

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, May 3, 1967

Opening prayer by Mr. Speaker.

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

I'd like to direct the attention of the honourable members to the gallery where we have a number of students. We have 37 students from the Gimli Composite High School. These students are under the direction of Mr. Keryluk and Mrs. McCabe. This school is located in the constituency of the Honourable Minister of Education. We also have 19 Grade 8 students from the Edmund Partridge School. These students are under the direction of Miss Murray. This school is located in the constituency of the Honourable Member for Seven Oaks.

On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

Orders of the Day.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Before the Orders of the Day and with the indulgence of the House, may I just draw to the attention of the honourable members that the Pan Am Games - the sailing races will be in Gimli this summer and we fully expect to take on a very large audience and some excellent world famous sailing enthusiasts and I have every confidence that the Gimli fishermen will probably walk away with the spoils. But I do say you're welcome to Gimli and I am very grateful to the students today who brought me this lovely hat and I share it with you.

MR. SPEAKER: I was wondering if I might confiscate it.

MR. RUSSELL DOERN (Elmwood): I would like to direct a question to the Provincial Secretary or whoever may be in charge. Does the Provincial Secretary or the government have any influence in regard to the Centennial Train? Apparently there have been large numbers of people who have been turned away and sometimes as early as 10:15 due to line-ups. Is there anything that can be done about extending the length of hours that the train is open?

HON. STEWART E. McLEAN, Q.C. (Provincial Secretary) (Dauphin): Mr. Speaker, we have nothing to say in that matter at all. As far as I am aware, it's dealt with by the Centennial Corporation and the Canadian Centennial authorities.

MR. DOERN: A supplementary question. Would the Manitoba Centennial Corporation be able to do anything about it?

MR. McLEAN: I don't know, Mr. Speaker. I'll be glad to discuss the matter with the Chairman if I am able to arrange to see him.

MR. LAURENT DESJARDINS (St. Boniface): In case we're giving the wrong impression here, I think they'll let people in until 11 o'clock at night. How far can you go? They start early in the morning and they let the people in until 11 o'clock at night. I don't think that we should give the wrong information and this is certainly long enough.

MR. DOERN: Mr. Speaker, if I may clarify - apparently there are complaints that I heard on the radio that people were being cut off at 10:15. They were estimating the size of the crowd, but if you go before 11:00 it doesn't guarantee you'll get there, they cut the line long before that.

MR. SPEAKER: Committee of the Whole House.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): Would you call the Committee of Supply first please?

MR. SPEAKER: That the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

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

COMMITTEE OF SUPPLY

MR. CHAIRMAN: The Department of Mines and Natural Resources, Item 1 --

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, it has been some weeks since we've been on this department and some of the continuity no doubt has been lost from the time the Minister made his opening statement, but I would like to join with him in paying tribute to his large and varied staff. I know that within this department there are many different departments and many different problems, and I do not intend to touch on all departments but I would like to make some comments about some of them.

I note in the annual report on Page 3, the responsibilities are defined of the conservation officers and the fact that each one has a region - there are eight of them - a regional supervisor, and the studies that each conservation officer has are many and varied. There are game and fish patrols in open and closed seasons; prevention and suppression of forest fires; all woods' operations including timber harvesting; enforcement of all laws and regulations dealing with game and fish, forestry, parks and recreation; also the issuing of licenses and permits; commercial fishing activities; a rendering of assistance to biologists and foresters and others of special projects; and the management of age, fish and forest resources.

Now, Mr. Chairman, one thing I could not help but note, that since the change has been made to where a conservation officer has more responsibilities and less specializing, I note in the field of law enforcement of The Game and Fisheries Act that there has been a decided decline in informations laid and in convictions and so on. I have an Order for Return from last year asking the questions: (1) the total number of persons charged with violations under the Act for the past ten years commencing in 1953; and the second question is the number of convictions with regard to the aforesaid violations for the same period; and the third question is the number of licenses issued with respect to upland birds, waterfowl, deer, moose and elk.

And I note that -- I would preface this remark by saying that people being what they are, there's always going to be violations and they're always going to have to be checked, but I note that in the 1953-54 year there were 481 informations laid and there were 424 convictions. Now this is with a total of 57,000-odd game licenses issued, that is general birds and deer, moose, elk as well. And looking over the ten-year period - and I won't bore the committee with all the figures - but in the 1962-63 year there were 362 informations laid and 320 convictions registered, and this is out of a total of 75,700 licensees. In other words, the number of licenses have gone up from 57,043 to 75,700 - and that is about a 25 percent increase - yet convictions have gone down, and the general pattern of the years in between while it varies somewhat, the point I'm trying to make here is that there's 25 percent more people with licenses and it would seem to me that the conservation officers, perhaps through other duties that they have, are not paying as much attention through lack of time to this aspect of conversation.

Now while I'm speaking about the game and fowl aspects, I think every year it's customary for speakers to pay tribute to this large voluntary group of sportsmen in the province, The Game and Fish Associations. They have over 10,000 members now and they're all conservationists, and while I know that every year departmental officials meet with them and attend their convention, perhaps their association could be called upon for more support to the department through a distribution of information as well as speaking to their friends as well.

I note that the problems that are facing us in the waterfowl and game field, there are no solutions suggested in the annual report, and in some places they're only briefly discussed. For instance in the field of habitat, I understand in the past few years there has been over 100,000 acres of land that has been taken away from wildlife use and I refer now to the Grand Rapids forebay area where extensive flooding has spoiled nesting grounds and spoiled traditional big game grounds. The Kettle Rapids complex in the future no doubt will be doing the same, and I think the province should be doing something to survey the situation and come up with some other answers.

For example, in the waterfowl area, outside of a small Federal Government program in the southwest part of Manitoba, there has been nothing done to any extent to encourage farmers to protect their potholes on their property or to cut down on some of the over-drainage that has been happening, and I think that some of our farmers could be encouraged along these lines if they were given some tax concessions by way of a lowered assessment or a complete relief from taxation of potholes and marshland that happened to be on their private property.

I note in the U.S. Wildlife report of 1965, speaking of the mallard population of North

(MR. JOHNSTON cont'd).... America, they say that the mallard population in North America has decreased by 50 percent since 1958. Now this is in an 8-year period that one species of duck have gone down by 50 percent. Now if this trend keeps us, it'll be a very few years and there'll be no hunting at all, or waterfowl hunting will only be confined to privately-owned reserves, and I think the Province of Manitoba who are straddling one of the main flyways in North America should institute some action here. I know there has been international meetings in the matter of co-operating in the setting of game limits, but I think the time has come where if we don't take some big steps in this field it'll be too late and our youngsters and their sons and daughters after them will not have this type of hunting which we used to take for granted for so many years.

I note in Saskatchewan legislation this year, under the new Game Act, there have been more severe penalties brought in force to discourage illegal hunting, and I note one good one that might solve some of the problem here with respect to night-lighting, and that is that under the Saskatchewan game law now it is illegal to carry guns in such a way that they can be readily used after hunting hours - in cars or skiddos I presume this would mean - that the guns would have to be broken down or disassembled. I also note that with respect to bodily injury or death to another party or themselves while hunting or target practicing, hunting privileges would be taken away from them for a five year period, that is anybody found guilty of abusing the law in that respect.

I wonder if the Minister could tell us what has been done in the way of game management and what recommendations are for the years ahead. I note in looking at the report that mention is made of the fact that studies are being carried out but there are no firm recommendations. For instance, it's stated on page 41 of the annual report that co-operative investigations are being carried out in northern Manitoba with respect to goose hunting, in co-operation with Ontario and the Illinois History Survey and the Manitoba Wildlife Branch, but I note that there are no results given of these studies or there's no recommendations given. How many biologists do we have working in this field either part-time or full-time and have they made any recommendations? In other jurisdictions now where there's severe gun pressure on either waterfowl or upland game or big game they are now limiting the number of hunting licences to be issued in accordance with the findings of their surveys so that if there are 500 elk available in the northern part well then only a certain number of licences are sold and the fear of many people is that through the eagerness for the tourist dollar we oversell licences and the populations are declining without being given the chance for natural growth.

