these people did not all participate in the program under the auspices of the Red River Valley Board; they did not all move out. There are still substantial numbers of them in the area and they still don't know what government policy is with respect to dyking or land acquisition.

Now I know that it's a problem for the Minister to try and define which people are eligible and which are not, but, Mr. Chairman, I think you should recognize that these people in this particular area have requested that they come under the land acquisition program or the dyking program. I'm sure that enough representation was made to the Minister from time to time that fall into these two categories, and the fact that the Minister has often suggested that they can move out, that we have a moving grant for them if they wish, is not a sufficient answer to me because of the very confusion which the government themselves created.

Mr. Chairman, the Minister on one or two occasions told me that he was going to take another look at the problem. I believe the last time was a month or a month and a half ago, and I would hope that at this stage of the game he could give me some clear indication as to

(MR. USKIW cont'd)...what his policy is for the area, because, Mr. Chairman, I think that we can not drag this out indefinitely. These people do want to know what their position is. Either they fall under one program or the other, but we should have some definition of government policy.

In the area of park development, Mr. Chairman, which falls under the ARDA program, I think it's fair to say to you, Mr. Chairman, that I am not satisfied with the project in the Birds Hill area. I'm sure the Minister knows why I am not satisfied; I'm sure that he knows that there are a substantial number of people that are not satisfied. I'm sure there are something like 70 or 80 expropriations underway. The Park has been developed and the public is using the park facilities, but my understanding is that all of the people have not yet been compensated for their property.

Now, Mr. Chairman, there must be something radically wrong when we have land acquired from private people and put to public use and these people have to date not received any money for their property. I know that it's contentious, that the values that the owners place on their property are different than the values of the appraisers, but, Mr. Chairman, many years have gone by. I recall that the former member for Brokenhead had dealt extensively with this problem - and this is some years ago - and I find that it is still a problem that is not resolved or isn't even approaching the area of resolution. So I wish, Mr. Chairman, that the Minister might make some comment as to what is developing in that connection and I would hope that the Minister would push his department to try and resolve the problem in the Birds Hill area.

One of the points that I want to draw in connection with the Birds Hill project is that the land acquisition people, in my opinion, offered a very low price for the land in question. I think it was defined in their terms as being marginal farmland which didn't have a high market value and they made offers accordingly. I want to point out to the Minister that land that is only 10 or 15 miles away from Winnipeg, in my opinion, whether it be marginal land or not insofar as agriculture is concerned, it should not be assessed accordingly, that it has an assessment as it relates to its proximity to the City of Winnipeg and the commercial use that could be made of that property. In this case it happens to be the development of a recreational facility for the purposes of the urban center which is Winnipeg. I'm sure the people of Winnipeg appreciate the fact that they have a park so near to them, but, Mr. Chairman, let's not steal the property from the owners; let's pay them a reasonable price for it. I'm sure that the land price for all the property in the area is a very small portion of the total cost of the development of Birds Hill Park.

So, Mr. Chairman, I'd say that ARDA is a good idea and I am happy to see the government participating in the project, but I am unhappy about the way they do some of the things and these are some of the areas. I think that we ought to have more discretion and give more consideration to people that are affected by these programs and that we should not look at the narrow dollars and cents aspect of it.

One of the things that has bothered me in connection with ARDA is I'm not at all aware as to how much has really been done insofar as the Indian people are concerned. I'm sure that ARDA is a program that is designed to rehabilitate people, and in this connection I think that we should not be bypassing our Indian people in Manitoba. I think we should spend many hours and probably a great deal of money under the ARDA program for the development of Indian people. I would like the Minister to give us some outline as to what his plans are, or whether or not the various Indian communities are not participating in the ARDA program as such. I would hope that the ARDA program is not only dealing with the farm picture, the uneconomic farm unit and so forth, I hope it will take into consideration communities that are unrelated to agriculture as well.

Mr. Chairman, for the moment these are the few remarks I have to make. I may touch on some other aspect of the program as we go down in the estimates, but I would hope that the Minister might have some answers for me in connection with the areas mentioned.

MR. CHAIRMAN: Resolution 7...

MR. CAMPBELL: Mr. Chairman I don't know whether this is the particular ARDA item under which the Minister wishes to discuss it, but when we do discuss ARDA, would he deal with the ground water surveys that have been going on?

MR. CHAIRMAN: Resolution 7 -- passed; Resolution 8 ...

MR. ALBERT VIELFAURE (La Verendrye): This is one resolution on which the amount of \$1,000 seems to be static every year, yet in his opening statement the Minister mentioned

(MR. VIELFAURE cont'd) . . . that \$43,000 was given in assistance for hay shortages in certain areas of the province. I wonder where would we find this amount?

MR. ENNS: Mr. Chairman, this is the usual policy of keeping the appropriation open. One thousand dollars is a nominal amount - \$1,000 placed there every year whether it is required or not keeps the appropriation open. The \$43,000 that was expended, I would have to examine my estimates just where that came from, under some Emergency Help Program that we instituted.

MR. VIELFAURE: Can you tell us in what area this was spent? I mean what area of the province?

