

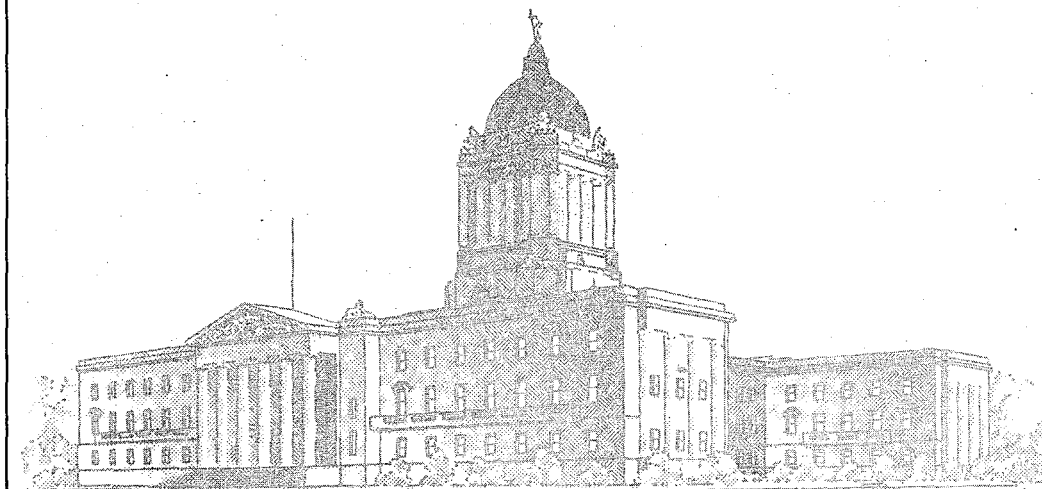


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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DAILY INDEX

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THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Friday, March 4th, 1960

MR. SPEAKER: The Honourable the Minister of Agriculture.

MR. HUTTON: Mr. Speaker, I would like to thank the members of the Opposition for their graciousness in allowing me to continue at this time. I assure them that I won't keep them too long, but there were a few more things that I wish to say on this subject and I also want to assure them that I haven't wandered as far away from the amendment, I think, as it might appear to those who have to listen to me. But I would like to make clear the stand that I have taken and that the Conservative Government has taken in this province on the problem that faces the farm community. And I think also it may serve to explain the action that we are taking on this resolution that is under consideration.

I spoke before the dinner hour on the fact that the farmers are going into livestock and that their initial rush into this new field has caused some problems. I would like to make it clear though, that I feel that the salvation of the western farmer and particularly of the Manitoba farmer lies in a shift in emphasis from field crops, especially cereals, to the livestock industry, and I think it is very significant that at the present time, over 50% of the income of the farmers of this province is derived from sources other than field crops. And I think in the long run that there is plenty of evidence pointing to the fact that there is a market developing, especially for beef, in North America and that the trend in the tastes and in the population growth are very assuring to us on this point. I would like to quote, if I may, from an article by Professor Black of Harvard University. He is one of the outstanding economists on the North American continent. This is what he had to say about western Canada agriculture. "What then is the outlook for Canadian agriculture for the period comparable to the 1960 to 75 period in the United States? There is an opportunity to solve considerably more of Canada's wheat surplus problem by shifting from wheat to feed grains and livestock, than it is possible in the United States." And then looking a little further afield he said, "In the period from 1975 to 2000 even with a rate of population growth slowing down, in parallel with that of the United States, Canada's export of wheat is likely to be replaced largely by the feed grains needed to produce the meats and dairy and poultry products demanded by her population. Basic to such a conclusion is, of course, the simple fact that six or seven times as much land is needed to produce a given number of food calories in the form of animal foods as in the form of vegetable foods." And then another author, Dr. Perry of Perdue University had this to say about beef production in the United States. "In 1952 our annual per capita beef consumption in this country was about 56 pounds. Five years later this figure had increased by 40% to 85 pounds. This figure should reach an amazing level of 100 pounds of beef per person annually in the next decade." And when you consider the prospects for the growth in population on this continent what it boils down to is this, by 1970 we will require on this continent, 13,000,000 more steers in a year, and I think that it is a good thing that the farmers are switching and we intend to encourage this diversity in our agriculture. But at the present time in the fields, especially outside of the production of beef, as I pointed out this afternoon, there has been this heavy emphasis due to the quick return on capital invested, money invested in poultry, pork and so forth.

I think that we want to make sure that we don't try to cure one evil, or one ailment of agriculture with a remedy that is designed to cure another ailment. That is to say that we can't cure the loss of production with prices.

And a few days ago the Honourable Member for Carillon told us of the sad experience that they had in his community this past year, that he had seeded barley and fertilized it and due to the vagaries of the weather he received a return of 5 bushels to the acre. Now it wouldn't matter whether the price of barley were 75 cents or \$1.50, when you get a return of this nature in yield, price, just won't solve the problem. But possibly crop insurance will. On the other hand we musn't think that crop insurance is going to solve the problem of prices. And musn't think that prices are going to solve the problem of markets. We need all these things and we need to put emphasis on all of these aspects or factors in farm income with varying degrees of importance.

Now, I am very happy, Mr. Speaker, that the Honourable Member for Carillon indicated to the House that the party which led the people in Manitoba for so long has come back down to earth and that they are willing to accept the proposal that we made in this house in a similar

(Mr. Hutton, cont'd.) . . . . resolution at the last session; and that we ask the Federal Government for immediate cash payments to the farmers in the west; and that we don't ask a form of policy which we'll know in the first place is going to put the greatest part of any money forthcoming from the Federal Government into the hands of those who need it the least and put the least into the hands of those who need it the most.

I'm not going to say that the acreage payment is the only thing but I do know this, that the farm organizations and the members of the opposition supporting him -- so they said -- were asking for deficiency payments which would cost approximately \$100,000,000 a year and the limit on the amount to any individual farmer was \$1,500. Now if the acreage payment formula were calculated on the basis of the same total payment of \$100,000,000 a year it would give a limit of \$500 to any individual farmer. Now that extra thousand dollars that would accrue to an individual farmer who was fortunate enough to qualify for it, must have come from somewhere and the only place that it could come from would be from the small farmer in comparing the two approaches. And I think that there is an overwhelming mass of evidence today to prove to us that our major concern must be with those who are in, some of them, in desperate straits; and certainly the, with some exceptions of course, but certainly the majority of our small operators are in trouble; and there is no argument between this side of the House and the other side of the House on the question that the farmers need help. The only argument that there has been during my short sojourn in the House is how to do it. There's never been any argument as far as I understand the situation, on the amount that should be paid out as between the different parties in this House. It was just a question of the method of meeting this situation and if we don't succeed at first in achieving this assistance for the farmers in the west, and in Manitoba in particular, because that's what you and I are most concerned with; then I see there is a responsibility on our part to devise a proposal, a program to assist the farmer that we can sell; and we must have one that will hold water; where we can prove that we are helping the small farmer. And so I say that I was happy to hear the Honourable Member for Carillon agree to the concept of immediate cash payments and not ask for deficiency payments. But I think there are other programs that must go hand in hand and that's why I have taken this time to speak on this matter.

Then there is his amendment. Now in some respects it's a very fine idea; in principle, I cannot criticize it and I intend to support it, and this side of the House intends to support it. But I would like to call the attention of the House to one very simple, but I think fundamental part of this amendment, and that is that it calls upon Manitoba to go to Saskatchewan and Alberta and to ask -- solicit their support of a program, not specifying the exact method, but calling for a program of cash payment. This is fine, but we've had some difficulty in the past in this House agreeing as to how this should be done and I expect that there will be some difficulty in reaching agreement with the other western provinces; and I submit, Mr. Speaker, to the House that we will be very happy to co-operate with the other provinces, but in the meantime we are going to make further representations to Ottawa; and following the resolution that was agreed to in this House in the last session, I wrote to Mr. Harkness on the question and I'd like to read -- I know this is the property of the House -- it has been tabled -- but I would like to remind you of some of the things that I said in that letter. "In my view particular emphasis should be given to the assistance of the smaller farmer, who through no fault of his own is hard pressed at present; measures which support price are relatively ineffective in providing any assistance to those farmers who either do not have sufficient volume, or who chose to feed their grain instead of selling it, or through some calamity of nature do not market a sufficiently large amount of products to benefit materially from any such support. I would like to commend the Federal Government on the procedure that it chose to provide assistance to farmers in 1958 on the basis of an acreage payment. This procedure insured that the farmer who needed the assistance most received it. The Government of Manitoba realizes that the solution of the farm problem does not lie solely in support of prices or income by whatever means. Our government feels that much more study and effort should be given to finding ways and means of assisting agriculture to adjust to changing conditions in ways additional to price . . . . For example our province provides a generous system of bursaries for young farm men who wish to attain professional status in agriculture. We have also recently greatly improved the educational opportunities of our rural youth, through extensive reorganization of our high schools. We are giving continuing studies

(Mr. Hutton, cont'd.)..... of ways and means in which we can further assist our agricultural sector and then in this regard I refer you to Manitoba's submission to the Senate committee on land use which was presented by my colleague and predecessor the Honourable Errick F. Willis, in June of this year. And so on.

I know that your government is aware of the necessity of viewing a solution of the problems of this sector of the Canadian economy from the long range point of view. On August 30th, 1958, the Honourable the Prime Minister in outlining future agricultural policy said in part: "as a means of meeting the small farm problem, the government has under consideration ways and means of improving the level of living for farmers on small farms by means of better land use, encouraging the formation of economic family farm units, improving technical training, extending Unemployment Insurance benefits of certain classes to farm workers and by extending the vocational and technical training agreement for the benefit of those who wish to enter new occupations. This is, I feel, the right approach to agricultural policy and I commend your government for it. However, many of Manitoba's farm people are in financial difficulty because of the cost price squeeze and would find it extremely difficult to continue operating under present conditions, while waiting for the development of a longer range policy. I, therefore, commend this resolution to you and urge that it be given early consideration with a view to implementing a suitable policy of assistance at the earliest possible time." And this is what we believe on this side of the House. We believe in the long range program but we recognize that a lot of our people will go down the drain, in the meantime, if they don't get some assistance. This has been our stand as I understand it, since I came into the House, and it's going to continue to be our stand, that we can't cure the ills of agriculture with a quick slick formula. But, the farmers will have to have some help in the meantime while we work out a long range program which will over a generation possibly, iron out some of the difficulties. And so I'm happy as I say, to support this amendment, but with this reservation that we will support this amendment in order that we can amend it further to indicate that Manitoba is not going to wait; we will co-operate with our sister provinces to the west but we are not going to wait till we reach a common solution with them. We will continue to press and impress upon Ottawa the need that is so apparent amongst the smaller farmers in the Province of Manitoba. One other thing I would like to mention before I sit down -- to your comfort -- is the second clause calling for the establishment or the setting up of the Prairie Provinces' Executive Council. In this regard the Honourable Member for Carillon was beating a drum that had already been played on. The First Minister has been in contact over a period of a year with the other provinces in this regard. True, in a very informal manner, but certainly the goal has not been lost sight of and the suggestion has been made of setting up, not a Prairie Provinces' Executive Council but a Prairie Provinces' Economic Council to deal with all the problems that seem to have a particular or peculiar aspect that is common to the west. And certainly among those problems and those of most urgency is the problem of agriculture. With those qualifying remarks, Mr. Speaker, I am prepared to urge the assembly to support the resolution.

MR. PAULLEY: Mr. Chairman, ...if the Minister would permit a question. On my way this evening, over the air, I heard that the Prime Minister of Canada has rejected the requests of the Western Prairie representatives or representations. Has he any comment on that particular aspect?

MR. HUTTON: Mr. Speaker, I know as much as my honourable friend. That is why I said, "If at first we don't succeed, we've got to try and try again, and we must develop a proposal here in the west that they can't turn down and we've got to prove to them that the proposals that we make will indeed do the job that we have all indicated, that we want to see done and want to do. I am not through yet even though we've been turned down.

MR. PAULLEY: Mr. Speaker, I move, seconded by the Honourable Member for Inkster that the debate be adjourned.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Committee of Supply.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Mines and Resources 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.

MR. SPEAKER: Would the Honourable Member for St. Matthews please take the Chair?

MR. CAMPBELL: . . . .before we begin the estimates of the Department of Mines and Natural Resources if I might raise a question of business of the House. Perhaps the Honourable the First Minister or some member of the government has already dealt with this matter. The correction of the notice that we received for Law Amendments Committee. Has anyone. . . .

MR. ROBLIN: I believe my honourable friend is talking about the Hutterite Bills, is he not?

MR. CAMPBELL: Yes.

MR. ROBLIN: Well as I understand it what we have done is given formal notice that it is before the committee . . . . .it will be before the committee but in practice we will not proceed as we previously agreed until Thursday. So I think this is just a formality and the understanding still holds good that we'll proceed on Thursday.

MR. CAMPBELL: That quite okay so long as prominence, or publicity is given to this notice because what this one says just follows the usual form that the Select Standing Committee will meet on Tuesday, March 8th, in Room 200, to consider Bills, and the Hutterite Bills happen to be at the top of the list, and I know the arrangement that's been made and I realize that it's the intention of the government to keep it, but if anybody, newspaper or radio station or anybody else looked at this one they would be likely to indicate that those were coming up, and inasmuch as the folks who are interested in that one are likely from the rural districts, not all perhaps but a good many of them, I thought it was best to be sure that no publicity would get out with regard to this particular notice.

MR. ROBLIN: I'm glad to clarify the matter, Mr. Chairman. The paper tonight did make reference to Thursday as being the day on which we would discuss the Hutterite Bill so I presume that will be generally observed through the province.

MR. CHAIRMAN: Department of Mines & Natural Resources. 8. Lands Branch.

MR. MOLGAT: Mr. Chairman, I believe that when we stopped last night we were on this item and that the Honourable Member for Ethelbert-Plains -- he was on his feet and as I recall it, the understanding of the First Minister was that he would stop under the condition that he was here today to pursue the line of questioning that he was then involved in.

MR. ROBLIN: . . . . .inquiry to find out where he is.