I have a press release here from the Department of Northern Affairs and it mentions the serious decline in the caribou population of northern Canada and they mention in particular Manitoba, Saskatchewan and Alberta. The populations have declined from a 1949 level of 670,000 animals to a 1959 level of 200,000 animals. I looked with interest in our annual report to see if this problem had been mentioned and I note that except for a general statement there is no undue emphasis given to this problem. I note in other jurisdictions that surveys are carried ahead on big game for as far ahead as to 1980 so that the various jurisdictions can plan ahead and decide on how many licences they are going to issue.

I think another problem that has to be faced up to in protecting our wildlife is the increasing use of aircraft and motorized toboggans. I agree that it is very difficult to try and keep track of everybody that goes in and out of the hunting areas in either aircraft or skidoos but I think this has to be studied and studied very closely and some regulations have to be brought into force. I know in some areas that I've been even without hunting the unlimited use of skidoos and motorized toboggans have disturbed game severely. They are moving away or they are not being allowed to rest and this is going to have an effect on our long-term wildlife plans.

I note in the state to the south of us -- coming back again for a moment to waterfowl hunting -- the mallard limit I believe daily was two -- is it last year? I believe it was three here last year. I think this problem is so serious that many avid hunters and conservationists are thinking that perhaps we should forego a year of hunting of these species that are almost becoming extinct and in informal conversation a few weeks ago with some of the wildlife people at Delta, early reports that they have received are that this year is going to be even poorer for the mallards.

I listened with interest to questions put by my Leader to the Honourable Minister with respect to the possible formation of a fish marketing board. I know that a meeting has been

(MR. JOHNSTON cont'd).... held earlier in the year with Ottawa and it has been discussed that all provinces should co-operate in the formation of a fish marketing board and I'm hoping that by this time next year the Provincial Government here will have formulated enough plans to go into this plan. I note in the release I have here from the Trade and Commerce Department in Ottawa, October 17th of '66, a one-man commission was established back in 1965 to consider and report on the export marketing problems of the fresh fish industry in Manitoba, Saskatchewan, Alberta, Ontario and the Northwest Territories. Now the Commission's report is in and they're recommending the formation of a fish marketing board and I hope that the Manitoba Government co-operates with this and this perhaps will do something for an industry that has been plagued for many years with wildly fluctuating prices and marketing problems.

If I may turn to the section on parks now. I can appreciate that also through not only this government but the former government that the Province of Manitoba have a very good park system and is continuing to expand. I note in looking at the map on page 31 where it lists the number of visitations to all our provincial parks, that there is one park that perhaps should have some expansion if one can go by the daily visitations. By far and away the most popular ones are in the Whiteshell area but I note on No. 1 Highway between Portage and Winnipeg, Norquay Park has had 101 visitations last year by people and outside of the Norquay area.

MR. EVANS: Mr. Chairman, perhaps I can save my honourable friend some time and tell him that the parks administration is now under the Department of Parks and Recreation and he would be better to direct his questions at that time.

MR. JOHNSTON: Yes, Mr. Chairman, I'm sorry -- I bring it up because it's in the same book. But if I could just finish my remarks on that. I think that this park should be given consideration for expansion because of the usage that it's receiving.

Mr. Chairman, turning now to our renewable or our resources that are not renewable. I think Manitoba has a special problem here in that we have not to date found large fields of potash or inexhaustible oil fields and while we hope for the future it appears that the growth in these directions will be rather modest unless some unforeseen developments occur. But on the oil field, I have in my hand a release by the Provincial Government of August 26th, 1966, and it's giving publicity to the fact that a deep test well is being drilled in the Churchill area -- that is off shore in Hudson Bay. I was wondering if there was anything further to report on this. The announcement was made that a test well is being drilled and there has been nothing reported since. I was wondering if the Minister would care to mention were there any results from that announcement at that time or has it quietly died and nothing been found.

But, Mr. Chairman, I think there is one area that we can turn to in our natural resource field and that is in the mining. I think perhaps some special incentive should be offered to companies to do more exploring and I don't think the answer lies in the province doing the exploring themselves. But I think if some incentive were given by way of tax concessions or even to copy the federal program of some incentives that would be repayed if new mines were found. In the federal incentive program, which only applies to the Yukon and Northwest Territory, the following assistance is given to mining companies: The first one is that up to 40 percent of exploration costs of approved programs will be paid by the government with repayment set at not less than 10 percent per annum, in the event of a successful production or gain. Repayments would commence one year after production is started and with interest from that date. The grants would be forgiven on exploration that proved unfruitful. Another item is that annual interest rates were set at 2 percent ... interest rate for borrowing. In other words similar to our MDF loan. Another point is that this is only confined to Canadian citizens over 21 and only to the owners of the claims or the leases or the exploration permits. This type of assistance is only available to a private Canadian company where at least 50 percent is beneficially owned by Canadians and must be incorporated in Canada or in a province in Canada. This type of assistance is only available to any public Canadian company, the common shares of which are quoted on the Canadian stock exchange and which is not eligible to take advantage of exploration expenditures or deductions for income tax purposes. It is only available to Canadian companies formed for or engaged in mineral exploration in the north and these companies may have up to a 50 percent participation by companies that are able to take advantage of income tax write-offs. The grants would not be paid wholly or in part or until, in the case of oil or gas, one deep well had been drilled or in the case of solid minerals an equivalent number of test holes had been drilled. So that perhaps that program while carried on a federal scale, could be adapted to the Laurentian Shield area of northern Manitoba; perhaps this government should make representations to Ottawa to extend the federal aid plan, that I think it's

(MR. JOHNSTON cont'd). . . . recognized that in northern Manitoba there is great possibilities for more mining and we should bend our efforts in that direction.

I note that the four co-ordinators who have been appointed by the Department of Northern Affairs to assist up there -- I could be wrong but I don't think any of the four gentlemen have any experience in the mining industry and I was wondering if at least one of them could not specialize in this field and encourage some of our northern peoples to spend some of their time in prospecting and perhaps developing our industry in that direction.

I note last year in the Mines Branch, the Annual Report, that exploration in the precambrian area was between four and five million dollars and two new mines were announced. I know we've showed a steady growth in this field but I think a little less emphasis on some other parts of the program, I don't say more spending of money, but pointing towards mining development in Manitoba with special emphasis might help our province in the long run, that anything found in this field will mean more money to the general tax fund and I would like to hear if the Minister has any special plans along this line.

MR. RUSSELL PAULLEY (Leader of N.D. P.) (Radisson): Mr. Chairman, may I first of all say to the Minister a thank you for his statement in respect of the Department of Mines and Natural Resources. I read with a great deal of interest particularly the statement dealing with the Churchill Forest Industries and will be making a comment or two in that regard in a moment or two.

I would also like to extend the thanks of the members of this group to the officials within the department for the manner in which they conduct the affairs of the Department of Mines and Natural Resources. We have found them at all times most co-operative and when necessary have supplied us with information within the due bounds of governmental operation. So I say to the staff of the Department of Mines and Natural Resources, thank you very much.

And in having said that, I want to say, Mr. Chairman, that I feel that they operate under severe handicap because of the directives or lack of directives that appear to be forthcoming from the government opposite in the orderly development of our natural resources here in the Province of Manitoba.

I think, Mr. Chairman, one only has to take a look at the estimates of expenditure that we're considering at the present time and the estimates of revenue in respect of this department to realize that if there is a "window-dressing" department in government, it is this one. I think possibly it even exceeds that, if it is possible, of the Department of Industry and Commerce. And whether it's because of the fact of the transfer of the previous Minister of Industry and Commerce who was so well versed in window dressing and who was such an expert in the field of propaganda that this has been carried over into the Department of Mines and Natural Resources I'm not quite sure, but I feel it must be so. Because we've heard from the Minister of Mines and Natural Resources how our mines are going to develop now in the Province of Manitoba; how International Nickel have discovered new mines and they're just champing at the bit to get the nickel and other minerals out of the bowels of the earth and how much we're going to progress now in the field of natural resource development. Then lo and behold, Mr. Chairman, we take a look at the estimates of expenditure for the department; they've gone up by almost three-quarters of a million dollars of what they were last year and then we find the revenues from the department, the anticipated revenues from the department going down by an additional \$400,000.00.