MR. CHAIRMAN (Resolution 8 and Resolution 9 - Section 3 (a) were passed.) 3(b) --

MR. GUTTORMSON: Mr. Chairman, the Minister was going to reply at this point to my remarks.

MR. ENNS: Mr. Chairman, I'm well aware of the conditions prevailing at the veterinarian facilities at the Faculty of Agriculture at the University. As I indicated to him last year, the government has specific plans in mind to considerably improve this situation. My mind hasn't changed any in the intervening year and I hope to be in a position to inform the House very soon about some specific changes in this regard.

MR. GUTTORMSON: During this session, Mr. Chairman? Do you mean that during the session?

MR. ENNS: The House will be duly informed, Mr. Chairman.

MR. GUTTORMSON: Could the Minister clarify this information I had received from outside that there was some talk about Dr. McGowan leaving. Is this correct or is it no? I hope it isn't correct.

MR. ENNS: Well, Mr. Chairman, the Manitoba Department of Agriculture is constantly being raided because it seems that we seem to attract the top people in agriculture to the provincial service. I hope this is not correct; it hasn't been drawn to my attention at this point yet.

MR. GUTTORMSON: . . . no knowledge of this man's intention to leave then? What about the policy with respect to sharing the costs of the Veterinary College at Saskatoon so that Manitoba students will find easier access to this college. At the present time we're not getting students in there and the dire shortage of veterinarians in Manitoba is being hampered by the present policy. Now, is there any attempt to change this?

MR. ENNS: Mr. Chairman, this matter of sharing in the veterinarian college has been before us for some time. We in Manitoba, of course, have a problem here in the sense that for how many years have we in our institutions of higher learning trained the different professional people that have come to our university, in many cases having the facilities here that were not available in other parts of Canada. If we want to get into the sharing business, I suppose we could send Saskatchewan a bill for a couple of million dollars over the past for the number of dentists or doctors that have been trained in our facilities here.

Nonetheless though, I should point out to the members that we did arrange what we consider a fairly suitable arrangement where under a quota system with the veterinarian college in Saskatchewan -- I certainly support it because I recognize the need for increasing the number of veterinarians available to us here, not only in Manitoba but in Western Canada. We presently have a quota of five students there and I'm told that as soon as the class or the facilities there are increased to 60 students - to facilitate 60 students - our quota will increase to ten. I'm also told that to date there has been nobody disqualified or kept out of the facility at Saskatoon who have otherwise qualified their entrance.

MR. GUTTORMSON: Mr. Chairman, I could give you the name of one gentleman who told me yesterday that he was kept out of . . .

MR. ENNS: I would ask the member to do so.

MR. GUTTORMSON: I will be happy to do so, I wouldn't mention his name publicly but I'll give it to him privately.

But getting back to the business of sharing, is it not correct that this -- I don't dispute what the Minister says that the educational facilities have been set up in Manitoba, but they were set up in Manitoba for Manitobans; but is it not correct that the veterinarian college in Saskatoon was established primarily by joint agreement with the provinces so we would have one for the several provinces? It was discussed before the building was erected whereas the other facilities, if I'm not mistaken, they were built by Manitobans for the express use of



(MR. GUTTORMSON cont'd.) ... Manitobans because we could use a Dental College and other facilities, that the demand was great enough in this province alone. Is that not correct?

MR. CHAIRMAN (Resolution 9 - Sections 3(b) to (c) (4) were passed.)

MR. FROESE: Mr. Chairman, under the section dealing with farm workers, could we have a further report from the Minister on the past year how this is worked out. This report covers -- the date is March 31st of the previous year.

MR. ENNS: As the member probably well knows, we have instituted pilot programs to try to alleviate the situation. We had a program the year before whereby we took on young men or sought young men to become involved in this program. It involved on-the-farm-training. I was told that in this last year we could find no candidates to get involved in this program and it's an area where we're searching out new ways and new means of attacking this particular problem. There's an acute shortage of farm labour and quite obviously we haven't hit on the form as yet to provide this kind of a service to the farm community.

MR. CHAIRMAN (Resolution 9 - Sections (c) (4) to (f) (7) were passed.)

MR. SHOEMAKER: Mr. Chairman, in nearly every department there's a substantial amount appears for the Canada-Manitoba ARDA Agreement and in this one there's a little over a quarter of a million dollars. Now I understand that there is a rather large program outlined for the Riding Mountain Whitemud River watershed area. Would it all come under the Highways and Water Conservation or would part of that envisaged program come under agriculture?

MR. ENNS: Part of the program dealing with the conservation aspects would be within these estimates. We have, as you know, purchased actual property in that area under which some conservation programs are being undertaken, the seeding down of some of the slopes with alfalfa and forage crops. The investigation survey works in terms of solving some of the water control problems would be within the Water Control Branch estimates.

MR. SHOEMAKER: Does my honourable friend intend that some stage of the estimates, either in this one or in highways, intend to give us or outline in considerable detail the plans that he has for the Whitemud River watershed, because I understand that there is a substantial amount in the estimates and it, as you will recall, was set up by the ...

MR. CHAIRMAN: It's 5:30. I wonder if the honourable member would continue after. It is 5:30, I leave the Chair until 8:00 o'clock tonight.