MR. MOLGAT: Well, unfortunately and through no fault of his own, his wife is ill and the honourable member had to leave tonight. However he has asked me by proxy to proceed for him in this regard so I will proceed with the items in which he was interested. And his comments rose out of the statements of the Honourable Member for Inkster with regard to the development of crown lands that were not presently settled and bringing in settlers and immigrants to populate these areas. Now this I know is an appealing sort of an idea when you consider that there are people in other countries who no doubt would like to come to Canada and settle here. Unfortunately the position of the majority of the Crown land that is still held is that it is not suitable for agricultural purposes; most of it is marginal and sub-marginal land and it appears to us that to encourage people to settle in these areas is far from doing them and the province a service. It's a great disservice to both parties because they cannot, in most cases, successfully farm these areas. I'm not referring now to Catfish Creek or Washow Bay where there is actual agricultural land development, I'm referring more to those other areas outside of that, most of it in the unorganized territory and what's actually happening in a good number of those areas now is that the settlers who are there are leaving, and the population is decreasing in many of those marginal and sub-marginal territories. So if people who have been there for sometime, who have tried to make their livelihood on it, but who are in most cases natives of the area, cannot make a success I think it's highly doubtful that new immigrants could make a success under the same circumstances. Now this is by no means to belittle the no doubt sincere interest of the Honourable Member for Inkster, but it is a straight practical consideration, and on the contrary we would suggest that this type of land be reserved for resident people who already have farm lands there who are already operating a fairly efficient farm or ranch and who want to buy additional land. To do anything else, in our opinion would lead to trouble. We've seen that years ago -- not in the provincial level, actually it was federal -- after the first war when the Soldier Settlement Board established many new people going into farming on this type of land and the results were most disappointing, heartbreaking in fact for

(Mr. Molgat, cont'd.)....the settlers who went there. They spent several years, worked hard, cleared off stones and eventually had to let it go because they couldn't make a go of it. And that type of settling is not to the advantage of either those individuals or to the government. So we would suggest that on the contrary, great care be taken on these lands that they are only sold to people who actually can make a go of it on those. It seems to us that the best proof of that is people who have already had farm operations there, and who can use this land in conjunction with existing operations.

MR. WITNEY: All the Crown lands sales that are made are all presented to a Lands Board which includes Mr. Gyles of the Lands Branch, Mr. Parker of Agriculture, and Mr. Gill of Forestry and the desires of these people, and whether or not the area that they want could be satisfactorily utilized for the purposes they desire, are all taken into consideration before any further sales of said marginal land are granted.

While I'm on my feet, Mr. Chairman, in answering some questions that I had held over until today for the Honourable Member for St. George, there are 19 men on the surveys on the Northwest Territories and Saskatchewan and Manitoba boundary. For the Leader of the Opposition, who asked about where the muskrat crop was sold, it was sold to the two auction houses here in Winnipeg and to the Hudson Bay Company of Montreal, to Dominion in Winnipeg and to Soudack in Winnipeg, and Montreal to the Hudson Bay Company.

And to the Honourable Member for Inkster who asked of the number of settlers or people who are developing the Pasquia area, there are 117 on a crop-share lease.

MR. CAMPBELL: .....has in connection with the answer to my question, if he happens to have the average price; and I know that the average price is a rather difficult thing to arrive at, but does he have any price comparisons between the muskrats sold locally and those sold on the Montreal market?

MR. WITNEY: The only information I have is just the general information in that the muskrats sold in the Winnipeg market were slightly higher than those sold in Montreal.

MR. CAMPBELL: Slightly higher price?

MR. WITNEY: Slightly higher, yes.

MR. GRAY: Mr. Chairman, my main point of urging the settlement was for two reasons. Firstly that I had in mind and I mentioned it, that the government should assist in the settlement, and secondly, I'm not a man who favors curtailment of production in a world that is hungry, and the price or the income to the farmer is a separate matter entirely. The farmer is entitled to the full extent of his labors and if he has any reverses, it will be done whether he has 19 acres under cultivation or 100 acres under cultivation. Personally, I may be wrong, entirely wrong, I would rather have the grain unsold -- of course the farmer has to be taken care of -- than neglect producing it because some day we will be sorry for the propaganda which was carried on in the last several years for the farmers to reduce production. I don't think we had any moral right for the sake of those three-quarters of the population of the world going hungry at night, to curtail production. One thing has absolutely nothing to do with the other. And what I have in mind is this, that sometime the unemployed are sick and tired of walking the streets, sticking around the employment office, looking for a job and they may decide to go on a farm at least to get subsistence, if not wealth at least subsistence. And I realize they couldn't..... but I think it would be the interest of the government to see that whenever there is any possible chance to settle someone without means, of course, if they have no means -- if they have means they probably wouldn't go -- without means -- settle on the land with the help of the government, and should be done.

Now to illustrate, during the depression years we had here the Back-To-The-Land and Assistance Association with the help and the blessings of the Provincial Government. Our slogan at that time, I was a member of that Commission was: "If a person wants to transfer his misery as being on relief to have hardship on a farm, let him have it." I don't know whether those people are still on the farm, but I do know that several hundred families from this province have settled, and some of them are satisfied. Many of them may be still there; I don't know. But with the help of certain organizations, with the help of the government, spending the relief money for them on the farm, it helped them to settle. That's what I have in mind. I didn't have in mind to get somebody and -- in the first place I don't know whether many have left but even if they did leave it's worthwhile -- the trial was worthwhile because many of them

(Mr. Gray, cont'd.) . . . did stay on the farm and this applies to the Crown land that was unsuitable perhaps for direct farming but it's probably good for them, if they have mixed farming, raise subsistence, with the assistance of the government. First they cultivate the land, and secondly you help people who are in distress, and whether they have extra production, -- I'm afraid the time will come when we will be short of commodity and not over. At the present time of course we're going through a crisis, I realize that the farmers cannot sell his grain for many reasons I don't know, I'm not going to go into it, perhaps I, myself know the reasons --there are political reasons; there economic probably reasons and others. But at the same time the world is hungry and if Manitoba -- Canada--can help and have the produce, have the grain, have the loaf of bread for those others who need it, then in time the diplomatic obstacles may be removed, and for this breadbasket of half of the world will come very, very handy. That's what I had in mind. I have not been discussing the possibilities of whether they could make a living or not, but what I was anxious to see because these people should get a new start because the taxpayer - those who are afraid of the taxpayer all the time are paying for him anyway. They supply his unemployment insurance and he's still starving so why not settle him in a dignified way and let him at least get subsistence for his wife and children from the farm.

MR. CHAIRMAN: (a) passed.

MR. GUTTORMSON: Mr. Chairman, a practice that is causing considerable alarm in the country is that of big business men, some of them Americans, purchasing land beside the lakeshore for hunting purposes. I know in many sections along Lake Manitoba men with a lot of money are buying up land around along the lake, fencing it off and forbidding the local hunter from going into the marsh to hunt for himself. I think that some steps should be taken if it's possible to prevent this from carrying on. I know in the Lundar area for example in the south there are excellent hunting marshes that are forbidden to the local hunter because they're owned by some wealthy person in Winnipeg who comes out there for a few days in the fall of the year and the marshland available is gradually diminishing and I don't think it's fair that the local people are being deprived of a place to hunt. I understand that it is the policy of the government not to allow crown land to be sold for these purposes and I think that's an excellent practice. I was just wondering if something can't be done to stop land which the government has no control over at the present time from going into the hands of these big business men because it doesn't seem fair that the local people are just being deprived of a place to hunt and I think that something should be done to stop this practice. I wonder if the Minister could indicate what was being done, if anything? This subject has been raised before I believe, and I think that the Game and Fish Association are quite alarmed over it.

MR. WITNEY: Mr. Chairman, these lands that the Honourable Member for St. George refers to are all lands that were sold prior to the province taking over the natural resources and consequently they were private lands and they have to be treated as private lands as those who own them can sell them to whom they like and at what price they like. But the policy is to try to buy up those valuable lands as much as we can, if we can obtain them at fair and reasonable prices; and we have, as I mentioned yesterday purchased land around the Delta Marsh and recently in the Netley Marsh; just the other day we approved one in the Centre. I could say that the general policy is, where we can purchase this land at a fair and reasonable price that we will do so, but as you are probably quite aware that most of this land now, as a result of it's favourable position in the marshes, it is considered to be extremely valuable and in many cases the people just don't wish to sell them.

MR. CAMPBELL: . . . Mr. Chairman, that if the Honourable the Minister would be interested in providing some figures not for this sitting, of the Committee because I expect it's not going to last very much longer but for a subsequent sitting next year. I think he will find that he can set the mind of the Honourable Member from St. George considerably at rest in that regard because the policy to which the Minister refers has been in operation for a considerable number of years - I would say at least a dozen or 15 and while what the Minister says is perfectly true that these lands with the greater interest in hunting and on occasions even in trapping have become more valuable and they might have been thought some years back; yet I'm sure that the figure will show that much more land has been recaptured by the province than has been alienated in that time and I'm glad to hear the Minister say that that policy is being carried on and that just recently the department bought up some more; because I think it is an



(Mr. Campbell, cont'd.). . . . excellent thing to get these public shooting grounds and public trapping grounds back into the hands of the province once again; and I'm quite sure that though cases arise at time and the Minister says we can't prevent the private owner selling to whom he wishes, yet I'm sure much more has been brought back into the provincial fold than has been alienated in the last seven or so years.

MR. GUTTORMSON: Mr. Chairman, I don't quarrel with what the Leader of the Opposition has said but I know a large tract of land fenced containing a marsh where I hunted for many many years, and still try to hunt, which was purchased in recent years by a group of business men in the city and we had to go to a great deal of trouble to get permission and they had locks on the gates and I know. . . . . pardon.

MR. ROBLIN: . . . . . purchase from the government.

MR. GUTTORMSON: No, no, I'm not suggesting they purchased from the government. It was purchased from a private owner. I quite agree but it's still causing a lot of concern to those who had been using those marshes for their own hunting purposes.

MR. CHAIRMAN: (a) passed.

MR. WAGNER: Mr. Chairman, talking about private land if I may bring to the attention of the Minister and the government as a whole. The Minister is very well aware of an incident that happened with the pasturing leasing land for raising cattle or leasing the land for haying and so on. I would suggest to the Minister that if he would take under consideration when there is a group of business men or one big firm wants to lease the land from the government or buy the land that there should be a provision made or at least get in touch with the communities that are concerned with it that they would be the first bidders; that they would have the opportunity first to lease that land individually or as a group rather than have one firm come in and dominate the whole area; and I have one specific area in mind in which the Minister is aware of it and the former Minister also and it's in the area of Erinview where the farmers lived and still are living for the last 40 years and they were leasing the hayland and pasturing their cattle and then all of a sudden - it has been done some years ago under the former government - one firm came in and just had a monopoly on it; and now the farmers are in a crucial predicament. They have no place to cut hay; they have no place to graze their cattle; and this Minister is trying his best as far as I am concerned to make an agreement with a particular party. I don't know how successful he was but I would hope that if there is another such item or another predicament that the Minister should be very careful and investigate whether it's not creating hardship on the farmers in the area.

MR. WITNEY: Mr. Chairman, in that matter I think that - I can't recall the exact date - but we have negotiated with the people concerned and have been able to carve out a chunk of the land for hay purposes for the people in the area. I think it's 800 acres, I'm not too sure.

MR. HAWRYLUK: Mr. Chairman, a few years ago back some of us had the wonderful opportunity to visit the north country which I'd certainly look forward to again, and when we visited the area around The Pas we went to a location, I think it was the Pasquia area, in which at that particular time the problem was flooding, and I think there was some plan initiated by the former government in which they were going to take some necessary precautions in damming and building dams all over the place in order to retrieve a great deal of the delta land. I was just wondering what progress they have made in that regard because I think the future of that particular part of the country was supposed to be very, very good. But unfortunately due to the fact that the waters of the Saskatchewan River and Pasquia River and other bodies of water coming in had a great deal to do with curtailing the number of settlers settling in that area. I just wondered if anything had been done since.

MR. WITNEY; I think, Mr. Chairman, that the situation there is quite well under control. The PFRA have established 57 miles of dykes to protect the area from inundation; there's 58 miles of primary drains nearing completion; two pumping plants to discharge water from the main drainage ditches; a control dam on the Pasquia channel near The Pas; a diversion dam across the Pasquia channel four miles east of the Saskatchewan boundary to divert the waters of the Pasquia into the Carrot River; there are seven control structures on the primary drain and there is a timber pile bridge 24' by 186' over the South channel. Of course this hasn't all been done in one year, it's been done over a period of years, and then the province too, apart from road construction and maintenance of drainage facilities there has constructed

(Mr. Witney, cont'd.) . . . . secondary drains. We've completed 19.5 miles. I think the situation there is now well under control.

MR. GUTTORMSON: Mr. Chairman, are people still going into the Pasquia and what are the prices, how are the prices for land based. Could the Minister tell us?

MR. WITNEY: No more people have gone into the area recently. The people are operating on a lease basis, a crop-share lease for another year, and as soon as the project is completed, which we anticipate will be in 1960, we then will be making or deciding on a policy as to whether it will be outright sale or lease with option to purchase or a crop-share lease. At the present time too the land is being assessed in that area.

MR. MOLGAT: Mr. Chairman, on these land development projects, I presume that we're still spending money on them, I notice in the last annual report there are expenditures in the various ones. Are the expenditures planned for next year in the various - in the four projects, or are we through now with . . .

MR. WITNEY: We are basically through with them, most of the expenditures now are for maintenance purposes in the three major ones. There will be some capital expenditures still to be done in the Pasquia area with some roads and some further drainage, but for the most part it is maintenance now.

MR. MOLGAT: Now when we discussed this under the Department of Agriculture the attitude of the Minister as I understood it at that time was that we should go slow on these projects. He had something less than enthusiasm for them and I can understand his problem, because as people settle on these it's an increase in agricultural production and the problem seems to be now too much production. So his attitude as I understood it, and I presume that was the attitude of the government, was no more of this, let's go slow, let's reduce the development. Now I wonder what the attitude of the Minister of Mines and Natural Resources is on the subject, because I understand that it's his responsibility to develop them and the expenses on the developments come from his department. Now he is I presume, faced with the responsibility of getting the land sold; he has an investment in each one of the projects. The price, as I recall, is based somewhat on the cost, there is relationship there I remember on the cost of developing it. Now is he of the same view as the Minister of Agriculture in this. Is his view "go slow"?

MR. WITNEY: The honourable member Mr. Chairman, can ask some interesting questions at times. The Department of Mines and Natural Resources has a job to do and that job is to finish off these projects and to complete them along the time schedule that has been set up over the period of years. That is what we intend to do.