How can the Honourable the Minister of Mines and Natural Resources tell us of the breakthrough in the resource development areas when the revenue, as a result of this tremendous breakthrough in our resource development will result in almost half a million dollar less of revenue than we received into the Treasury of Manitoba before the breakthrough took place. Even this morning, my honourable friend, the Provincial Premier, was telling us about how the Port of Churchill and northern Manitoba, the Hudson Bay Railroad would benefit as a result of three or four millions of dollars of extra trade as a result of development of Churchill Forest Industries. Now what is the story? Surely my honourable friend, the Minister of Mines and Natural Resources has not given it to us.

Again, Mr. Chairman, insofar as resource development, again it's a case of the tail wagging the dog. We're informed in this House insofar as our public utilities are concerned, that our mining companies are crying because there hasn't been the development of power required to the mining industry of the north. What a way to operate a country! What a way to operate a country! Lip service to a breakthrough and when we have companies who are desirous of making a breakthrough in the mining industry apparently they can't do as they desire because

(MR. PAULLEY cont'd). . . . one arm of government doesn't know what the other arm is doing and there hasn't been the provision for power to the mines that are going to achieve the breakthrough.

I say to my honourable friends opposite, particularly those of the Treasury benches, for goodness sake stop trying to outdo each other in the field of propaganda; stop trying to establish that "my department's better than the other department" and for heaven's sake, and for the sake of Manitoba start getting together and start doing something constructive. Start making sure that the mines can break through, not on paper, but in fact. Stop telling us of the great increase in resource development at the same time as telling the taxpayers of Manitoba that they've got to pay additional taxes by way of a five percent sales tax because of the fact that the returns from our natural resource development is going down. One can say to the officials of the department, in all sincerity, in all honesty, in all truth, you men and women are doing a good job under severe handicap. So I say to those that are handicapping our resource development, cut the guff. We've listened to it long enough. It's time we had some action.

What about potash? What about potash? I heard my honourable friends opposite here, three or four years ago, talking about the potential at St. Lazare and how we're going to get a share of the potash development. What's happening? According to information that I have read, International Nickel has taken huge blocks of territory under lease for the development of potash or investigation into the potash fields in Manitoba. Are we producing any potash in Manitoba three or four years after the Minister opposite told us we were going to start investigations? We talk of the Province of Saskatchewan and they're breakthrough in the field of potash just across the border from Manitoba but all we're doing, apparently, is allowing the tying up of vast areas of potential potash development to development companies.

A year ago we gave by legislation the right to this government to go into business in the development industry itself if in fact private industry was not doing the job. Well I suggest, Mr. Chairman, they're not doing the job in potash. What's the hold back? What's the hold back? Are we waiting until the development is further enhanced in the Province of Saskatchewan and then turn around and say "Well what's the sense in developing Manitoba; there's going to be a surplus of potash." All across Canada now we're being referred to as a "have-not" province, industrially-wise and as far as resource development is concerned. One cannot pick up a trade journal in Canada without reference to the change of the provinces on the prairies. It used to be Saskatchewan that was called the "have-not" province but the situation has changed. Even when we were discussing the question of transportation and the statement of my honourable friend, the First Minister this morning, he says that a few years ago Manitoba, or Winnipeg was the distribution centre for the western plains and he admits we've lost that. We've lost our position in air development and we're losing it, or losing the opportunity for resource development because of the lackadaisical approach of the Government of Manitoba to mineral resource development. I say, Mr. Speaker, last year over the objections of some, we gave to the government the opportunity of using public funds for the development of our natural resources if they weren't being developed by private enterprise. What has been done? The awarding of a lease for huge tracts of land to a huge company who apparently can sit on this land and allow it to go undeveloped when at the same time the expenditures charged to the taxpayer of Manitoba is increasing annually.

My friend the Member for Portage, speaking a moment ago asked what of the development, what of the investigations into the possibility of oil in Hudson Bay? Do you recall, Mr. Chairman, about four years ago there were three or four inch headlines in our Winnipeg papers to the breakthrough in exploration for oil in Hudson Bay? I searched in vain in the report of the Department of Mines and Natural Resources for mention of exploration in respect of oil in Hudson Bay. Oh, I know, I know, my honourable friend the Provincial Treasurer, who doubles as the Minister of Mines and Natural Resources, feels that there's more oil in the pockets of those who can't afford to pay a five percent sales tax than there is in the development of our natural resources in Manitoba.

One looks in the estimates of expenditures in practically speaking, every field, Mr. Chairman, and we find increased expenditures in every area at the same time as revenues are going down and I say much of this is the result of the agreement of the nature entered into between this government and Churchill Forest Industries. We read of increased costs, of inventory forest -- we read of forest management I should say, increased costs of forest management at the same time I believe as there are reduced revenues. What a breakthrough

(MR. PAULLEY cont'd).... for Manitoba. What a breakthrough for Manitoba in the forest industry, more cost to the taxpayer, less revenue to the taxpayer and a beautiful sounding agreement, reams and reams of paper, justifying agreements entered into to cost the taxpayer of Manitoba more money than ever.

Mr. Chairman, I realize that the time for consideration of the estimates is fast approaching a possible conclusion. There are many other points in the field of mineral production that one could talk on. It's unfortunate that we haven't the time and I don't want to delay the progress of the Committee because I know that there are other departments who are just as guilty of lack of initiative as this one at the Ministerial level and I'm sure that members of the Committee and particularly those on this side of the House, in the very short period of time we have left would like to make some comment so I will cease at this time, Mr. Chairman, with these few remarks and finally once again, an appeal to the Minister of Mines and Natural Resources to start thinking of the taxpayer of the province by additional revenue from our resource developments and less out of the pockets in his capacity as Provincial Treasurer from those least able to pay.

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, over the past number of years one of my prime concerns when dealing with the Department of Mines and Natural Resources has been the growing concern over the decline of our wildlife. What really concerns me is when we have a situation like developed last year in north Manitoba when our moose were being slain by men using helicopters.

A member of the civil service came to me about a situation which is most disturbing and he informed me that moose north of Grand Rapids were being shot out of helicopters and then being transported back to camp with the same machine. He knew of 35 moose in one camp that had been taken in this manner. I must tell the Minister though that I cannot divulge the name of this gentleman who brought this information to my attention because he did so in confidence and I must maintain that confidence but I have every reason to believe that the information is most accurate. I have been talking to people in the game, not the game branch but the wildlife people and I am told that they have found this to be true from investigations they held on their own. The helicopter in use was one that was employed by a government agency. I must state though that I'm confident that the officials themselves were not aware that the machine was being used in this way. The fact remains that it was and I am sure that the officials would have been most disturbed had they known that the helicopter was being used in this manner.

MR. EVANS: Is the honourable Member aware that we don't own any helicopters?

MR. GUTTORMSON: Yes.

MR. EVANS: Well then why do you say that?

MR. GUTTORMSON: Because I've checked. The Minister shouldn't be too hasty. The machine was rented by the engineering branch of the Manitoba Hydro who were doing some work up north. Now as I say, I don't blame the Hydro officials because I'm confident the machine was being used for a specific purpose and they weren't aware that it was being used in this way, but the fact remains that it was. I, was told of one instance where the game guardian approached the camp and the helicopter was advised of his presence, or that he was coming into the area and they were warned not to come back to camp while the game guardian was there. So I know that the game officials are doing their best to stop this but the fact remains it is still going on and I'm sure the Minister would be most interested to know that this took place.

If we don't take greater care of our wild life there won't be any for the generations that are coming behind us. I think it's most important that we take every step to try to stop the slaying of our wildlife from aircraft and helicopter when the occasion does arise.