MR. MOLGAT: Yes. What policy is the department following insofar as the sale of the land. Is it encouraging the sale of the land, is it advertising it, is it proposing these projects to people who want land, or is it following what I understood to be the Department of Agriculture's position, suggest to the people that they shouldn't go there?

MR. WITNEY: The Department of Mines and Natural Resources is following the policy that has been followed for the past few years. We do not advertise the land nor do we promote it, nor has it been promoted for a period of years. If people wish to buy it their application goes before the land board, it is considered and if the land board passes it the land is sold to them.

MR. HAWRYLUK: Mr. Chairman, I'm probably following up what the honourable member has just mentioned. I think the record speaks for itself. The government here has sold around 90,000 acres of land in that area and have received about a million and a half dollars. I think they've done pretty well. But what I'm interested in Sir, is this, that you have approximately 600 settlers including the Pasquia area in that area, I believe there's 600 all together. How many of those in the last few years have been New Canadians that have gone out there? I mean are those settlers, have you any idea Sir, if they are European, Canadian, that is New Canadians that have come into the country who've settled out in that area, how many of those are New Canadians?

MR. WITNEY: No, I'm sorry I haven't got that figure because to my knowledge at any rate it's not something that's asked in the application form. We just assume that they are Canadians and that they are entitled to buy land there.

MR. MOLGAT: . . . . are there any limitations . . . . Sorry.

MR. A. H. CORBETT (Swan River): I might tell the Honourable Member for Burrows that I'm very familiar with the Birch River land scheme and quite a few of the people who bought land up in that area a few years ago were people from Saskatchewan who became very dissatisfied with conditions in Saskatchewan and they moved over in here to try and buy some land under a fair and honest government which they could see was coming in the future.

MR. MOLGAT: Mr. Chairman, the comments of the Member from Swan River are certainly very interesting and it is true there has been a great movement from Saskatchewan to the Province of Manitoba. It's possible that a number of them would be interested in Washow Bay and Catfish Creek as well as the Birch River. Does the department put any limitations as to the amount of land that an individual can purchase in these developments. In other words if, say, one individual or a group of individuals came in and wanted to buy a very large tract, something like 10, 15 sections, would the department be prepared to sell him that amount?

MR. WITNEY: No, there is a limitation on the amount that they can buy. I think it's a quarter-section.

MR. MOLGAT: What was the amount?

MR. WITNEY: It stands correction, but I think it's a quarter section.

MR. MOLGAT: Well, I don't want to disagree with the Minister but surely it must be more than a quarter section because on today's agricultural practices I don't think that a farmer can make a go of it on a quarter section. Now I'm not blaming the Minister; I realize that this is a detail point and he's new in the department, but I would think that it would be more than a quarter. However I'll be prepared to wait for the answer to that one. Now if there is an upwards limit, what is the basis of the sales? Are they on tender? Are they on a set price established by the department? What is the basis of the sale?

MR. WITNEY: On a parcel of land \$1,000 or over it's a 15% cash payment with a balance of 20 years at 4 1/2%; and under \$1,000 it's 20% cash with a balance of 20 years at 4 1/2%; in small areas a cash payment.

MR. MOLGAT: What I was really wondering about though Mr. Chairman, was how is the price set; how is the price established? Does the department set a price on each quarter section, a price tag of so much, or is it sold on the basis of sealed tenders, or what exactly is the situation?

MR. WITNEY: No. The department sets a price on the land.

MR. HARRY P. SHEWMAN (Morris): Are you following the previous policy by just setting the price on the land?

MR. WITNEY: Yes. There has been no change in the policy.

MR. MOLGAT: Assuming that there are, and I don't suppose at the moment this occurs, if there aren't too many people going in there, but if there are a number of people interested in the same parcel of land. What is the procedure? Is it auctioned such as is the procedure with the school land, or is it a tender as is the procedure normally with the other crown lands?

MR. WITNEY: Mr. Chairman, I can't answer that question, I'm sorry. I don't know. I'll have to get the answer for you.

MR. CHAIRMAN: (a) passed. (b) passed.

MR. MOLGAT: Under this item, Mr. Chairman, could the Minister indicate the numbers covered by this salary item.

MR. WITNEY: There are 31 this year and 31 last.

MR. CHAIRMAN: (a) passed, (b) passed (c) passed (d) passed.

MR. MOLGAT: Mr. Chairman, under (c) could the Minister indicate what this covers?

MR. WITNEY: This covers the operation of a community pasture at Birch River and also soil survey work that is done on these lands during -- well we have one man operating in the winter and then during the summertime we take on some students and we do soil survey work on land such as this -- these various projects in co-operation with the Dominion Government.

MR. SHOEMAKER: Mr. Chairman, I note from the Annual Report of the Department of Mines and Natural Resources that was laid on our desks the other day, on Page 27 in regard to recreation development they suggest that seven new areas were added during the year bringing to 29 the total number of completed projects, and it's estimated that 200,000 people or an average of 7,000 visited each one of them last year. I guess they mean last year. And I want

(Mr. Shoemaker, cont'd)... to commend the government for going as far as they did. I would like to suggest that they should go a great deal farther in that field, but on checking the estimates I see under Item 8 (d) that it is down about \$50,000 from what it was in 1959 and I'm very disappointed to see a reduction in that item. I think that if we are to attract more and more tourists to Manitoba and keep them here once we have got them here that we must have more recreational development within the province. That is pointed up too, by the Winnipeg Chamber of Commerce in a report, and I'm not certain whether this report was laid on our desks Mr. Chairman, or whether we received it in the mail, we receive such a volume of both, but I know that each and every member received it, and they say this, the Winnipeg Chamber of Commerce, as regards recreational development: "Although Winnipeg is the only large city in the province and therefore an attraction of special significance, there are no provincial parks provided in the immediate vicinity for tourists who prefer attractive and well organized camping grounds to motels or hotels. The government is to be commended -- and I've already done that, Mr. Chairman, on the establishment of the park areas (Interjection) I'm getting shot.... (Interjection)

MR. CHAIRMAN: .....he better reload his rifle.

MR. CAMPBELL: I must say to the Honourable the Member for Inkster that by entering into a contract with the government in that way and by money passing between them he is disqualifying himself as a member to sit in this House.

MR. SHOEMAKER: Well Mr. Chairman, while the Honourable Member for Inkster is reloading his gun I will, I think I should begin at the sentence that I started when I heard the first bullet. "The government is to be commended on the establishment of the park areas of Falcon Lake and the Big and Little Whiteshell, but further provision for park areas throughout the province offering facilities for trailers and camping and boating is desirable. The committee therefore recommends that the provincial government accelerate the development of park areas throughout the province including northern regions with facilities for camping, trailer parking, boating and swimming and that consideration be given to establishing such a park area adjacent to Winnipeg."

Now, Mr. Chairman, I'm not too concerned about one adjacent to Winnipeg, but I am concerned about one adjacent to Neepawa and they can have both so long as we get the one at Neepawa. As most of the members know, I believe, the PRFA developed and built a good sized dam on the White Mud River about one mile south of Neepawa last year. I think it is all but completed. The dam will create a 35-acre lake immediately south of the dam and the Neepawa Chamber of Commerce and the people concerned in Neepawa are attempting to develop a beach and resort area on this lake. I was hoping that this might be the number one project in 1960 and perhaps I will hear the Minister say that that is so. I did hear him say that the government were presently buying up some land to probably develop this type of a project or to prevent other people from developing it. I would like to make a deal with him now -- I will see that the government gets the land, 25 acres of it free of cost if the government will develop it. I will guarantee that personally, Mr. Chairman, if he would go so far as to guarantee me that he will develop this area. (Interjection) Now, Mr. Chairman, I understand that this government did make a contribution of some kind in the Rivers area following the completion of the PFRA dam project over there. I don't know what the size of the contribution was but I do understand that some consideration was given to the people in that area and I suggest that we are entitled to the same consideration. Another matter that concerns me a little bit, and I don't know whether I should be discussing it at this point or not, since it is a Federal project I will admit, but I still would like to know. And that is, what has happened or what is going to happen regarding the ski resort project at McCreary or west of McCreary. Now Mr. Chairman, I know that this Minister does not have to account for that but he probably can enlighten us on that.

MR. WITNEY: Mr. Chairman, the ski development that the honourable member is speaking about is a Federal responsibility with respect to the Riding Mountain National Park. The reason that this item is down is because some items have been transferred to capital; they are new projects in recreational development and improvements to subdivisions.

MR. MOLGAT: Mr. Chairman, I think the honourable member there mentioned a point though in this development that the Winnipeg Chamber of Commerce was asking for.

(Mr. Molgat, cont'd)..... I believe some months ago that the Minister issued a news release indicating that there was to be a development, as I recall it, at Brandon of some 60 acres or so. I think there's a development planned at Portage la Prairie as well, and it seems that the request of the Chamber of Commerce of Winnipeg in this regard is certainly well founded, because the number of people travelling now with their own camping equipment is certainly increasing tremendously year by year, and Winnipeg's a natural stop for a large number of them I would imagine, and yet there are no such facilities here to my knowledge. Now if the development is going on in these other two major points along the Trans Canada Highway it would seem logical that something be done in this locality in the same way. While we're on the subject as well, as I recall it, the Federal Government participates in these projects, do they not? Along the Trans Canada Highway? It would seem that if there is a possibility there of their participation that we should take full advantage of this. Now is there any consideration given to an establishment in the vicinity of Winnipeg?

MR. WITNEY: Mr. Chairman, no, there is no consideration given to one established here within the vicinity of Winnipeg. I believe that the establishment of the sites, the three that there are developed at Portage, at Brandon and at Falcon and the six intermediate sites are in agreement with the Federal Government, that has been laid down and we -- the Forestry Branch took them over during the past year and we are now developing on the basis of that agreement. They come under the Forestry Branch.

MR. SHOEMAKER: Mr. Chairman, I didn't hear the Honourable the Minister take me up on my proposition but -- and I didn't expect that he would. But I wonder if he would be willing and prepared to discuss this matter with the Chamber of Commerce following the session, that is if we ever get through with this session. I think we would appreciate an interview with him to discuss our project, later on.

MR. WITNEY: Yes, I'll meet with them Mr. Chairman.

MR. FROESE: Mr. Chairman, could we get a breakdown of Item 8 (d) and I was wondering are there any branches dropped because we see from 8 we jump to 10 and from 10 to 12.

MR. WITNEY: I'm sorry Mr. Chairman, I didn't get the question.

MR. FROESE: First of all I'd like a breakdown of Item 8 (d) and then according to the schedule here I was wondering whether any of the branches were dropped. We have 8, Lands Branch, and then 10 is the Fisheries Branch -- 9 and 11 are missing. I was wondering whether there's any branches dropped or perhaps that is just a typographical error.

MR. CAMPBELL: Mr. Chairman, this is something that the Honourable Minister perhaps wouldn't mind if I said a word on -- it's been customary through the years, not always followed exactly, but usually if there's been a particular service in a department and it's carried one of those designating numbers at the front, that if it's discontinued or moved out of that department to another or anything of that kind, usually the number is not replaced by another one. I don't think that's always the case, but it frequently has happened and I don't know what the answer is in this case but I do know that Water Powers, for instance, has been transferred from this department to Agriculture, and usually these are not either typographical errors or the dropping of an actual service but simply an attempt to hold the same numbers I think for particular services.

MR. CHAIRMAN: 8 passed, \$263,760.00 passed.

MR. MOLGAT: Mr. Chairman, I was standing up to make a reply and I think there is some questions that have not been replied to yet.

MR. WITNEY: Mr. Chairman, the honourable member asked for a breakdown. These are the following projects on which maintenance and operation expenditures will be -- will be required this year. Bakers Narrows, Amaranth, Beaver Creek, Billy Boy, Bird Lake, Breezy Point, Broken Pipe Lake, Caribou Landing, Cranberry Portage, Crane River, Goose Lake, Gull Harbour, Nassau Park, Killarney Park, Lee River, Lundar Beach, Lynches Point, Mafeking Park, Manitoba Park, Margaret - Bruce Park, Netley Beach, Mystic Creek, Neso Lake, Norris Lake, Oak Lake, Overflowing River, Patricia Beach, ..... Lake, Pelican Lake, Pine Falls Park, Poplar Bay, Rivers Park, Rock Lake, Rocky Lake, Rocky Lake Extension, St. Ambrose Beach, St. Malo Lake, Seven Sisters Park, Steep Rock River, Twin Lakes, Wallace Lake, Watchorn Bay, Winnipegosis Lake, Waterhen Ferry Park, Wee Lake, Zed Lake and northern area.

MR. CHAIRMAN: . . . . . Passed.

MR. MOLGAT: Did the Minister mean that there's going to be capital development on all of those or is this strictly maintenance he's referring to?

MR. WITNEY: This is maintenance.

MR. MOLGAT: Because a good number of those are completed I know. Now what is the breakdown between the amount spent on recreational development and the amount spent on improvements to subdivisions?

MR. WITNEY: On recreational development it will be \$68,600 and on the improvements to subdivisions \$40,200.

MR. MOLGAT: Mr. Chairman, I can only agree with my colleague from Gladstone-Neepawa that I'm surprised that there's a reduction in this item. Once again I'm afraid that the observations I made last night with regards to forestry apply here as well. Because this item of recreational development and the subdivisions that have been set is one of the most important items insofar as the tourist business is concerned. Now Manitoba prides itself with having consistently improved its numbers of tourists every year. This has become a very sizeable item insofar as the Province of Manitoba is concerned from income. It provides employment for a large number of people and here we apparently are going to reduce the amount of work that we were doing in this very important field. There's a further consideration, that now is the time to purchase and to set aside for the future. Many of the recreational areas that are available as every year goes on beach properties and possible localities for recreational development as our population grows are taken up by private individuals and then in later years it may not be available as a general recreational area. This policy has been developed over the years. It has been as I recall it, increasing steadily, and here we see a reduction setting in which appears to me to be the reverse of what the proper process would be and certainly I would think would be the reverse of the type of programs that my honourable friends were talking about over the past two years. I simply can't relate the statements and the figures that we see here. Are there no further areas to be developed? I can hardly believe that. What is the situation exactly? Why the reduction?