Another item I would like to touch on Mr. Minister, is that dealing with the muskrat royalties imposed by the government. At the present time the royalty charged by the government is 10 cents per pelt and in a year such as 1967 when the price is depressed, it certainly is an exorbitant percentage to charge the trapper. I understand this year many of the trappers never got more than 50 to 60 cents for their pelts and then they paid 10 cents royalty on this pelt, which certainly is a high percentage to pay the government.

When the trapper was getting in the neighborhood of \$2.00 he didn't object to that 10 cent royalty but when he is getting only 50 to 60 cents he thinks it's out of line and I'm inclined to agree with him. So I would urge the Minister to take steps to reduce the royalty because the people that do the trapping are in the lower income group and they cannot afford to pay this high royalty.

Another concern I would like to touch on is that in the fishing industry where we have some

(MR. GUTTORMSON, cont'd) fishermen in Manitoba who have been unable to dispose of their fish. I have one gentleman in my riding who is still holding 13,000 pounds of fish which he cannot sell. I've had discussions with members of the Treasury bench in connection with this and I'm confident that efforts are being made to rectify the situation. I certainly hope that something will develop out of this because this represents the whole profit as well as the winter's operation. I understand that there are many others in the same predicament. I hope that the Minister before we leave his estimates will be in a position to advise us what is going on in this regard and maybe give us some encouraging news for these people who are in this predicament.

MR. RODNEY S. CLEMENT (Birtle-Russell): Mr. Chairman just before we move on, I think that I should at least ask the Minister what are we doing about the potash situation in Manitoba? This was a problem that came up earlier on in the session. I know that a certain Potash Company have moved out of Manitoba and moved into Saskatchewan, the Honourable Leader of the NDP Party said. In fact I could hardly believe my ears a little while ago when he said Saskatchewan were having a lot of trouble and then Thatcher came along -- now I heard that; did he say that?

MR. PAULLEY: Oh no, not from me --(Interjection)--

MR. CLEMENT: Well I'm sorry then, but this is what I heard. I didn't know your voices sound so much alike. But anyway, Mr. Chairman, I think that this Department of Mines and Natural Resources, perhaps in this day and age we have to have a sales department in Mines and Natural Resources, I don't know; but certainly if there are some mining interests interested in potash I think, and perhaps they are doing it, but if they are, I would like the Minister to say, contacting these people that do the mining: "Is there anything we can do for you? Is there a problem here?" Or, "Is there potash here?" Let's get interested and go along with them. There's a road being built in Birtle-Russell constituency from Birtle to St. Lazare. It is being built 6 or 7 miles west of St. Lazare and I understand until such time as the Potash situation is straightened out there the road stops. This not only makes the people in the St. Lazare area a little annoyed, it bothers everybody in general that if Potash has moved out of Manitoba -- and to the best of my knowledge, that I have been able to find out, they are now drilling within two miles of the Manitoba border, in Saskatchewan. Perhaps it's just a survey, I'm not sure, but I do wish the Minister could say a little bit more about this problem. I do not intend to take up any more time and I would ask that when he makes his remarks that he have a word or two to say about Potash.

MR. DOW: Mr. Chairman, quite an important industry that this government is holding the rights on is the oil industry, production of crude oil in Turtle Mountain. This goes back quite a number of years where the land lease rights were sold and there was some drilling done on a couple of localized spots. The wells were capped and then recently my understanding is that the rights were renewed or resold again and some activity appeared last summer. Now it would seem to me, Mr. Chairman, that we know that there is oil; we know that in that particular area following right through, through the Dakotas, through the Turtle Mountains, and on in a northwesterly direction, there is oil, because it is being produced, until you get right into the Virden field and north, but it would appear that while I realize that the Department haven't control over the local rights held by farmers, they do have a large acreage in the Turtle Mountains that has been sold, and I don't know how many acres have been sold, but it would look from outside observation that the people that have the drilling rights are not going at it in any manner of means of which to get the wells drilled or the production that could be available in the Turtle Mountains. I realize that they do have some handicaps in regards to transportation out of the mountains to Cromer, but nevertheless it would seem to me that we are, as a province, losing revenue that could be available and could come into the coffers of the province and make a very profitable industry in that particular corner of the province.

Whether the company have only bought certain areas and are completing their contracts as they have them, but it would look to me that there must be a wider field that can be developed there and I'm wondering if the Minister might make some remarks in regard to showing some indication that this industry can be either stepped up or put into production, because it is one resource that we have and we know is there and it's in an area that can be produced, it's their own land and can be produced very well.

Mr. Chairman, I'd like to make a few remarks in regards to our wildlife. In that particular area we do have a large influx of hunters particularly in the deer season and it would look like that there seems to be lack of some type of administration in regards to protecting the

(MR. DOW, con'td). farmer rights while they do have their lands posted and they do have certain regulations that they can abide by; but it seems that every year they are destroying the hunting fields that are available by the - oh I guess you would call it the absolutely disregard of hunters for the rights of private property. And each year as I see it -- not too many years ago, I'll go this way, not too many years ago the areas that were open for transient hunters was almost unbounded, you could go any place you liked, but as the hunters moved in and did certain things that made themselves obnoxious to the owners of land, the land became posted and more posted and now we're getting into a situation where it's almost impossible to move around due to the fact. Here is a situation that I think needs some better type of liason between the administration officers of the conservation law boys and the farmer and the sportsman. It's just the odd one or two individuals that do spoil it for all of the other hunters. They just disregard the postings and the rights of the individual and with one or two being taken advantage of then more and more land is being posted because the people still have the rights of their own land and if they've got to put up with these various things they just disregard the fact of the hunter and they'll stop them from using it.

I'm wondering, Mr. Chairman, whether our department here has gone far enough or would it consider going some further in the wild bird life sanctuaries. In the North Dakota side of the border they do have a large bird sanctuary and in travelling this part of the country it attracts wildlife in numerous quantities and the reason it's there is that there's some wildlife management takes place by the sanctuary, by feeding areas and so on. And in the western part of Manitoba we have the natural ground of the duck and geese population that was used over the years, the birds are leaving and moving on to other fields and I'm wondering if the department has taken a good look at this, whether they could preserve the habitat of the wildlife by doing a little more conservation in regards to protective areas and feeding grounds. At the present time there's a good example on the North Dakota side of the way the wildlife is attracted there and you come on to the Canadian side, similar property, similar type of feeding ground and the birds are not there. So I think there's a field here that the department could take a good look at to preserve the habitat for our diminishing population of bird life in this particular section of the country.

The Department of Fisheries in the southwest part of the province has done an excellent job in stocking various recreational areas with various types of fish and it does attract a lot of tourists. It does give a large revenue as a potential industry from the sport field in the south-western part, but I think we could do a little more, stock them a little more heavily, a little bit more of various sizes. We seem to have a certain loss -- one lake in particular that the department stocked with lake trout here a few years ago and the growth of these fish in this particular lake was phenomenal. As a matter of fact one of the largest lake trout fish caught in Manitoba was caught in this particular lake and it developed in a very very short period of time. But we do have a winter kill and it seems too bad that for, I would say lack of some type of supervision in the wintertime, that we lose these types of fishing grounds. It doesn't happen every year. Sometimes you'll go for two or three years and have little or no losses and then all of a sudden you lose the whole lake. Now it would look that somewhere in the area the people that are in charge could take a little more look at this and try and preserve this through the winter because it is an industry that does attract. We have many lakes in the southwestern part of Manitoba that do attract a large number of tourists and the more that we can keep the fishing available to them, the camping facilities, the better we're going to be from the tourist industry.

I'm suggesting, Mr. Chairman, that surely we can do a little more than we're doing to keep these sporting places in constant use by supervision and some type of work during the winter months. In the last few years, particularly two of the lakes in the southwestern part: No. 1 Pelican Lake and 2. Killarney Lake we had a large fish loss during the winter months. It came back some last year and the year before but once you lose these, and it's known loss, it sometimes takes a little education to get the tourist back there again. So I suggest to the Minister that possibly we could be putting a little more effort to try and keep these during the winter months.

MR. CLEMENT: Mr. Chairman, I just wanted to make one brief comment that I forgot. I'm prepared to offer an open invitation to the Minister of Mines and Natural Resources to come up and visit the Birtle-Russell country. I'll wine him and dine him and we'll go flying around the country in a helicopter and look over these Potash situations, if he'll come.

MR. SHOEMAKER: Did my honourable friend the Minister want to reply, at this time? Well, Mr. Chairman, previous speakers have mentioned the fact that our wildlife is in real peril,

(MR. SHOEMAKER, cont'd) peril of becoming extinct. The honourable member for Portage-Neepawa raised this point. I'm certain that he did not over-exaggerate the situation. I'm confident that all of the game and fish organizations in the province are very concerned about this matter. This was pointed up quite clearly by the Manitoba Game and Fish Association that met last July, and following their convention there appeared an editorial in the Free Press under the heading of "Wildlife peril" and which they point up in part! "According to Mr. Muir the future of wildlife in the province is in a perilous state in spite of all the conservation measures that have been taken. In other words every time a foot is gained, in one place a yard is lost somewhere else". And goes on further to say "a firm stand must be taken on behalf of wildlife conservation or one of our most valuable natural heritages both in terms of dollars and in anasthetic values as well will be lost forever." They cite the Grand Rapids project as one of the disturbing factors and while it's all very well and necessary for any government to proceed with projects such as the one at Grand Rapids, provided of course that precaution is taken to see that the wildlife is not disturbed and their future not curtailed by virtue of the project. And as I recall the two trips, two or three trips that I made to Grand Rapids, I noticed that there was no provision at all for fish to go upstream, no fish ladders in the dam there, and I would like to ask my honourable friend if this has made any noticeable difference at all; in fact what, if any, change or effect has this had on the fish population of the province?

The former Minister of this department, the present Attorney-General, in advising the House two years ago on the value of our natural wildlife had this to say, and he was speaking about the investment that was made in the Delta area, the province acquiring so much land out there some two years ago. And he says "that in 1947 the Illinois Natural History Survey in a carefully prepared study of hunter expenses arrived at the figure of \$9.77 as the actual cost of each duck to the hunter. Using this outdated figure" he says "in this surely conservative view of the present dollar values it is clear that a crop of 100,000 ducks harvested from the Delta Marsh is worth close to a million dollars." Well that's nice simple easy figuring because ten times 100,000 is certainly a million dollars. And it does point up -- that's annually, Mr. Chairman, that is annually in the Delta Marsh area according to figures that were supplied to the House just two years ago. And the Delta area is only one of many areas in the province. So that if it is a fact that the wild ducks in the Delta area alone is worth a million dollars the question then of course is what are they in total worth in the province. I suggest that we must do a lot more than we are doing to preserve and make certain that the duck population will increase and not decrease as it is evident that has been going on.

Mr. Chairman, seven years ago I think the Federal Government came out -- well six years ago, going on seven years ago -- the Federal Government came out with a wonderful jet age program that was called "pothole pay for farmers." "New plan for duck havens it says." Well I haven't heard much about that for the last seven years. What has happened? Two or three articles I have in front of me here suggest that the "pothole pay program" will pay farmers who agree not to drain their sloughs and they suggest that this is one way that our duck population will be assured.

Now, Mr. Chairman, going back even further than that to the year that I first entered the House and the present Minister was at that time Minister of the same department. I raised the question then and I continue to raise it, Mr. Chairman, that if we are going to be assured the co-operation of the farmer in making certain that our wildlife is preserved then we must always make certain that it does not cost him dollars out of his pocket. I have suggested time and time again that the government must develop some kind of a program to compensate the farmer for loss to his property, whether it be crops or otherwise, caused by wildlife of all kinds. I particularly referred seven or eight or nine years ago to the Langruth area; I refer to it again, where every year that you run into a wet fall, the farmers in that area lose thousands and thousands and thousands of dollars of crops by wild ducks in the area. They're still continuing to lose money; and it isn't right that a farmer should have to lose money just to make certain that there are plenty of ducks available for the hunters that come in here. Why cannot we pay the farmer or compensate him for the loss, whether it be crops or whether it is wild deer that gets out and eats all his hay up or whatever property that he might have that was destroyed by wildlife of any kind.

Now my honourable friends may say that we've got crop insurance now that will guarantee that. My answer to that is it will not guarantee that. To start with, the farmer must have crop insurance or he wouldn't benefit at all and supposing that he did have crop insurance then he is only paid, as Mr. Hutton used to say, for the last half of his crop, not the top half. So a

(MR. SHOEMAKER, cont'd) farmer could lost half of his crop by wildlife, still have crop insurance and still not be paid for the first half of his loss.

It is a simple matter to determine what damage the farmer has suffered from wildlife. The Manitoba Government now has crop insurance adjustors that could very easily go out and determine the loss to any particular farmer, whether the crop is standing, whether it is in the swath, stook or otherwise. I know something of the subject matter having adjusted hail crops for 14 years both in the stook, in the swath and standing grain and it's a simple matter to tell the number of bushels that has been lost; no difficulty at all. So I urge my honourable friend if he wants the co-operation of the farmer in this whole field of preservation of wildlife, then he wants to develop a policy that will guarantee that the farmer will not be out-of-pocket; and I urge him once more to get on with the job.

I understand that my honourable friend is no longer the editor of the "Department of Propaganda." I think it has been moved to a new department but I suppose he was the editor back in August of last year when one of the Information Bulletins that I received and one that went out to all newspapers as usual was headed: "Manitoba Bears to Control Wild Boars. Black bears and wild boars don't get along well together and this has given Manitoba a new product to export to the United States." Well we have spent a lot of time in this House trying to develop markets and a lot of money has been spent on the COMEF Report and economic development and everything like that and it looks as if at long last we have come up with a new product that has reached - well, exporting proportions anyway - because they're exporting wild bears all over the states, particularly down to Arkansas now to control the wild boars. --(Interjection)-- Well, that's what it says here. This news article emanated from his department and he should know. And the question of course comes up, how many have we exported and what was the price? "It all started, said Mines and Natural Resources Minister Honourable Gurney Evans when foresters from Manitoba and Arkansas at a conference were discussing mutual problems" - apparently they have the same problems down there - "the Arkansas foresters are bothered by an over-population of wild boars rooting around among their newly planted trees and causing considerable damage." And the next step came easy: "Why not ship some Manitoba bears to Arkansas where the bears could act as predators on the wild boars and control their numbers. The State was anxious to re-establish bears as a tourist attraction and perhaps game animals." Well, I hope that it isn't a two-way street; I hope that we don't get a lot of wild boars from Arkansas in trade for the bears. How many wild boars should we have for a wild bear? It said: "Early this summer" -- that's last summer -- "five bears were captured and picked up by the Arkansas Game and Fish Commission." So at least we shipped them five. Well, Mr. Chairman, perhaps my honourable friend could elaborate on that and let us know what the prospects are in 1967 because it looks like it's an industry that probably is worth developing.

Well, Mr. Chairman, I have some other matters but I will wait until the Minister replies and we will probably develop something further later on.

MR. SAMUEL USKIW (Brokenhead): Mr. Chairman, I'm not going to belabour the department to any great extent. There are a number of points that I want to raise and I hope that we might get a reply to these points from the Minister when he makes his reply and that is namely the question of game licences. It has been brought to my attention by members of the Game and Fish Association that there seems to be a lack of understanding as to when a hunting season starts. They have given me copies of last year's game licences and here I have one - 1966 Game Bird Licence. It doesn't state at what time this is effective. The brochure which is given to the hunters makes mention of "north of parallel 57 the season opens up noon, September 1st" Noon - what is noon? This is the problem. People assume if we have Daylight Saving Time that noon is 12:00 o'clock Daylight Saving Time. However there have been a number that have been fined for hunting prior to noon, Standard Time, and this is a problem that I hope we can resolve. I hope that the Minister might be able to give us a reply.