MR. WITNEY: As I explained Mr. Chairman, the reduction has been because we moved some of the items such as the recreational development and improvements to subdivisions into capital and they will be under the capital estimates this coming year. I think also that the honourable member should realize that we have taken on three new members when we were dealing with the forestry branch and we have taken on three new staff to the recreational section of the forestry branch. We have been following a policy constantly of purchasing land along the highways as they have been developed where we can develop recreational sites and put in campgrounds and picnic sites. Only this morning one was purchased and we have done that -- several of them have been purchased since I have been in office as the Minister of this Department-- and I should like to point out to the committee, Mr. Chairman, that at the last estimates that the former government passed they had an item in here for recreational development and improvements to subdivisions of \$64,000. Ours is \$108,000 and yet they are complaining.

MR. MOLGAT: Mr. Chairman, I don't quite agree with the figure that the honourable member gives us of \$64,000 because as I have it here it was \$93,800.

MR. LYON: 1958 - your last year?

MR. MOLGAT: Yes, that's what I'm referring to, our last year March, ending 31st December 1959, which was the last year that we presented estimates for. As I have the figure it's \$93,800 Mr. Chairman. The following year it was increased to \$156,000 and now it's been reduced to \$108,000. Now as I say I certainly am not one who's going to object to having the government save money; if the government has any means by which it can save money I'm all for it. All I'm saying in this regard is that this doesn't tie in with the great statements that my honourable friends made beforehand and I'm not accusing the Minister. Once again, I don't think it's his responsibility nor his fault, but this does not tie in with the statements that were made. Now the Minister made a statement with regards to the ski development in Riding Mountain National Park, being a Federal development and I recognize that it is in the Federal park. I just want to make an observation, however, that once again my honourable friends were not beyond using it for their own purposes when it suited them because I have here the copy of the Throne Speech given to us on the 12th of March, 1959, and once again I'm not

(Mr. Molgat, cont'd)....blaming the Minister but I do think his predecessor might be interested because he said then in co-operation with the Government of Canada camping and picnic sites would be developed along Manitoba highways to attract and serve tourists, a major ski resort in the Riding Mountain National Park and development of winter facilities are in hand now. At that time he seemed quite prepared to certainly include this development of a ski resort which was still a Federal responsibility, true, but it was all right then to put it in the Throne Speech but now, of course, then it reverts to its original position of a Federal program which I realize is correct but I just want to emphasize once again is a change in policy on behalf of my honourable friends across.

MR. CHAIRMAN: 10 (a) - passed.

MR. REID: Under Fisheries, I agree with what's been said about our commercial fishermen and I sympathize with them. But at the same time I think we should encourage and build up sport fishing on Lakes Manitoba and Winnipeg for they're situated in the centre of the continent and I think we could attract many fishermen from the States and from many parts of Canada. Perhaps our commercial fishermen could add to their income by acting as guides and providing boats, etc. to sportsmen.

Also, Mr. Chairman, I've been asked why here in Manitoba we don't have what they call --- I could say a short-term system of licenses or permits at a nominal fee to cater to the public who wish to fish for a day or a week. And right now, Mr. Chairman, I'm thinking of a group of citizens that are coming to our country next summer from the States - I think there's going to be about 25 or 30 of them. They're going to have the opportunity to spend exactly eight hours on one of our lakes. Well, they will be required to get a licence and if weather conditions are adverse that day it will cost them quite a sum to get licences for about 25 or 30 people and they won't be able to take any advantage or have any fishing. And I think a short-term licence for a week or a day or some system like that, I think it would be some merit, Mr. Chairman.

MR. GUTTORMSON: Mr. Chairman, the Honourable Member for Kildonan talks about developing sport fishing. He should be interested in knowing that in Lake Manitoba we've got more sporting fish than we want. The commercial fishermen will tell you that every time he drops a net he usually picks up mullet or northern pike and they are not paying off very handsomely. And if you check the records of prize winning fish, you'll find that the majority of northern pike winning prizes come from Lake Manitoba particularly in the narrows area.

Yesterday, speaking to this subject I raised the point about the commercial fishing industry in Manitoba. In the days of the previous government I wasn't entirely happy with what they had done but I must confess that this government hasn't done anything either during the last two years. And I would certainly like the Minister to indicate what is going to be done because I have seen no indication of anything having been done during the last two years and particularly on Lake Manitoba, the lake which I'm most familiar with. I suggested yesterday about the possibility of establishing a cannery for the rough fish and I was hoping the Minister might reply to that question when he followed me, but he may have overlooked it in his notes.

Another factor I would like the Minister to comment on is the combine that is operating-- which appears to be operating on the lakes. It is not a very healthy situation and it might be advisable for the Provincial Government to have the Federal Government order an inquiry to see just what is going on. As I told you yesterday there isn't a fisherman on the lake who has any doubts about this combine operating. I think it's every Tuesday the Fish Companies get together and hold meetings to set a price for the fish, and no matter where you go on the lake or what buyer is purchasing the fish, the price is invariably the same.

MR. HAWRYLUK: Mr. Chairman, I wish to ask the Minister about something that was discussed a few years ago by the then Opposition of the House. We used to hear very appealing addresses made that the former government was lax in setting up a marketing board as far as fish was concerned -- the selling and buying of fish, which has been done successfully in the Province of Saskatchewan. And facts and figures according to the article that I read a few weeks ago in the Free Press which said that due to the fact that this marketing board had been set up in the Province of Saskatchewan, and incidentally we visited -- some of us a few years ago back had a great deal to do with raising the standards of the Indians and Metis in that area because they were guaranteed a definite price. Now, I'm just wondering whether the government is intending to do anything about setting up a fish marketing board and definitely raise

(Mr. Hawryluk, cont'd)...the financial lot of the fishermen as a whole of this province.

MR. WITNEY: Mr. Chairman, with respect to the Honourable Member for St. George, and his statements about a fish cannery; that will come under the Department of Industry and Commerce and he can question the Minister when his estimates come up at that time.

As to what are we going to do about Lake Manitoba; Lake Manitoba has had a nice upsurge in fishing during the past year. I understand there's a decline right now as I mentioned yesterday but that decline according to the Fisheries Branch is something which is quite normal at this time of the year. We have been doing biological work on that lake, however, all through this summer season, and our biologists have been quite active there. Now that biology work will continue, and in our rough fish removal program while we have speeded it up on Lake Winnipeg and we are interested in really taking a bite of rough fish out of Lake Winnipeg. Once we do that, then we can start to extend our program into the other lakes that need it, such as Lake Winnipegosis and Lake Manitoba.

In respect to the fishing combine that the honourable member speaks of, I think he is aware that record prices have been paid to the fishermen on Lake Manitoba this year for their pickerel from 20 to 37 cents a pound, and for the saugers 20 to 31 cents a pound. Now I don't feel the combines if they wanted to, would be paying such high prices to fishermen for their product. And secondly, the fishermen are now represented on Lake Manitoba in the Fishermen's Federation and, so far, the executive has not made any complaint to the Department of a combine working in that area.

Now, as for the Saskatchewan fish marketing board principle, the Department of Mines and Natural Resources is certainly not considering it at the present time. A resolution has been presented to us from the Indian and Metis Conference and I would imagine that that resolution will be presented also to the Fishermen's Federation. And we are waiting to hear from the Fishermen's Federation, which is an organization which has been set up over the year to organize the fishermen and to hear what the fisherman has to say about his problems in marketing and his problems on the lake and to make recommendations to the government. If anything such as this is to come about we would prefer first that it be recommended by the fishermen themselves.

MR. GUTTORMSON: When the Minister says that the price is good, I can't quarrel with that statement, because it is a fact; but why is it good? Because the fish is in such short supply. At the beginning of the fishing season the price was nearly half of what it is today when the fish is more plentiful. And I think you'll agree that -- why if there isn't a combine how would you account for the fact that the price is so uniform in all parts of the lake with all fish companies? Certainly it isn't by chance that they all hit on the same price.

MR. SHOEMAKER: Mr. Chairman, I'm not a fisherman and never have fished in my life but in listening to all the talk that has gone on here in the last couple of days, it is evident that there's suspicion of a combine. Now we have in Canada, I understand, a Combines Investigation Bureau. I don't know anything about it, either, but is it a fact that this government must request the Federal Government to make an investigation or can a group of fishermen call for an investigation, and thereby be assured that the Combines Investigation Bureau will look into the matter? I mean, there either is or there isn't a combine. Let's find out.

MR. WITNEY: I think, Mr. Chairman, that any action such as that the Department would like to hear from the fishermen through their Fishermen's Federation and if they feel that it is serious enough I would imagine that they will do that.

MR. EVANS: Mr. Chairman, I wonder if I might say a word with respect to the possibility of a fish canning plant. The Department of Industry and Commerce has been investigating now for a year the possibility of extending the market for fish of all kinds either in fresh, frozen, or some other process state. We have not been able to discover any substantial market that would be available for canned fish manufactured in Canada here or in this part of Canada at least. One investigation has been made into the possibility of making cat food out of fish and so far, I suppose the test in the end is whether we can find anybody to put money into it with hope of making a profit. So far we have had no interest at all on the part of any capital group that we've talked to in putting capital into a fish canning plant. I think there are possibilities and I think the suggestion is a good one. We agreed to take it under advisement last year -- I think it was proposed last year by the honourable member and we did take notice of



(Mr. Evans, cont'd). . . . it; we still have it under review. I would like to hope that something would develop along that line but I can't give you any encouraging news at the moment.

MR. GUTTORMSON: Mr. Chairman, the Minister was kind enough to comment on my suggestion; could he elaborate on my other suggestion about a processing plant for rough fish?

MR. EVANS: Mr. Chairman, I think such news as I have on that is discouraging. I'd like to see if I can find some notes that I had on that subject as I stand here. Well from memory I can-- the Department has not quite completed its study of the possibility of a fishmeal plant on Lake Winnipeg. The economics of it so far show that there would not be margin enough to make it a profitable operation. The first investigation was along the lines of having the plant in the southern part of the lake and the fish would be transported from wherever it was caught down to the plant and processed, and it was found that the transportation charges on the raw fish would be too high. Then a further investigation was made of taking a barge - I think it was a barge - that was being put on the market by the Silica Sand Operating Company at Black Island and they worked the figures of putting a boiler on that or a small factory on the barge and hauling the factory to the fish. And the economics of that did not work out, the main difficulties being this, that fishmeal sells at approximately \$140 a ton in British Columbia and you add \$39.00 a ton to that and bring it here at the average of say \$170 to \$175 a ton. Well, it takes about five pounds of fish or five tons of fish to make one ton of fishmeal, and so out of a total price of one and three-quarter cents a pound that you can get for the meal, I think you'd have to put up a fish cost which would only yield to fishermen one cent a pound. Now the fisherman is willing to take fish in -- any fish that he finds in his gill nets when he's fishing for more valuable species. He is willing to sell certainly not lower than a cent a pound. He wants a minimum of a cent to a cent and a half a pound for those. But you don't take enough fish incidental to either white fish fishing or pickerel fishing to provide enough raw material for a fishmeal plant. And to keep a fishmeal plant of economic size going you'd have to fish for rough fish on purpose and the economics of it don't work out. You can't go out and fish for rough fish on purpose at one cent a pound.

Now there's one hope left and that is that with the deep trawl nets or the trap nets that are now being put in, it's just possible that the cost of taking rough fish may be reduced sufficiently to reconsider the possibility of a fishmeal plant on the lake. There's a strong demand for fishmeal in this area, and the reason that British Columbia can do it so cheaply is they take the offal from the very large salmon canneries out there and reduce it at practically no cost. They charge the cost of taking the whole fish there to the cost of the canned salmon and they get their by-product or they get the offal free from which they make the fishmeal. Well we're going to watch it closely. We'd like to have this operation here. We have discussed it with two separate operators who wanted to start a plant and so far we haven't been able to work out a proposition that they thought was profitable.

MR. GUTTORMSON: Mr. Chairman, it's quite true that fishermen can't fish with rough fish at one cent a pound but unfortunately although they have been fishing for pickerel and sauger they're getting rough fish sometimes entirely in their nets. I mean that's what is so discouraging. If they were only getting the odd rough fish in their nets it wouldn't be so bad but sometimes the entire lift is almost all rough fish and it's playing havoc with their nets. And as the Minister well knows, the cost of nets today is very very high and it's costing the fishermen money to be on the lake, and that's what's causing so much concern at the present time. Earlier in the year the pickerel was fair catch but lately in most parts of the lake there's practically no fish at all, that is, of the pickerel. I know the Minister talks about trap nets for rough fish, that's quite true. I've watched them lift these nets on the Shelter Bay arealast spring and they loaded -- they would take probably 4,000 pounds of rough fish in a lift and they were getting maybe a cent or a cent and a half a pound for this fish, and they could make money on that because the operation wasn't nearly as expensive. They would operate at the mouth of a creek right beside a road or maybe under a bridge where they could place their trap nets and as soon as they emptied their nets they would just dump it right into boxes and load their trucks right by the bridge. This certainly helps, but it doesn't take away the problem that the fisherman has in the wintertime when he's constantly getting hundreds of pounds of rough fish and maybe half a dozen pickerel, and he just can't operate that way.

Now the Minister says that he has enquired into the possibility of the economics of

(Mr. Guttormson, cont'd)....such an operation and that it wouldn't make money. I suggest that it might be well -- the Government might be well advised to put in a plant even if it broke even or did less than break even, because we've got to get the fish out of the lake. And until such time as we do, the commercial fishing industry in Manitoba is not going to be any good at all. The suggestion has been made that the government should pay a bounty on fish. Now I'm not prepared to say whether this is a good idea or not, but certainly if a bounty would be considered then certainly an establishment of a plant whereby the fish could be utilized for fishmeal and fish oil should be considered. I'm not suggesting --- if a private industry was interested in such a project, then I certainly would not suggest that the government go into it but if private industry isn't interested then I think that there's nothing wrong with the government going in to it to try and clear up this bad situation on the lake with the rough fish.