To add to the confusion in the brochure there's an item stating "Special Goose Hunting Restrictions" where it does refer to noon Standard Time. It doesn't on the one and it does on the other and there is this type of confusion. So that I hope we can come up with something that is going to be more specific and perhaps it could be right on the licence itself, explaining what they really intend.

The other is the tagging of deer. After a hunter has shot his deer he can either tag the deer at that moment or he can tag it after he gets it to his mode of transportation. However, the licence itself states that this seal must be - and I quote - "This seal must be detached from

(MR. USKIW, cont'd) the licence and cancelled immediately after the deer is killed." In the brochure it tells you that it's permissible to tag it after you reach your mode of transportation, and again if one doesn't read this thoroughly there is confusion.

So just to draw to the Minister some of the problems that hunters have in hopes that the Minister might see to it that some of these things are corrected.

MR. HILLHOUSE: Mr. Speaker, I'd like to join with the Honourable Member for Brokenhead in making representation to the Minister regarding this various point.

It's quite clear in the Federal Act and Regulations that any reference to time is to Standard Time but if you look at the brochures that are issued by your department for the three preceding years, you'll find out that in the first two brochures there was a reference to time, that is whether it was Standard Time or Daylight Saving Time, but in the last one there wasn't. I know to what the honourable member refers because I was involved in it. But it's quite clear under the Act and under the federal legislation that any reference to time under the Migratory Birds Convention Act is to Standard Time, but I think in the interest of clarity and in the interest of law enforcement it would be a good idea to either put it right on the licence or to put it on the brochure which you issue from your department because I'm quite satisfied that those individuals who did break the law did so without any intention of doing it.

MR. MOLGAT: Mr. Chairman, I'll try and cover ground other than what has been covered so far in the questions to the Minister and then he may be able to reply to all matters that are outstanding.

We've had a very brief discussion by a series of questions by myself to the Minister regarding the fishing industry in Manitoba - I'm referring now to the commercial fishing industry, Mr. Chairman - and I understood the Minister would be giving us a report on this matter during the course of his estimates and I would hope that we would get that because this is a very important industry to the province and in recognition of this the Federal Government set up the McIvor Enquiry into fresh water fish marketing. Now of all the provinces in Canada, we are the one most vitally concerned in this problem. It has been a problem over years. It is mixed up with welfare considerations on the one hand, with the local populations on the other and then the desirability of having a good export market. To the Province of Manitoba this is an important market; it is a good earner of dollars for us, as the majority of the product is sent to the United States.

I think that the questions asked the Minister specifically on frozen fish are only part of the problem. The problem is far beyond that and I would hope that the Minister can give us a report as to what the intentions of the government are in this regard. I believe that the McIvor Commission has now made its report and the fishermen are certainly anxious to know whether the government will proceed on the marketing board or what the proposal will be.

It seems to me, Mr. Chairman, that we could be doing a great deal more to encourage the consumption of fish within Manitoba itself. I recognize that this can't all be done by the government; that there must be some work done by the industry itself and it's a very difficult thing to do without a strong association. Possibly if the Minister is going to move along the lines of the McIvor recommendations, that this could be done. But it appears to me that when you look at the consumption of fish in our own Manitoba area here it is very slight by comparison to our consumption of other products, and yet it is produced right here in Manitoba. Many of our fish are virtually ignored, I think partly by - well habit I suppose on the part of our people - they grow accustomed that the rough fish are rough fish and they're not fit to eat. I think if there was a proper sales promotion much of this could be turned into very valuable human food and it would assist greatly an industry which exists now in Manitoba and I think can look for some expansion if it is properly managed.

We have to recognize that our lakes are going to remain here in Manitoba; they're not going to be changed, and I think that we have to get them as productive as we can get them. Every acre of lake should be a producing area in the same way as we consider that acres of land must be producing areas, and if we ignore this then we are missing in so far as Manitoba, the possibility of further development in our province and further employment in our province. I say all this recognizing that in the past this has not been considered to be what you might call a wealthy industry by any means; it's been in many cases considered to be merely an existence sort of living for those involved in it. But there is no need for that to be so. I think that we have to take the steps to change this or we are missing an opportunity in the province.

Going on to other subjects, Mr. Chairman, I would like to touch on one of the things that was spoken about by a colleague of mine, that's regarding the policy insofar as retaining our

(MR. MOLGAT, cont'd) water areas for wildlife. The Federal Government who are responsible for the migratory birds have developed a policy now, under their national wildlife program, whereby they proceed to purchase lands and put them aside for the future and have various policies insofar as the migratory birds. I think that this is desirable because unless we take these steps now, it may be too late later. I think that the Manitoba government could be taking some steps itself, not necessarily to purchase the land which I recognize would be a costly procedure in a number of cases, but if at least we could insure that some of this land be left in its present form for the future and decide which areas we want to put aside. We won't probably be able to keep all of the present wetlands, but at least make a decision as to which are the key areas, and where these are privately owned, I think we have to expect that we will have to do something for the owner. I don't think it is reasonable to tell an owner of land, who happens to have some potholes and some marsh on it, you must retain it in that condition, we are not prepared to buy it from you or we may buy it from you later, and simply leave him carrying the load. Particularly in the southern area of the province is this true and I would recommend to the Minister something that I have spoken about before in the House but has not been acted upon, and that is a policy of tax abatement - and I'm speaking now of the Real Estate Tax - real estate tax abatement for those people who are prepared to leave marsh and water areas in their regular state and not drain them. I would like to point out, Mr. Chairman, that unless we act on this very quickly, there is a danger that many of these areas will be drained because the pressure on crop is now upon us, there is a real pressure for land in the Province of Manitoba; everywhere we see land values going up. Unless we can make an arrangement with a number of the farmers in the province now to retain some of these marsh areas they naturally will want to drain them, because the crops can now be sold, they have every opportunity of putting this land to productive use in their own farm. You cannot expect them reasonably not to do this, unless there is a government policy to assist. So I would urge the Minister to proceed with a tax rebate system or a tax abatement for those areas that are kept in their natural state.

Similarly the pressure on land means that in many areas of the province today a great amount of bush clearing is going on. When you go out to the marginal areas in particular and those areas that were originally poplar and prairie land you will see a lot of the natural bush cover being removed. Once again, because it is now a paying proposition to put this into crop. And while I recognize that this will continue and it's a good thing for the province, I think at the same time that we should reserve some of these lands in their natural state in the same way as the Federal Department have established a policy of purchasing land or retaining land for migratory birds; I think that the province has to look at the other birds, the grouse, the prairie chicken which is an important game bird here in the province and the deer population and see if we couldn't have a policy where quarter sections would be left intact here and there - in some cases, full sections perhaps - but rather than clearing out great expanses of land, that we retain certain quarters here and there throughout the developed areas as bushland and retain this as cover for the future. And again I would point out to the Minister that there is urgency here because of the pressure on land.

I would like specifically to know from the Minister, for example, what are the intentions with regard to Maple and Hunter Lakes in the west part of the province. It is my understanding that these are important breeding and resting areas for waterfowl and yet there appears to be a drainage program on which would remove them completely. I know that the people in the Brandon and the Rivers, Virden area are concerned about this.

In closing my comments for the moment, Mr. Chairman I would like to pay tribute to the staff of my honourable friend, and also to the volunteer people who work in this area of Wildlife -- and I'm speaking particularly of the Game and Fish Association who are a devoted group of people whose officers spend a great deal of time. I run into them at meetings all across the province and they are constantly working in the interests of conservation and of good practices in game management and so on. I think that this work by volunteers is extremely important to us. I know that the Minister meets with them annually and gives them a good hearing and I commend him for it. I think the more we keep volunteer groups working with government the better service we can provide to the people of the province and the best policies we can have to suit the problems that face us. So I think that the Game and Fish group is one that commends itself to us; they have been doing a good job and every encouragement they can get should be extended to them.

MR. BEN HANUSCHAK (Burrows): Mr. Chairman, there are a couple of observations and questions that I wish to put to the Minister in connection with the estimates of Mines and Natural Resources. The first is, the question of seeing to it that there is adequate properly trained personnel to develop the mining and forestry industry in Manitoba. I understand that the Department of Education has instituted a technology course in mining at The Pas branch of the Manitoba Institute of Technology. I would suggest, Mr. Speaker, that the Department of Mines and Natural Resources should urge the University of Manitoba to institute a degree course in mining and in forestry engineering. At the present time a student desirous of pursuing studies in any one of these two areas must go to Vancouver or Toronto; I don't know of any other universities nearby that offer degree courses in these two areas of studies. Manitoba being in the process of developing its mining and forestry resources certainly could provide employment for people trained in this field and I'm sure that the Department itself could well use trained men in mining and forestry engineering to do the research work that it itself wishes to do.

The second point that I wish to make, Mr. Speaker, deals with the matter of the development of northern communities. I do not feel that there is ample supervision, ample controls written into agreements between mining developers and the Province of Manitoba, and through the Province of Manitoba, the municipalities, to ensure that the people living in those communities do have adequate and proper housing facilities. There is no doubt in my mind, Mr. Speaker, that the housing facilities existent in Thompson are not adequate. I'm sure that there is room for improvement in the town of Flin Flon. I do know that the living facilities in Thompson are far from adequate because many of the homes there are overcrowded. They are built as single family dwellings and presently are being occupied by two and three families and more or one family and keeping a number of boarders, 3, 4, 5 or 6 boarders. Now this is something that I feel the Department of Mines and Natural Resources should be aware of and should take the necessary steps to correct either itself or in co-operation with another department of this government.

The third point, Mr. Chairman, is a matter of agreements in lieu of taxes entered into between mining companies and I suppose this could well apply to any other exploiter of our natural resources, be it a forest company, a pulp and paper mill, what have you and the local community. My understanding is that at the present time these agreements are related to the number of employees employed by the company and resident in the town. I believe that basically that is the formula in existence between Hudson Bay Mining and Smelting and the town of Flin Flon whereby Hudson Bay Mining and Smelting agrees to pay the town or the city of Flin Flon, I believe it's \$160 or \$180 per employee resident in the town. Now, Mr. Chairman, I feel that in this day and age of automation some more equitable formula should be devised. Relating grants in lieu of taxes are not the fairest way of establishing the share of the expenses of maintaining a community to be borne by the company that reaps the profits and the benefits from the resources in that particular area.

My fourth point is a question related specifically to an item appearing on Page 21 of the Department's report dealing with reforestation. Now the report states that - I presume this was during the year that this report covers, 3, 385,000 trees were planted as part of the reforestation program. I don't know what area of land, 3, 385,000 trees would cover but I would guess, Mr. Speaker, that it would be no more than perhaps 10 to 15 square miles. Now my question to the Honourable Minister is, is this reforestation program together with the natural regrowth of forests, if that does happen, is it sufficient to offset the forest depletion that comes about through the cutting of our forests for pulpwood, lumber or for whatever purpose it may be? Secondly, in connection with this, it seems to me if my recollection is correct that there is nothing written into the agreement between the Province of Manitoba and Churchill Forest Products or whichever one of the associated companies will be doing the actual timber cutting, I do not believe there is anything in that agreement compelling the company to conduct, to carry out a reforestation program of any sort. I believe that that under the existing agreement remains a responsibility of the Manitoba Government.

Now if that agreement is signed, sealed and delivered I don't know whether anything could be achieved by attempting to renegotiate that provision with the developer of the forest industry, but I would suggest, Mr. Chairman, that if any subsequent forest industry development comes about in the Province of Manitoba, that this point do be kept in mind and that this be written into the agreement whereby the developer of the industry would be responsible for reforestation of the land from which the forest resource is obtained.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I intend to be short, too. I have three or four points that I would like to touch on this afternoon on the estimates of the Mines and Natural Resources Department. Actually I think a number of us are guilty because of not being able to discuss the Honourable Minister's statement that he made, and it was quite a lengthy one, on the introduction of his estimates, and while we have been so busy on other bills I personally have not been able to do the work on it that I should in order to discuss this matter. So the points that I would raise are different ones.

I find the report issued by the department quite interesting and I would like to refer to the matter on Page 16 dealing with the land sales, the sales of Crown lands. I note here that there has been an increase in sales in the year 1965 - 66 and that they have fetched fairly good prices too. They mention here that the prices received for these isolated parcels in '65-'66 varied from \$15.00 an acre to \$57.00 an acre. I would like to know from the Minister has there been a change in policy in the matter of Crown land sales because I note that when we discussed this part in the estimates under the previous Minister that we were not too pleased and I think that whenever we can sell land to advantage we should make these sales. Then too, in what manner are they sold; are they sold on tender or do you have auctions or just how are they dealt with when these lands are sold? And when the Minister replies would he also indicate what the situation has been in the past year. This report is over a year old and maybe he could bring us up-to-date on the happenings of the year '66 - '67.

Then I would like to touch on another point and this is on Page 34 in connection with the Grand Beach Provincial Park. We find noted here that they are constructing some 100 units on this campground and the eventual development will have some 450 units. What are the cost of these units and how much has been spent to date on this development? Then there's also mention of the reclamation of the east lagoon in this area, and in connection with this particular lagoon I would also like to raise another matter and that is the matter of expropriation of lands that took place in the Grand Beach area. This has been brought to my attention by one particular party whose land was expropriated and then it went to the court, the government appealed it and then there was a further appeal by the party involved, I think this went to the federal court, and since then an award has been made although the last award is slightly higher than the previous one made. But I would like to know from the Minister in what way are these people paid? Because apparently there still hasn't been a settlement made with the party, even though the last award has been made. I think they're waiting anxiously for payment because I know the party involved had to borrow the money to make the appeal the second time. If he can give us some information on this whole process I think it would be welcome to us.

Then in connection with parks I think the Honourable Minister touched on the matter of the Birds Hill Park which is quite a substantial development. When it was first brought into the House here as a development there was a big spiel on it; it's quite a large development and I would like to know just how are things going. Will the park be in readiness for this year's centennial programs? Will it be put to use and to what extent will it be used in the coming year?

And finally, a last point, that I would briefly like to mention is found on Page 65 of the report. This has to do with the Mining Recording Division and the claims under it. I see from the report that the claims made in the years 1962 to '65, they vary so much. We have total claims made in '62 amounting to \$9,126; the following year it was \$5,742. -- it was a reduction of almost, well 40 percent I would say. Then the year after that there was a large increase, it went up to \$10,530; but in this last year of the report, in 1965, it was down to \$5,078 the lowest of the four years. What would account for these large differences and variances in the matter of claims under this particular Act? Probably there is an explanation; if there is one I would certainly be glad to hear it.

So with these few remarks, Mr. Chairman, I would personally like to hear from the Minister.

MR. EARL DAWSON (Hamiota): Mr. Chairman, there are some very interesting reports coming from one of the towns bordering my constituency. The people of Miniota tell me that a person working through the Manitoba Development Fund has been picking up options on lands and a railway spur is being built. The rumor is that a salt mine will be developed in Miniota. Would you comment on this in the course of your remarks?

MR. EVANS: If those are the main questions I'll now try to provide information to the honourable members. I want to thank them for the remarks that have been made in two connections. First of all the tribute to my staff in which I join very heartily and try to express myself in opening my remarks.

I think a tribute to the Game and Fish Association is also well deserved. A lot of these people spend a lot of time and a lot of their own money. They're very devoted indeed to preserving our game and fish resources in the province and I thank the honourable members on their behalf for the very fine remarks that were made about them.

The Member for Portage la Prairie asked about the decline in the numbers of Informations that have been laid with respect to prosecutions under the Game and Fish Act, and at the moment I'm not able to provide an explanation for it. I'll try to secure it for my honourable friend and if possible provide him with it at a later date.

A number of the honourable members have talked about the habitat for game and my honourable friend from Portage la Prairie referred to Grand Rapids particularly and then the pot-hole country. And this subject has recurred also in the remarks of other honourable members and I would like to try to provide some information on this subject.