MR. DOW: Mr. Chairman, for the past two or three days we've been listening to the big game and ducks and geese and fish from the northern part of the province, but I think it's about time that this committee knew that in the southern part of the province we have all these animals to quite a large extent and particularly (Interjection)-- yes, only better -- but the one point that I would like to bring up and ask a question on, is the isolated lakes of numerous quantity in the southern part of the province along the border. A few years ago the government started to restock some of these lakes and it has proven such a success, Mr. Chairman, that in 1958 one lake in the mountain was stocked with fingerling rainbow trout and in that short space of time they have grown to the unbelievable size of 6 1/4 pounds. So it proves the fact that from the honourable member's mention of sport fishing that (Interjection)-- it's in your book here, Sir, Lake William if you wish to know -- and it has created a tremendous amount of sporting interest to the fisherman. And I'm wondering, Sir, if the Minister is continuing a program of stocking more fish in that particular lake which has proven so well, and if there's some program that he's going to continue to stock other lakes. I'm sure that the biologists and so on, have shown that it is possible to develop these lakes with not too great a cost of stocking these fish. And in that period -- just in less than three years, they have grown to 6 1/4 pounds. I might relate to the committee that the game warden who has told me this information, that when they first were established in this particular lake, he made a fish count, I think they call it, at a particular place for a certain length of time and the growth the first year wasn't too great; the second year was up to around 4 pounds, and this winter over 6 1/4. And they have grown to that size, so the possibilities of sport fishing in the Turtle Mountains is just as great or greater than it is at The Pas and Flin Flon and Cranberry Portage and the rest. And I would ask the Minister, is he going to continue that program which I hope he will, because the assets are there for the sporting public?

MR. WITNEY: I don't wish, Mr. Chairman, to get into an argument with the honourable member as to who has the best fishing because we'll be here for a long time. The answer to his question is "Yes".

MR. SHOEMAKER: To demonstrate how ignorant I am of the fishing industry and the by-products of such, I don't even know what fish they get Caviar from, and the Honourable Member from La Verendrye couldn't inform me on that subject either. But he tells me that for supper tonight he had some cod roe which is the same thing; it all boils down to fish eggs. Now is there anyone manufacturing caviar or cod roe or fish eggs by any other name in Manitoba and why don't we push this product a little. They seem to rave about it all over the world about what a wonderful dish it is. I haven't tasted it myself but maybe we're missing the boat on something here and we certainly have lots of fish eggs. Let's call them something else and get the tourists to eat them. Now the Honourable Member for Turtle Mountain mentioned stocking the various lakes with fingerlings and fish eggs, if I can use the word again. I believe that we have been assured at Neepawa, or so certain people in Neepawa believe that we have been assured, that the lake that I spoke of a few minutes ago will be stocked or there is a possibility of it being stocked this coming year. Now I wonder if the Honourable the Minister would care to comment on that as well as the fish eggs?

MR. WITNEY: Well, Mr. Chairman, to my knowledge no one is manufacturing or processing fish eggs in this province. It's an interesting suggestion and we might also include maria livers which I understand are very tasty. As for the honourable member's new lake, I think that before we decide on any program of restocking or not restocking, we will have to

(Mr. Witney, cont'd).....conduct a limnological survey on it.

MR. GRAY: Mr. Chairman, on the question of caviar, it should be laid over till after summit meeting, which will be held in May.

MR. CAMPBELL: Mr. Chairman, I have been waiting for an opportunity to take some small part in the discussion because I, too, have been interested in Lake Manitoba for a great many years. Though it's not as big as some of the other fishing places in the province its had a pretty good record of performance through the years, and I know that the fishermen there have faced some problems these times, and they've certainly had their ups and downs. I'd like to ask the Minister to tell us a little more about the research program because I know that his predecessor put great faith in the research and I know that that seems to be the trend of the experts in this subject. My Honourable Friend, the First Minister was kind enough to say about me one time - I've always appreciated this expression because I think it's quite apt -- he said that he felt that I was allergic to anything so complicated as a study of any kind. Well, perhaps I am rather inclined to be a bit skeptical of the plans that I hear announced on studies and research and all the rest because I have, unfortunately, so frequently seen them come to naught. I guess you couldn't get two people more different than the Honourable the Minister of Industry and Commerce and I, in that regard, because he's a great believer in these studies, and research programs in general -- -- last year he told us of what he thought was the neglect of that area in the fishing industry in the Province of Manitoba and how the government was going to move in to correct it. Now, they have appointed some biologists and I have read with interest the discussion in that regard in the annual report, but again this annual report is practically a year old now, and there were some matters under consideration at that time and I really would like to know what has developed in the interval. Now, in the meantime I do not pretend to be an expert. I've lived a long time very close to that lake but I've never been a fisherman either in the commercial or sporting sense. But I have been exposed to a lot of the fishermen's problems, because they have, through the years, taken them up with me and I have tried to get to understand them a little bit. And I was interested in reading on Page 59 of the Report -- there's quite an article here, quite a discussion on fishery science and I'm not going to read very much of it because the Minister will be familiar with it or can read it, but the part that I'd like to read is near the top of the page, in fact the second paragraph on that page: "In recent years a further complication in the understandings of variations in fish abundance has arisen. Changes have occurred in the balance between different kinds of fishes in some waters with the result that certain species have become less abundant and others more numerous. These changes in fish populations have been brought about both by fishing pressure and through the action of natural changes in water temperature, water levels, turbidity and so forth." Now, I'm sure that that is not new but it's certainly well to have it called to our attention again, and then there's a considerable discussion about the projects that are being carried on or that are to be carried on. And I would like to know if there have been any concrete results from this research up to date. Our lake, I think my honourable friend from St. George would agree with me, that -- and Ste. Rose -- that Lake Manitoba has been thought of traditionally as a pickerel lake. I think the fishermen have preferred it to be a pickerel lake because apparently that's the valuable species of fish as far as it is concerned. And there has been, as I understand it, a demonstration there of how the species has changed to quite an extent over the years. To prove to my honourable friend the Minister of Industry and Commerce that at least we had one investigation in the 40 years or so that I've been connected with the situation, I was looking up a report that was made a way back in 1937 and '38. It's the Hinks Report and I think if David Hinks hadn't gone down in the war that he would have developed into one of our outstanding research experts in this field. But it's interesting to note, and the Honourable Minister can look at this at his convenience, it's interesting to note that on a graph that he gives here, 8 (a) I think it is, of that particular report, that he shows an almost negligible quantity of sauger fish in Lake Manitoba back in 1927. Almost negligible! And from there to the year that he completed his investigation in '37 or '38, they went up to well on the road to 2 million pounds in a comparatively short space of time, just a little over ten years, while pickerel at the same time had these fluctuations as are shown here and had almost, with a little decline, had almost met the sauger line. And I was interested to note that in the report that we have before us this year, that is for the

(Mr. Campbell, cont'd)...year that's now almost 11 months past, that the sauger taken in Lake Manitoba has actually exceeded pickerel, and I think that that's the kind of practical and concrete research that will do some good if they can find out the reasons for those kinds of variations. I'm just as sure as I ever was, and I'm not able to argue with much conviction my opinions against those of the experts, but I'm just as convinced as I ever was, that the answer, in spite of all that the biologists and others may say, is mainly not only the fishing pressure as such, but the size of the nets. And I'm sure that this same report of many, many years ago was there for all to see if they'd have just paid heed to it, that the trouble with Lake Manitoba was that we continued to allow nets to be used that were taking the pickerel fish at a time that they were not mature or had been mature for a very short time and had had no opportunity to reproduce themselves. Sauger, on the other hand, according to this report, it's now 20 years old, sauger, on the other hand, are shown by this report to mature more quickly and they were able to come on and gain the ground, and I think that that kind of research is one thing and very useful. On the other hand, what we need is some method of convincing the fishermen themselves and where it's necessary, enforcement, to be sure that what we find out is put into practice for the benefit of the industry. And that thing of being sure that the fish of these desirable species are allowed to spawn, at least a few times, seems to be so self-evident --- the advantage of it that it shouldn't need to be argued very much. But I think there's another reason beyond that. It seems to be that nearly everyone likes a good size fish. They certainly like it when they're telling the stories about it; telling what they caught. It's always the case of telling how big the fish was -- they start this long and go out this way, but when they are purchased commercially, there seems to be a tendency toward the people to take, even in these days of the smaller family, to take the fish that's on display in that way or even the fillets that come from a good sized fish. And I'm told that when we ship these fish to the big markets in the south and ship them in the soft form, and incidentally it was a private fisherman on Lake Manitoba, named Dow incidentally, who was the first man to ship soft fish out of the Province of Manitoba down to the big United States market. And I'm positive that when we send them there that they, too, like the good sized fish.

So I think we've got two things to consider. Most important of all, the reproduction-- the natural reproduction in the lakes, but also the marketability. Now I've had the opportunity already of speaking to the Minister about a little local problem that we have there and I want to express my appreciation for the very co-operative manner in which he discussed the question with me, because my friends tell me out there, that regardless of what the experts say, the pickerel spawn only on hard bottom and not in the marsh and -- beg your pardon? --- You agree with that do you?

MR. KEITH ALEXANDER (Roblin): Your colleague who disagreed with you is not in the Chamber tonight.

MR. CAMPBELL: Oh, I hadn't noted. Well he has left; he's evidently afraid to meet me on that score. But -- yes, it gets rather tired as well as hard when we have to sit this long. But, I think that we have an opportunity by measures that the Minister and I were discussing to make a contribution at the south end of the lake toward again bringing the pickerel back into the production cycle that we would like to see them. Then I have only one other matter to bother the Minister with at the moment and that is something of concern to our local fishermen at the south end of Lake Manitoba, and that is the invasion of our area, of their home area by outside fishermen. Now, nobody knows better than I how difficult it is to say to any citizens of Manitoba, that you can't come in and ply your trade in this particular area, whether that trade be fishing, or trapping, and goodness knows we've had our difficulties with both. But I do think that it's unfair to the local small fishermen, and just as the Honourable Minister of Agriculture was talking about the small farmer, we have our small fisherman too. Small operators in the fishing business, and I do think it's unfair to allow the fishermen-- and I'm glad to see that the Honourable the Minister of Health and Public Welfare in his capacity as the Member for Gimli, is paying due heed -- to allow the big fishermen from other areas to come in and take up the local fishing positions. And I would like to recommend to the Minister that they try and work out some arrangement by which the local area can be maintained as far as possible, for the local people. Again I say -- I know that it's not easy to do because we're all citizens of the one province, but I think that we need, for a while at

(Mr. Campbell, cont'd) . . . least, on some of these lakes, to be sure that they're not over-fished and goodness knows that when this invasion from outside occurs then the tendency to over fish becomes all the more difficult. Mr. Chairman, I don't expect an answer on all of these matters because I wouldn't even attempt to suggest to the Minister that he can give an answer on this last one now. But the one thing I would like to know is if he has any reports to make of the interval between the annual report that we have before us and the present time in the matter of research.

MR. WITNEY: Mr. Chairman, I think the biologist is fast beginning to win his spurs. For some time people looked at him, especially in the fishing business as being, as the Honourable Leader of the Opposition expresses it, an expert, and they more or less treated him in that way, as an expert, but they still went along with their old ideas; they'd been fishing those lakes for years, they had encountered these problems before, there were the various cycles that took place, but during the years and during this past month, the biologists have shown us many things and they have won the confidence of not only a large number of the fishermen, including the older type of fisherman, but also of industry. The biologists during this past year, for instance on Lake Winnipeg, through the tagging program have revealed that the whitefish travels a great distance. He travels a distance that we didn't realize that he travelled before. Then the biologists again on Lake Winnipeg have begun to note a trend to the north of the sauger and the biologists in our northern lakes during the past year have permitted us to open several new lakes for the benefit of the local residents and also have been able to tell us just exactly what limits that we can safely take from lakes and given us more information which we didn't have before. And our biologist also in similar lakes, such as the one that the Honourable Member for Turtle Mountain mentioned, has permitted us to put in sports fish in lakes where it was considered they wouldn't be able to thrive in the past, and with the continued exploration that they are doing, we should be able to have more of these pothole lakes to meet the increased demand of people as they get out with more leisure time for fishing.

The biologist also, during this past year, has been able to work quite actively with the new species that they have as a sporting fish, the splake which we are able to sow in some of our lakes. And the biologist has been able to conduct further experiments during this past year with fingerlings and yearlings and with the eyed-eggs and the various success programs that they have. I feel that one of the problems that we have had with our fishing of both our sports fishing and our commercial fishing for years is that we have not had sufficient factual information based on observation by trained personnel. We are obtaining that now; we are obtaining more of it each year. And this past year with troubles of pollution when pollution occurred quite severely from the Winnipeg River from a discharge from the Manitoba Pulp and Paper Company, the biologists were able to come up with a solution and the Pulp and Paper Company co-operated and the solution was found. We now have on this matter of pollution, another biologist, this Dr. Bassoo, I mentioned to you, and we have a paper from Ontario who praises him quite highly. It just came in the mail and was drawn to my attention today and he is going to be working on this pollution aspect. I think one of the most important factors also that the biologist has shown to us this past year, that the present type of fishing with the present type of nets that we have is creating quite a hazard and he has shown to the fishermen more and more that he must adhere to the regulations if he wants to maintain satisfactory levels of fish. And, I think he has been able to show the fishermen that the 4 1/4 inch mesh, if you get too small, you catch the whitefish before it spawns; if you get smaller mesh than that you pick up the pickerel before it spawns, and he has also been able to show us that possibly we should be using a new type of net. In one such as this trap net where you can remove all of the fish, take out the young fish before they have spawned, throw them back into the water, take out your commercial fish, it comes undamaged, it comes in the proper size as they have been able to show the fishermen, the proper size of fish will bring him more money, it's what the industry wants. All of these things, the biologist, I think, has been able to tell the fishermen during the past year, and also industry, and it has been, it has resulted, I'm sure, in a more responsible attitude of fishermen and industry toward the lakes, and the realization that if they are going to overcome all of the problems that they have and the problems that have been drawn to this House, that they must conform to the information, the factual information, the unbiased information, that these men that we term 'experts' have found for them. I'm all in

(Mr. Witney, cont'd)...favor of it. I hope that the biologists, and I'm calling upon them, especially with this rough fish program this year, to move as rapidly as they can. They have, during this past year, been conducting experiments with rough fish, finding out what they eat and finding out just exactly what their position is in the flow of fish into the various areas of the lakes.

Now, I would like to mention the problem of Lake Manitoba and the apparently annual complaint of fishermen coming in from other areas. I had a meeting with two of the Lake Manitoba Fishermen's Federation, it wasn't too long after I had come into this office of Mines and Resources, and the complaint came up there --- the system now is that the licence on the lake is given to bona fide residents of Lake Manitoba only, but they have a hired hand licence which the Lake Manitoba fishermen can have. And it is the Lake Manitoba fisherman who is hiring the Lake Winnipeg fishermen and bringing him over, if he wants an efficient fisherman, he goes to Lake Winnipeg for him, and the Department in this annual problem feels that it is a problem that the people, through this Federation, they could possibly do it, must meet-- must come to a conclusion on their own. Because when we suggest well there's one obvious answer, you can only have a licence on Lake Manitoba if you are a bona fide resident the obvious answer now is to do away with the hired man's licence and then we find that there's quite a segment who don't wish to do that. So you're into a controversy and I feel that it's one that the people there, the fishermen, must recognize on their own and then through their association come to that conclusion.

.....continued on next page.

MR. CHAIRMAN: Resolution 56 - Fisheries Branch.

MR. MOLGAT: Mr. Chairman, just before we leave this item, I have one last thing that I want to bring up because I was very disturbed by this news report last year and I just want to make sure that things are now at peace amongst the members of the front row across there. This is a news report that came out just about a year ago now, saying that the Cabinet gets opposing views, the category on the fishing problems. A top level difference of opinion has broken out within the Manitoba Cabinet on what's wrong with the Manitoba commercial fishing industry and what to do about it. --(Interjection)-- I'm sorry that I can't quote the author because there's no by-line but it would appear at that time that there was a very serious difference of opinion between my honourable friends the then-Minister of Minister of Mines and Resources, the Honourable Gurney Evans and the Minister of Health. I just wanted to enquire whether the state has improved in the front row.

MR. WITNEY: Mr. Chairman, I would say that it was in fine, good condition. We're all happy and we get along very well together. Thank you.

MR. CHAIRMAN: Resolution 56 - passed.

MR. JOHNSON (Gimli): Mr. Chairman, I must answer just one question. I don't like to held up the Minister's estimates however, -- No, Mr. Chairman, I can't bear repetition any-more in this session but I refer my honourable friend to Hansard of last year and I think that our Minister is doing a tremendous job in meeting the solution for Lake Winnipeg. However, I did want to put myself on record in speaking to the suggestion of the Honourable Leader of the Opposition in that I certainly agree with him that it's pretty hard to, in looking at the Lake Winnipeg and the Lake Manitoba problem, but I share his concern that all citizens, in other words, of the Province, shouldn't be barred from going to our various lakes. However, I would say that when this first came to my attention in the first summer I was in here, was that a person, a fisherman from my constituency had a licence on Lake Manitoba when I looked into this, and since then, as the Honourable Leader know, this has been corrected entirely but actually the boys from Lake Manitoba seem to want the -- and I know the Leader of the Opposition is very allergic to experts, but they seem to want to hire the experts from Gimli in the summer time, winter, to come over and help with the catch and ....

MR. ROBLIN: Now, you've started!

MR. JOHNSON (Gimli)....and I do think....

MR. ROBLIN: It will take us an hour to get over that one.

MR. JOHNSON (Gimli)....and I do think however, that this is really coming to a very satisfactory solution because I'm sure, Mr. Chairman, that as the problem on Lake Winnipeg is resolved, the problem on Lake Manitoba wherein certain men are invading that lake from Lake Winnipeg will come to a ready conclusion.

MR. GUTTORMSON: Mr. Chairman, I don't think that the Lake Manitoba fisherman is taking any expert fishermen from Lake Winnipeg. What does happen though, and I know of instances where Lake Winnipeg fishermen have got local residents along Lake Manitoba, fishermen or not, to purchase a commercial operator's licence and they use it and the man who purchased the licence doesn't bother -- he wasn't interested in fishing -- he just obtained a price for letting the big operator from Selkirk or Gimli or wherever they might be, use this licence. I don't think it's a matter of experience, I think it's a matter of money. They have more money over there, and big equipment but they lack experience though.

MR. MOLGAT: Mr. Chairman, I'm certainly delighted to know that peace has returned to the troubled ranks across there temporarily. Could the Minister indicate the numbers under salaries?

MR. ROBLIN: Mr. Chairman, I think I should inform the honourable members that this is a happy band of brothers over here. It was never anything else and never will be.

MR. WITNEY: And I, Mr. Chairman, will be much happier when we're through this. 46 this year, 45 last year; the additional one is, and I draw this to the attention of the Leader of the Opposition, an aid to a biologist.

A MEMBER: Good for him!

MR. CHAIRMAN: Now 12 - Predator Control and Research - passed?

MR. GUTTORMSON: Mr. Chairman, this afternoon I was very pleased, as I said before, about the announcements made by the Minister of Agriculture regarding the bounty on

(Mr. Guttormson, cont'd.) . . . . skunks. But I didn't realize until the Member for Ste. Rose had spoken that this bounty did not include unorganized territories and I can't emphasize the importance of unorganized territories being included in this program. The member for Ste. Rose, I thought, gave an excellent reason why and I'd just like to support his arguments in this regard. I don't know why you would differentiate between municipalities and unorganized territories. I think the people in both areas are certainly entitled to the same protection; and one of the reasons I thought that something should be done was upland game, and we have a great deal of hunting done in the unorganized, and we have a lot of farmers too who are suffering losses of their chickens through the skunk and I certainly hope that the government will reconsider this program to include the unorganized territories.

And I was wondering whether -- if the Minister would care to tell me whether he's given any consideration to the thought of using -- putting a bounty on the timber wolf.

MR. WITNEY: Mr. Chairman, in the unorganized territory there has not been the number of complaints with respect to the skunk that there has come from the organized territory where there are many farms and farm buildings, etcetera. That is one of the reasons why this matter of including the skunks in the Predator Control Act that's administered by Mines and Natural Resources did not come under consideration at the time that this matter arose. Also the skunk has been a source of income to some of the people that live in these unorganized areas in the past, where they have been able to pelt it and sell it and I think, I can't recall what the figure was for the skunk but it was fairly reasonable at any rate. Now as a result of what was drawn up here this afternoon I made a note of it to see what can be done this coming -- with that Act with respect to the skunk.

As for bounty on wolves we feel that we have the wolf program under control, we feel that with the cyanide bombing and the trapping that we've done from the west side of Lake Winnipeg too, as I mentioned to you the other night, and with our increase in professional hunters, and with the efficiency of our game men, also in becoming professional hunters, that we will be able to control the wolf without the necessity of placing a bounty on it for this coming year.

MR. GUTTORMSON: Mr. Chairman, I can't see where the Minister says that those residents in unorganized territory are getting some value out of the skunk because the pelt is of no--literally of no value at all. So I would like to know what he means by "of value to these people". And I was wondering, does the coyote -- the predator come entirely under the Department of Agriculture because if it doesn't I'd like to suggest that something should be done in the unorganized. I know they have a program where they use, what is it -- 10-80 in municipalities, but residents in the unorganized are not able to get into this program. They certainly require help from the coyotes because I know of some farmers who are attempting to get into the sheep ranching and they're suffering terrific losses from the coyote and something should be done to assist these people with this predator.

MR. WITNEY: Mr. Chairman, the value of the skunk per pelt has been \$1.08 during the past year so it has been a fairly valuable fur. The weasel is \$1.48 for instance and the muskrat is \$1.01 and the skunk pelt is \$1.08. And I think I should inform the Honourable Member for St. George that the sheep ranchers have indicated to the government that they are very happy with the 10-80 control program that has been conducted in conjunction with the municipalities, and certainly we have not had any complaints of coyotes doing damage to sheep. However if there is an area that is having difficulty there is provision within the predator control Act under the Department of Mines and Natural Resources where if it is considered necessary to do so that the area can be declared as a predator control area for that animal.

MR. GUTTORMSON: You say that people in unorganized can get in this plan as well then?

MR. WITNEY: If the trouble is there yes.

MR. MOLGAT: Mr. Chairman, I don't want to cover what I said this afternoon on the subject, I know the Minister is going to look into it. I would just like to point out to him that \$1.08 for skunks just isn't enough to encourage people to go trapping. I'm sure he'll appreciate the problems involved and I think if he'll look at the figures which his own department has published as to the number of hides there were 1,055 only in 1957-1958 and last year, '58-59 there were only 506, apparently trapped in Manitoba. So he's not going to rid the province through that process. I think if he's trampled over the highways of Manitoba he will have counted five or six times that quantity run over on the highway so it's an indication of how many there are.



MR. WITNEY: Mr. Chairman, I wasn't intimating that we could eradicate it by that means but it has not, in the unorganized territory, not as yet at least we haven't until quite recently, until it was brought up this afternoon, been brought up as a problem to us in the unorganized territory. Where there are the numbers, and where there are people who are living as they term it on the sub-marginal line in some cases to those people this \$1.08 a skunk even though it's a difficult animal to trap it has got some value to those people.

MR. GUTTORMSON: Well I'd like to point out why perhaps he hasn't heard because the complaints coming from municipalities are usually through the council but in the unorganized territory you only have perhaps one man, an administrator, and I think for that reason you're not getting the effective representation that you do from the municipalities and that's why I think -- that accounts for the lack of complaints in those areas.

MR. TANCHAK: Mr. Chairman, I suppose the Honourable Minister has heard so much about predators that he probably will be seeing them in his dreams. I'm not going to take too much time, I did comment on this subject before even we entered this Department and I think that one reason that the Honourable Minister did not hear so much about the skunk being a predator because I don't think that anytime in the past it has been considered a predator, and although the skunk does considerable damage, causes considerable damage, the farmers who sustain the damage never even thought of asking for the skunk to be considered a predator. But it is a serious problem especially east of Franklin Municipality in the Stuartburn disorganized area; it's pretty well settled, thickly settled and still it's a disorganized area and I don't think that this new resolution, this new ruling will cover this area but it is a serious, it is very seriously depleting poultry flocks and also upland game. The increase in the last few years was tremendous, especially along the boundary in Emerson constituency and there's several reasons for that I presume, probably one, which is most important would be lack of systematic predator control. If the municipalities have to ask to go under this scheme and they have to be willing to pay half of the cost, some of the municipalities were reluctant for reasons that were previously mentioned here before. But I think another reason why such great increase in wolves, foxes and also skunks have taken place is that long fur is not fashionable, has not been fashionable for several years. Therefore the pelts were worthless so the hunters did not bother to trap, or shoot, or kill these animals. They left them alone and naturally there's increase and it is a very serious problem now. The municipalities are not experts at checking into the damage done by the predators and sometimes when some of the farmers do complain, not enough of them complain, to really make them take notice of that. I think it would be wiser if the Province of Manitoba took over this predator control completely. The Department of Mines and Natural Resources and I think in the long run it wouldn't be as costly as the present system that we're having now because the Department of Natural Resources probably would have experts who could keep an eye on the predators in the different areas where they're causing so much harm and I think in the long run if the Department of Natural Resources took this over as I said before it would be cheaper and I would give this as a suggestion that the Honourable Minister could take under advisement, check into it and see if it is possible to have the department take complete control of it and I'm sure that if the department does we will not have the same trouble with the predator as we are having now.

MR. WITNEY: Mr. Chairman, it's a very interesting suggestion and we have been seeking means of trying to find a system whereby we could be of more assistance to the municipalities and we are, at the present time investigating a system which was drawn to our attention here just recently that is being utilized in Missouri but I find the suggestion of the honourable member very interesting.

MR. CHAIRMAN: (57) Passed. Department 10 - 1. Administration (a) Salaries - passed.

MR. PAULLEY: . . . . Mr. Chairman going to make a statement?

MR. CARROLL: Mr. Chairman, I'd hate to disappoint the members of the committee at this time by not making a statement but I'm warned by the members of the committee who sit behind me here that the statement should be most brief. I will make the remarks as brief as I can in reporting on the motor vehicle branch and the boards and commissions that report to this committee through myself.

The number of motor vehicles registered in this province at the end of this licence year has reached a new high of some 285,000, approximately a 5% increase over the previous year.

(Mr. Carroll, cont'd.).... A very excellent response to our mail order system and the utilization of certain mechanized equipment that they have has assisted very greatly in these renewals. We have in Manitoba at the present time one motor vehicle for each 3.4 citizens of the Province.

In spite of our very great increase in registration the percentage of uninsured motorists appears to be decreasing at a very rapid rate. In 1947 we had 9.6 uninsured motorists for every hundred vehicles involved in an accident. In 1958 we had 3.7 per hundred and in 1959 we had 3.2, which is exactly 1/3 of the number of uninsured motorists that we had in the year 1947.

These figures indicate that a very substantial number of insured motorists in this province compared with many of the jurisdictions that have compulsory insurance, in fact in those jurisdictions with compulsory insurance the information that we get seems to indicate that their percentage of uninsured motorists is much higher than that here in Manitoba. And one might rightly ask why this is so. Well the main reason is that there are a great many people such as people operating hit and run vehicles who aren't covered by insurance, stolen vehicles, unregistered cars and out-of-province cars, these are some of the reasons why we do have uninsured motorists even in those jurisdictions that have compulsory insurance features. A very interesting point is that we're told that in Canada on long weekends, on holiday weekends in the United States, there are more United States automobiles on Canadian highways than there are Canadian cars, this is a very interesting point and one which I feel the committee would be interested in. The experience in New York where they have compulsory insurance has indicated that this feature has cost in administrative costs an additional \$4,000,000 to administer just the compulsory feature of their insurance. And when compulsory insurance is accompanied with a compulsory assigned risk plan it removes those incentives which seem to make our system so very satisfactory. When the onus is on the driver to perform, to be safety conscious then he is much more apt to be a good driver and a safe driver than when he knows that he will get insurance regardless of his ability to drive well. I think the system of grading insurance premiums according to a person's ability to drive and his accident record is another feature which tends to favour the particular system that we have here in Manitoba. In those jurisdictions with compulsory insurance with all drivers automatically insured there appears to be less incentive for drivers with poor records to exert extreme caution.

For victims of accidents involved with an uninsured motorist here in Manitoba we have two means by which we protect the victims of such accidents. One is the impoundment feature and the second is our unsatisfied judgment fund. Our unsatisfied judgment fund as of February 9th of this year had in it an amount of \$260,000. I think a further indication of the very satisfactory safety record in this province is the fact that this year we understand that there will be a 4% overall decrease in the cost of insurance premiums in this province and this comes at a time when most other jurisdictions are experiencing a rate increase. Now this won't have general application, there will be some areas and some drivers with poor records who this year will still experience a rate increase. But on the average the increase is lower than in former years. There are many factors which affect highway safety. The design, construction and maintenance of our highways is one, law enforcement, traffic engineering, mechanically defective vehicles and many others. But we feel that the human error is still responsible for the very high percentages of the accidents which occur on our highways. We are therefore continuing to place emphasis on our driver-licencing, driver improvement, and driver control program. In our driver-licencing program we insist on very high standards including the knowledge vision and driving skills. In 1959 there were 30,739 tests conducted by our Safety Division. Authority was granted at the last session of this House to expand this safety or the driver improvement program to the City of Flin Flon and that is at the present time being organized and will be in operation within a very short time. And it is proposed that our driver licencing program will be further expanded this year. We are anticipating the employment of a mobile driver testing unit to expand the present area of testing beyond the Greater Winnipeg limits.

In the driver-improvement and driver-control program, problem drivers as indicated by traffic violations are called in to show cause why their licences should not be suspended. These drivers are counselled, very often they're suspended and after a period of suspension they're retested before they are put back on the highways once again. Under our program the commissioner of motor vehicles has the authority under Section 134 to suspend these licences

(Mr. Carroll, cont'd.)....and those suspensions which are automatic under Section 115 of the Highway Traffic Act are the two categories of suspensions which are subject to appeal before the Board which was set up at our summer sitting of the Legislature. These appeals are judged on the basis of exceptional hardship and on public interest and they are not judged on a basis of law. In the first five weeks of operation of the Board there were 35 cases heard up to January 31st, 1960. Of these, 16 cases were reinstated, 17 were refused and 2 were still under consideration as at the end of January. Of the 16 that were reinstated 6 had immediate reinstatement, 4 were reinstated but effective at some subsequent date. In other words a man with a year's suspension may have had six months of his suspension remitted. And 6 were reinstated but their licences were restricted in one way or another. They may have been restricted to driving trucks or restricted to driving during business hours or for business purposes or some other means. Of the 4 life suspensions that were heard by the Board 2 were refused, one decision was adjourned for six months, and one was reinstated with a restricted licence. Now all of the decisions that have been made by this Board since the beginning of the Board have been announced in open hearing at the next subsequent meeting of the Board after the meeting in which the case was heard.

The Motor Carrier Board shows a revenue, an estimated revenue for '59 and '60 of \$1,600,000 compared with the revenue in 1954 of \$500,000 showing the very substantial increase in motor carriers in this province in a very short number of years. The increase over the previous year is estimated at approximately \$183,000 with several new trucking firms moving into Manitoba, from I believe Alberta and Ontario. We believe that the trucking climate is very favourable here in Manitoba, largely because of our reciprocity agreements and for other reasons. One very interesting bit of news with respect to our Motor Carriers, I picked up in the tourist industry's report for Manitoba. One item said that we bought cantelopes in Winnipeg for exactly the same price as at home where they were grown 1,000 miles from Winnipeg, indicating the benefits to the consumers here in Manitoba as the result of this low cost transportation by trucks.

Now the Municipal and Public Utility Board during the year, legislation was passed which divided the functions of this board, the effective date of this division was December 1st, 1959. The report of the Municipal and Public Utility Board shows a very high rate of activity during the eleven months in which they operated last year. Orders by the Board issued during 1959 were 666, as compared with 687 for the previous year and the 666 is only 21 less on the basis of eleven months operation, or a 3% decrease for 11/12's of the period under which they were operating.

During the year the Board instituted a plan whereby statistics are being made available to prospective bond purchasers and preparation of these brochures was being done by the Municipal and Public Utility Board, being continued now by the Municipal Board and with the assistance of the municipal authorities and other government departments. But this has created a great deal of favourable interest in the bond market and has had a very high degree of success in providing markets for municipal bonds. During the year, the Board conducted special studies on behalf of the Lieutenant-Governor-in-Council with respect to the undertakings of the Greater Winnipeg Gas Company and its operation in the Greater Winnipeg area. This job has subsequently been passed to the Public Utilities Board and they are continuing to make regular reports to the government with respect to the commitments of the Greater Winnipeg Gas Company.

In the field of Public Utilities regulations the Public Utilities Board has studied the gas safety problem in the performance of their role of providing for consumer protection in the province. Their work in this respect culminated with the issuing of a board order on January 6th which provided that all distribution facilities be installed in accordance with the American Standard Association Code D21 for outside gas installations and all gas fired appliances were to be installed in accordance with the Canadian Standard Code B149, Parts 1 and 2. This lays down the standards for all gas installations throughout the province. Their Board order dealt with such things as manual shutoff control to be installed on the exterior part of the line unless special permission was granted by the chief inspector of the mechanical engineering division of the Department of Labour. They also provided that all service pipes shall rise above the ground one foot or more before entering the consumer's premises except in those

(Mr. Carroll, cont'd.).....cases where they get special permission from the chief inspector. Where meters are installed in consumer's premises before commencement or completion of the installation the meter must be locked closed until the installation is complete and inspected. All gas-fired appliances shall be installed by qualified installers, all installations when completed shall be tagged by the installer, all rules and regulations and requirements respecting such installations shall be fully completed in every respect. In the opinion of the chief inspector of the Department of Labour or an engineer appointed by the Public Utilities Board, any installation which is not satisfactory or in accordance with the rules and regulations may be discontinued from the service of gas. The Board has also held discussions with the Gas Companies with respect to a uniform system of accounts which will be commenced sometime later this year. Arrangements are also being made for rate base hearings to be conducted also later this year. And discussions have been held with other utilities with respect to consumer protection; they've held meetings with the Greater Winnipeg Transit Commission, Manitoba Telephone System and Winnipeg Central Heating, Greater Winnipeg Water District and the Manitoba Power Commission. In the short operation of the Board they've issued 17 orders with respect to utilities, the Board has also reported with respect to the commitments of the Greater Winnipeg Gas Company as at December 31st, 1959 and the Board issued this order on January 26th which reads as follows: "After making such inquiries as it considered necessary, subject only to receipt from the company of audited financial statements confirming preliminary information furnished by the company, the Board is of the opinion that the Greater Winnipeg Gas Company has made satisfactory progress during 1959 towards fulfilling undertakings made pursuant to the findings of the Natural Gas Inquiry Commission of Greater Winnipeg."

The Manitoba Power Commission added 9,478 new customers during the year 1959. Energy sales were increased over the previous year by 11.3%. The end of 1949, going back 10 years, there 52,998 customers, the end of '59 there were 205,388 customers or approximately a 400% increase in customers of the Power Commission during that 10-year period. The energy purchased during 1949 was 195,964,404 kilowatt hours and during '59, 1,634,240,337 kilowatt hours or approximately an 800% increase in actual consumer consumption during the same period. The Commission service was extended to customers in all parts of the province and in addition they assumed direct supply to customers in Selkirk, major expansion of facilities for the summer residents in the Whiteshell area, farm electrification, extension to Clearwater Sanitorium, The Pas Airport and the Indian reserve in the vicinity of The Pas. They assumed the responsibility for supply and distribution at Cranberry Portage, took over the distribution at the new town of Thompson and arrangements have been completed for power distribution -- for the assumption of power distribution at Churchill. Investment in transmission was increased by \$8,800,000 during the year. Capacity of the system to meet load gross was increased in many parts of the province. H frame 115,000 volt line completed between Brandon and Dauphin. Reconstruction commenced between Winnipeg and Portage la Prairie transmission line to a higher standard as well as a separate H frame line between the same two points. A change was made at the Portage terminal to allow an alternate supply from Brandon to Winnipeg of 115,000 volt line. 66,000 volt line completed along No.4 Highway to Amaranth. The high voltage loop was completed around Brandon and a number of extensions completed to 33,000 volt lines around the province. There are substations at eight points in the province and two in the Greater Winnipeg area; and the capacity of 16 substations was increased.

The Manitoba Power Commission forces have been working in connection with the construction of the interconnection with the Saskatchewan Power Corporation. And the first construction of an underground distribution system was commenced this year on University Drive in Fort Garry. This is proving to be a substantially higher cost than the normal kind of distribution and these additional costs are being borne by the developer. It's not felt that there will be very large demands for this kind of distribution because of the substantially higher costs that are involved.

The Manitoba Telephone System showed a gain of 18,990 new telephones during the past year. A total of 267,044 telephones in service during the year 1959. This is a 100% increase over the past ten years. We have 30 telephones in the province for every 100 population. We're ranking third highest in Canada, second to -- at least third to Ontario and British Columbia both having larger -- more telephones per 100 of population. New telephone buildings and automatic exchanges were installed at Steinbach and The Pas, community dial offices were opened at ten points in the province during the year; 7,000 automatic subscriber services were added to the

(Mr. Carroll, cont'd.) . . . . rural exchange, 83.27% of Manitoba telephones are now dial operated. And of these, 94.9 of these dial operated telephones are now available to distance dialing directly by operators. In other words, an operator in Toronto or Edmonton can call directly to any telephone subscriber in Steinbach, Winnipeg, The Pas or Flin Flon. A new telephone building has been commenced at Thompson and a new two-story addition has been started in the City of Portage la Prairie. 306 miles of wire were retransposed for carrier operation and carrier systems were installed in several other parts of the province. Additional circuits have been added to our radio relay network; 8,000 miles of additional long-distance facilities have been provided throughout the province. The system's capital construction program has been progressing very satisfactorily in spite of the very adverse weather conditions that hit our construction program this last fall. The engineering and cost studies for the upgrading of the Greater Winnipeg two-party services is now complete and the program is underway. We expect to upgrade 7,500 subscribers in the Greater Winnipeg area during this construction year.

The net earnings of the System were up by \$30,994 over the previous year. On February 7th a new method for determining long distance charges was installed on all Trans Canada and Canada-US calls. The location of the toll plant is now based on latitude and longitude of the various toll offices and this has been translated into a vertical and horizontal co-ordinate for rate making purposes. This has resulted in some changes in rates --long distance rates but the rates--the increases and decreases have been very small, usually five to ten cents. Now some examples of the changes, Winnipeg to Detroit \$1.95 down to \$.90 for the station call; \$2.70 up to \$2.75 for the person to person call. Many others showing variations of 5 to 10¢ which appears to be about the maximum.

The Manitoba Hydro-Electric Board --The Manitoba Hydro-Electric Board Act says that the intent and the purpose and object of this Act is to provide for the continuance of a supply of power adequate to the needs of the province and to promote economy and efficiency in the generation and distribution of the supply of power. A supply adequate to the needs of the province is a very gigantic job as the members of this committee will realize. Since 1951 with the establishment of the Board at that time, they have completed the Pine Falls project at a cost of \$25,000,000; they initiated and completed McArthur generating station at a cost of \$25,000,000' they initiated and completed the Brandon Thermal-station at cost of \$25,000,000. They've started the Selkirk station, which is estimated on completion to cost \$25,000,000; they've initiated the Kelsey project which is estimated to cost \$40,000,000 on completion. These five projects in the 1950's represent greater capacity than what was added to the system in the previous 50 years. Point du Bois, Great Falls, Slave Falls and Seven Sisters were all very large scale and mammoth undertakings in their day but in ten years the capacity of these plants has been duplicated because of the increasing demands for electrical power in the province. The capital required for power production during the past ten years was \$140,000,000. There were other very large sums required for terminal stations, transmission and communications. During the year just ending, the capital in the amount of \$30,000,000 was spent by the Hydro-Electric Board; this included \$18,000,000 for Kelsey; \$9,000,000 for Selkirk, and \$3,000,000 for transmission terminals, communications, planning and engineering. The magnitude of the undertakings in size and capital outlay to provide a source and supply adequate to the needs of the province is really a very tremendous undertaking. Grand Rapids as announced, will be the next major addition to the province's system. In the last ten years we duplicated the previous power generating capacity of the province and in the next five years we will be requesting as much capital as has been spent in the last ten.

Some questions may arise as to whether all of these power sources are really necessary or whether some less ambitious program might have been possible. I'd like to examine for a moment some of these considerations. The power system must have sufficient capacity to meet the maximum instantaneous demands placed upon that system. When a switch is closed the power must be generated and transmitted to meet that demand requirement on the system. It is impossible to store electricity in reservoirs or tanks as we do water; that power must be generated and transmitted after the demand is placed on the system. Therefore, we must be able to anticipate and to provide for any usual demands and also to provide for any unusual upsurge in demands that might be placed on the system. The peak demand usually occurs during the cold winter months when the days are short. We must also plan for a spare capacity for

(Mr. Carroll, cont'd.) . . . breakdown of equipment and other emergencies. The percentage of spare capacity planned by the Board is 12%, and providing for the power requirements we must also be concerned about the cost of providing that power; and it is very important that our spare capacity be kept to a minimum. The ratio of peak power requirements to the capability of the system is an index of whether we have an over-expansion or an under-expansion of the system. Over the past 11 years our average reserve capacity has been 14%. This provides, we believe, a reasonable margin of safety during a period of very rapid expansion and very rapid growth in electrical consumption. Selkirk is expected to be commissioned during the summer and fall of this year and it will provide for our growth requirements through but not including -- through to, but not including the fall of 1963 -- the winter of 1963.

We've considered many alternatives for the winter of 1963 but the most attractive economically involves a co-ordinated program with the Province of Saskatchewan. Saskatchewan has on this account accelerated its program by one year to provide a block of power to Manitoba for the year November '63 to November '64. This means that we can delay the bringing into service of Grand Rapids to the year 1964 which will effect a very substantial savings to this province. You will recall that in announcing this interconnection with Saskatchewan Power Corporation a year ago that mention was made of the magnitude of the savings possible by such an interconnection. It was in prospect of this capacity purchase agreement that we made that optimistic announcement at that time. Grand Rapids has been mentioned as a very large project. It requires to begin with 125 miles of highway; requires a major river crossing of the Saskatchewan River; 16 miles of diking and in some places that diking will be 80 feet high. It will require 8,000,000 cubic yards of fill-earth fill; it will require something like 350,000 cubic yards of concrete. Present plans call for turbines and generators of a capacity of 112,000 horsepower each; a very substantial, a very large generator is being placed in this particular project. The reservoir will be approximately 2,400 square miles that will include Cross Lake, Cedar Lake and parts of Moose Lake; the reservoir will hold the high spring and summer flows of the Saskatchewan River and will release it during those periods when the flows are normally low; the reservoir is expected to vary as much as 12 feet from its high to its low. The Saskatchewan River which is being harnessed at this point extends some 1,205 miles from its source in British Columbia through to its outlet at the north end of Lake Winnipeg. The drainage area that is being served by this river represents 130,000 square miles; the annual flow on the river is 24,000 cubic feet per second. One of the unusual and very attractive engineering features of Grand Rapids is that the same works will not only serve all the head which is available to Manitoba but will also provide for the regulation of the flow. Quite often we require separate storage projects, and separate and distinct power plants, but in this particular case we have been able to combine both features in the one plant.

In addition to the responsibility for the supply of power, the Board is to promote the economy and efficiency in the generation and the distribution and supply of power. This function has been promoted in many ways by the Board. To begin with, the Board eliminated the duplication of distribution facilities in the Greater Winnipeg area by transferring to the city the distribution facilities of the Winnipeg Electric Company after the Board took that company over, and they transferred to the Manitoba Power Commission those facilities of the Winnipeg Electric Company which were outside of the City of Winnipeg. Interconnection -- the Board was responsible for the interconnection, integration and the operation of the generating plants on the Winnipeg River. They operate all six river plants co-ordinating them for the maximum use of the Winnipeg River waters. The interconnection with Ontario provides further economies in the use of the Winnipeg River water. It also provides a market for any surplus Manitoba power that we may have and it provides a source of surplus energy supply at very substantial savings to our Manitoba system from Ontario and it also increases, of course, the reliability of our own system here. The Root River diversion places additional water in the Winnipeg River when our flows are less than the amount which is required to operate our river plants at their full capacity. The Board has introduced thermo-generation to supplement the hydro system and large quantities of low value off-peak hydro energy have been firmed up or up-graded to full value because of the availability of these thermal-generating stations. By being available to operate under low water conditions, the Brandon plant is adding approximately eight mills per kilowatt hour to approximately 3 million kilowatt hours per day. By just being available, it can be

(Mr. Carroll, cont'd.) . . . credited with adding approximately a half a million dollars per month to the value of our hydro plants, our Hydro System. Interconnection with Saskatchewan will provide substantial economies to the system through the capacity purchase agreement, and will also provide a sale for surplus hydro energy that we may have and there's also the possibility of the purchase of thermo energy from Saskatchewan at savings greater than what we can produce power for through our own thermo-generation. Our march dealing with power have been perhaps more extensive than would be normal but in view of the very large expenditures which were anticipated by the Board this year, I felt that it was necessary to give a fairly full account of the work of the Hydro-Electric Board.

A great deal has been said recently about the efforts of the Manitoba Government to have the CBC extend network facilities in the Province of Manitoba. It has been reported to the House previously that the first meeting with the executive of the CBC was held in July of last year. This meeting was followed by a further meeting in September 7th, at which my colleague the Minister of Mines and myself attended. At that time we put forward the following proposals to the CBC. One that a thorough technical investigation of the possibility of extending network facilities north from Brandon to Flin Flon be undertaken, and this included the best technical advice that we could get, the most scientific placing of equipment, the right kind of power to get the best possible coverage in order that we could justify this system with the kind of populations that were to be served by an extension of that kind. Secondly we said that if this idea is not proved feasible, is unsuccessful, that we eliminate some of the protective features of the system, which is being quoted to the MTS. We felt that perhaps, it would be better to eliminate some of those protective devices which are normally required by the CBC in order to get service up there, possibly a slightly lower grade of service, it might have some interruption but at least they would have the benefit of television service. And No. 3, we said to consider the possibility of extending the line north as far as possible and serving the remainder by means of satellite stations coverage, and No. 4, we said to extend the network as far north as possible within the present cost figures of the CBC. And we had hoped at that time that this service would be able to be extended at least as far as Dauphin and possibly beyond.

We also put forward the idea of that the special consideration should be given to resource development areas in the same way that special consideration is given for roads to serve our potential resource areas. The technical study that was requested was completed and without having reported to the Manitoba Government, the CBC had apparently advised the Board of Broadcast Governors that they would not be prepared to extend service to that area at this time. The result was that the BEG granted a television licence to Yorkton to serve the Dauphin area from Baldy Mountain. A subsequent meeting was held with Mr. Quimet, President of the CBC and his close technical advisors, in Winnipeg in mid-February. This meeting did not disclose any matters which would lead us to be optimistic about an early extension of television facilities by the CBC. The possibility of the CBC providing stations at Swan River, The Pas, and Flin Flon and providing the programming with the municipalities providing the network was discussed as a possibility. Another possibility was that the CBC would provide cineoscope recordings with private enterprise or local municipalities providing the station facilities at these points. This was just one of the other possibilities that was discussed. And I might say that these points which were mentioned were just mentioned, but there was no definite offer being made, either by the CBC or by ourselves at that time.

With the announcement of the application by the CBC for a station at Edmonton, it provoked a protest from our government and a subsequent 'phone call suggested a further meeting in the near future. The total cost figures on the network as quoted by the MTS were made available to the press a few days ago and possibly they should be repeated at this time for the benefit of the House. The total cost that was quoted by the Manitoba Telephone System for the network which would give the full standard coverage amounted to \$1,438,249. The annual charges on this investment showed the cost of money at that time at 5.25%, depreciation over 15 years at 6.7%, maintenance at 7%, administrative costs at 3.5% with a total annual charge on this investment of 22%. This showed a cost figure of \$316,400 and from that we anticipated the overtime that could be anticipated from a system of this kind and we deducted \$51,900 from this charge for the overtime that could reasonably be anticipated showing a net charge for the television, the video charge at \$264,500 and to this was added the annual rental charges for the

(Mr. Carroll, cont'd.)....audio signal which is charged out at \$5.50 per mile of standard rate which works out to \$23,826, the total annual charge being \$288,326. Now, this was the figure which was quoted to the CBC through the Trans-Canada Telephone System at the time of these negotiations. Now on the basis of the technical survey that was made in October of last year I believe it was October anyway, we, by eliminating certain protective equipment, it was concluded that we could quote on the basis of capital investment of \$1,100,000. This brought the annual charges down to \$213,926. This of course does not include the total cost because this does not provide any studio facilities nor does it provide for any transmitters. Quite likely, the service could be provided without studios with just the transmitter facilities but that cost would have to be in addition to these charges that I've just quoted.

Now the policy of the government is to press for the widest possible television coverage throughout the province and this is what we have been trying to do in the last few months.

Now before I close, Mr. Chairman, I would also like to mention a word or two about the town of Churchill. The committee will, no doubt, be interested in hearing briefly of our negotiations which have taken place between our government and the Government of Canada in an effort to find a solution to the utilities and health problems in Churchill. After considerable correspondence and studies made by our government and in three trips to Ottawa, we finally arranged a meeting which took place in the town of Churchill on September 22nd and 23rd last. This was a most successful meeting and included a very substantial delegation from Ottawa. They had a Department of Transport plane which flew out from Ottawa, picked up the Manitoba delegation and we proceeded on to Churchill. The delegation from Ottawa included three members of the Department of Public Works, twelve representing the Department of National Defence, 4 from National Harbours Board, 1 representing Northern Affairs and National Resources, 1 representing the Federal Department of Health and Welfare, 1 representing the Federal Treasury Board, 2 representing Central Mortgage and Housing Corporation; we had the Federal MP for Churchill, Mr. Bud Simpson. Representing Manitoba was myself, Mr. Eric Thrift, of the Metropolitan Planning Service; we had the Assistance Deputy Minister of Municipal Affairs; we had a representative of the Treasury Board; we had our Director of Northern Health Services; we had the Local Government Administrator; we had 3 representatives of the Manitoba Power Commission, 1 representative of Industry and Commerce and the Clerk of the Executive Council. We also had the provincial MLA for Churchill, and we had two men representing our consulting engineering firm of Underwood and McLellan. We had a very impressive, very large and very impressive delegation and I think covered a great deal of ground when we were in Churchill. As a result of this meeting, Ottawa has accepted the responsibility for providing a new water supply system for the camp of Churchill, which will be sufficient in size to provide for the needs of the town as well. They also undertook to participate in Part V Study under the National Housing Act to get further information with respect to the townsite.

The Provincial Government has undertaken to improve the general sanitation conditions in Churchill townsite and through an agreement between the Department of National Defence and the Manitoba Power Commission, we will be assuming the responsibility for distribution of power in the town of Churchill commencing, I believe, July 1st, of 1960. The Part V Study, which has presently received the approval of our government, is now in Ottawa awaiting the signatures of CMHC; it's had the approval of everyone at that end and awaits only now the signatures so that we can proceed with the study. This agreement will provide the technical information upon which we can base our plans for future development of Churchill. Some of the problems which we hoped we'd be able to solve by this study will be whether or not the present townsite can expand to meet the normal growth requirements of that community. It will determine the magnitude of the undertaking to provide new accommodation to meet the future growth and to provide information on the present standard of housing in the area. It will determine many of the cost factors involved in providing utility services at the present site, or if recommended, at a proposed new site. On the basis of this information, it would be our hope that we'll be able to enter into an agreement with the Federal Government, to assist in the provision of services to this area because of the very unusual conditions that we have existing in that community.

Now, before sitting down, Mr. Chairman, I'd like at this time to pay a special tribute to all of those that have worked so closely with me in the operation of this department. Mr.



(Mr. Carroll, cont'd.)....Mills of the Telephone System, Mr. Fallis of the Power Commission, Mr. Stephens of the Hydro-Electric Board, Mr. Baillie of the Motor Vehicle Branch and the Motor Carrier Board, Mr. McDonald of the Municipal and Public Utility Board and Mr. Boles of the new Public Utilities Board. I think that these men are all very highly competent and they have been extremely loyal to me and extremely loyal I believe, in their service to the people of this province. I regret that last year in the introduction of my estimates I neglected to pay this tribute which I feel most sincerely.

And this brings to conclusion my opening presentation and I'll be pleased to answer any questions that I am able to at the next sitting of the committee, Mr. Chairman.

MR. ROBLIN: Mr. Chairman, I move that the committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply has adopted certain resolutions and directed me to report the same and ask leave to sit again.

MR. MARTIN: Mr. Speaker, I beg to move, seconded by the Honourable Member for Lac du Bonnet that the report of the committee be received.

Mr. Speaker put the question and following a voice vote declared the motion carried.

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

Mr. Speaker put the question and following a voice vote declared the motion carried. The House adjourned until 2:30 Monday afternoon.

ELECTORAL DIVISION	NAME	ADDRESS
ARTHUR	J. D. Watt	Reston, Man.
ASSINIBOIA	Geo. Wm. Johnson	212 Oakdean Blvd., St. James, Wpg. 12
BIRTLE-RUSSELL	Robert Gordon Smellie	Russell, Man.
BRANDON	R. O. Lissaman	832 Eleventh St., Brandon, Man.
BROKENHEAD	E. R. Schreyer	Beausejour, Man.
BURROWS	J. M. Hawryluk	84 Furby St., Winnipeg 1
CARILLON	Edmond Prefontaine	St. Pierre, Man.
CHURCHILL	J. E. Ingebrigtsen	Churchill, Man.
CYPRESS	Mrs. Thelma Forbes	Rathwell, Man.
DAUPHIN	Hon. Stewart E. McLean	Legislative Bldg., Winnipeg 1
DUFFERIN	William Homer Hamilton	Sperling, Man.
ELMWOOD	S. Peters	225 Melrose Ave., Winnipeg 5
EMERSON	John P. Tanchak	Ridgeville, Man.
ETHELBERT PLAINS	M. N. Hryhorczuk, Q.C.	Ethelbert, Man.
FISHER	Peter Wagner	Fisher Branch, Man.
FLIN FLON	Hon. Charles H. Witney	Legislative Bldg., Winnipeg 1
FORT GARRY	Hon. Sterling R. Lyon	Legislative Bldg., Winnipeg 1
FORT ROUGE	Hon. Gurney Evans	Legislative Bldg., Winnipeg 1
GIMLI	Hon. George Johnson	Legislative Bldg., Winnipeg 1
GLADSTONE	Nelson Shoemaker	Neepawa, Man.
HAMIOTA	B. P. Strickland	Hamiota, Man.
INKSTER	Morris A. Gray	141 Cathedral Ave., Winnipeg 4
KILDONAN	A. J. Reid	561 Trent Ave., E. Kild., Winnipeg 5
LAC DU BONNET	Oscar F. Bjornson	Lac du Bonnet, Box 2, Group 517, R.R. 5
LAKESIDE	D. L. Campbell	326 Kelvin Blvd., Winnipeg 9
LA VERENDRYE	Stan Roberts	Niverville, Man.
LOGAN	Lemuel Harris	1109 Alexander Ave., Winnipeg 3
MINNEDOSA	Walter Weir	Minnedosa, Man.
MORRIS	Harry P. Shewman	Morris, Man.
OSBORNE	Obie Baizley	185 Maplewood Ave., Winnipeg 13
PEMBINA	Hon. Maurice E. Ridley	Legislative Bldg., Winnipeg 1
PORTAGE LA PRAIRIE	John Aaron Christianson	15 Dufferin W. Ptge la Prairie, Man.
RADISSON	Russell Paulley	435 Yale Ave. W., Transcona, Man.
RHINELAND	J. M. Froese	Winkler, Man.
RIVER HEIGHTS	W. B. Scarth, Q.C.	407 Queenston St., Winnipeg 9
ROBLIN	Keith Alexander	Roblin, Man.
ROCK LAKE	Hon. Abram W. Harrison	Holmfield, Man.
ROCKWOOD-IBERVILLE	Hon. George Hutton	Legislative Bldg., Winnipeg 1
RUPERTSLAND	J. E. Jeannotte	Meadow Portage, Man.
ST. BONIFACE	Laurent Desjardins	138 Dollard Blvd., St. Boniface, Man.
ST. GEORGE	Elman Guttormson	Lundar, Man.
ST. JAMES	D. M. Stanes	381 Guildford St., St. James, Wpg. 12
ST. JOHN'S	David Orlikow	206 Ethelbert St., Winnipeg 10
ST. MATTHEWS	W. G. Martin	924 Palmerston Ave., Winnipeg 10
ST. VITAL	Fred Groves	3 Kingston Row, St. Vital, Wpg. 8
STE. ROSE	Gildas Molgat	Ste. Rose du Lac, Man.
SELKIRK	T. P. Hillhouse, Q.C.	Selkirk, Man.
SEVEN OAKS	Arthur E. Wright	Lot 87 River Road, Lockport, Man.
SOURIS-LANSDOWNE	M. E. McKellar	Nesbitt, Man.
SPRINGFIELD	Fred T. Klym	Beausejour, Man.
SWAN RIVER	A. H. Corbett	Swan River, Man.
THE PAS	Hon. J. B. Carroll	Legislative Bldg., Winnipeg 1
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