In the first place it will be remembered that under the Crown land policy we did establish a freeze on the sale of Crown land for an extended period and this has caused some difficulty, but one of the objects was indeed to preserve wildlife habitat to make sure that our supplies of game in the future are preserved and we decided on a policy under a former minister to freeze land sales until we knew exactly what we wanted to use the land for; and the second branch of that same objective was to try to make sure that land was used for multiple purposes where possible not simply for single use. And so the land-freeze policy was put down. A little later I'll comment on a proposed change in policy in selling Crown lands the present time.

I mentioned in my opening remarks and gave some description of the Canada Land Inventory, the purpose of which is to inventory 57 million acres of land south of a line drawn through Flin Flon generally although it does not include the area east of Lake Winnipeg. This land inventory is being financed by Canada; it will cost \$1-1/2 million and will be done in the latest and most scientific way and is in fact under way now. Accompanying that is a new computer system which will store the information and make it available and put information at our disposal that we never dreamed that we could have in days gone by. So as the Canada Land Inventory progresses we will discover more and more lands which are suitable or required for or should be preserved for habitat for all kinds of game. Not only in the north for the large animals but also in the south for wetlands for the ducks and as my honourable friend the Leader of the Opposition has raised the question about the upland birds as well and including deer as well in the south part of the province. So we have before us at all times the necessity to preserve habitat for all our game animals and we're very much conscious of this problem.

I think I should give some additional information on this subject now that I'm at it. I would like to draw attention to the fact that working closely with the land inventory organization are the field staff of our biologists. The Canada Land Inventory merely isn't an inventory of the physical qualities of the land as they can be seen or walked over or examined in that way, but they are being examined at the same time by biologists who note the kind of browse that's available and the kind of natural food that's there, the conditions with respect to water and other things which will help to preserve the animals themselves. The work of our biologists has been going on for a number of years but it's now closely co-ordinated with the Canada Land Inventory and I'm hoping that there'll be considerable progress in that in the next year or two. It's not a short run proposition; it's going to take several years to complete but the reports are coming in currently and we hope to be able to shape our policy according to the information that we get.

Plans for the development and management of wetlands and uplands are constantly being drawn up or updated by the biological staff. Intensive work of this nature was carried out during the past year on the Delta Marsh and the West Shoal Lake. The Delta Marsh management plan should be in final form early this year. This deals with the use of the various areas of the field station terrain, the management of buildings, future legal tenure of the station -- that is whether the transfer of the Bain Estate to the University of Manitoba is necessary or simply a lease with financial assistance provided by the province. Other considerations are that if the field station was to have a multiple use, that is a field station for the University of Manitoba and a water control area for the government there should be some long-term planning to ensure that university experimental areas would not be subjected to flooding without warning.

(MR. EVANS cont'd.) There are two areas of the estate designated as water control areas west of the Delta Road.

At another point one of my honourable friends asked about the work of the biological staff in studying the inventories of animals, their condition, their health and looking toward merely cropping the animals that are available and not depleting the herds. Our biologists are studying the importance of northern Manitoba as the breeding ground for Canada goose, for blue and snow geese. Aerial surveys were carried out along the Hudsons Bay coastline to locate important goose breeding areas and to determine the degree of success of the 1966 hatch. In addition to these surveys a biologist spent most of the summer on the ground at Cape Churchill studying nesting geese to learn what is responsible for the occasional failure of the birds to reproduce. All the states to the south of us in the Mississippi waterfowl flyway have a deep interest in these geese and are anxious to support further research on geese in northern Manitoba. For example, the Chairman of the Technical Section of the Mississippi Flyway Council plans to visit the Cape and examine the situation on site with a view of sponsoring a research biologist in 1968.

This gives some indication I think of our concern and the willingness of the government to spend money. I would like to acknowledge the very substantial help of the Federal Government in not only the Canada Land Inventory and the other work that we're doing but in other ways as well. So I think a substantial program is under way looking toward the preservation of our game resources.

I was asked how many biologists do we have on the staff. In the Wildlife Branch there are seven biologists at Winnipeg, one at The Pas, and they are provided for in the estimates we're considering now. Those are the biologists but of course they're assisted in the field by the Conservation Officers themselves and they have office assistants to help them with their work as well.

The point is raised, and it's a very good one, that licences should be limited by the survey of the animals concerned. That is to say if the birds and animals and even fish are not adequate, there should be some restriction of the number of licences issued. I agree with that point and our object is to follow that policy. I might say that the estimates of numbers and of the trends in numbers are made annually for all important wildlife species in the province. Thousands of miles of aerial surveys are flown each year over the big game range and many hours are spent on the ground making counts of grouse and water fowl. The information obtained in this way forms the basis for the Wildlife Branch's annual big game and game bird hunting and trapping season regulation recommendations. We make recommendations at least in some cases to the federal authorities and they issue the licences themselves. That's particularly so of the migratory birds. So I agree with the principle that the number of licences should be controlled according to the game available. We believe that this is being done and a very considerable effort by the Wildlife Branch in conjunction particularly with the Government Air Service is expended in order to see that that is carried out.

We're concerned, and to some extent puzzled, by the menace that has appeared in various forms, not only hunting from helicopter but from light aircraft as well and using skidoos and other mechanical equipment on the ground. We've even found cases where there's an aircraft scouting overhead and directing vehicles on the ground by short wave radio. Well, this isn't hunting; this is slaughter and it makes anybody with an ounce of sporting blood in his veins just angry. We have prosecuted in several cases and some successfully. It's a difficult assignment for the Game Conservation Officers and the Air Service combined because we have such a very large area up north. It is not a problem confined to Manitoba or indeed this part of the world and as we can and with what effort we can possibly put into it, we will endeavour to stamp this out. But I do acknowledge that it is a problem. It's even worse than that; it's a menace that may increase; but we'll do our best and I know that we'll have the backing of the Game and Fish Associations, and indeed of every right minded sportsman and we'll do our best with regard to that.

My friend from Portage la Prairie asked about the Fish Marketing Board and hopes that the government will, as he puts it, co-operate with it. Well, I'd like to take a few minutes on this subject because it's a very important one. It's been a problem that's been with us for a long time and we hope that we're about to make a very substantial advance in this field. Instead of merely saying that we would co-operate with the other authorities and to take seriously the McIvor Report I think we can claim a good deal more than that for Manitoba because it was Manitoba that took the initiative, asked for an enquiry of this kind and indeed pressed for it

(MR. EVANS cont'd.) until it was instituted. Since the release of the COMEF Report and as a direct result of its recommendations, this government has developed programs of biological research, technological research, resource management and education of the fishermen. Research programs have been carried out to determine fish populations and to ensure their ability to reproduce. Hatcheries have been expanded resulting in increased stocking of commercial species in the major lakes. Tenders are now being let in the initial stages of the new Grand Rapids Hatchery and Research Station. Policies have been adopted to control pollution of fishing waters. Commercial fishing has been further encouraged in the north where production potential has been assessed and considered economically feasible. There are some areas that are accessible enough or close enough to markets to be able to fly fish out or to take them out by other means; some others are not close enough. This has resulted in the number of lakes being fished increasing by 100 percent, that is from 112 in 1958 to 229 in 1966 with a corresponding increase in return to the fishermen.

Technological research programs were expanded to include experimentation with a trawler and trap nets to find economic methods of removal of rough fish such as maria, suckers and carp. This program also entails testing of electronic navigational aids and fish-finding equipment.

The carp removal program has been expanded and refined to such an extent that in 1966 a total of 1,400,000 pounds of carp were harvested with at least 75 percent of this production being utilized as fillets for human consumption. I think this is a very important thing from two angles: it adds to the income of the fishermen; and second, hopefully, it will provide a less costly supply of good food for people whose budgets are being strained these days.

I've already touched briefly when speaking on a former resolution, on the education programs for fishermen, so I'll not comment further at this time. However, you may be interested in the Manitoba Federation of Fishermen. It was formed in 1959 with the support and encouragement of the government. A fishermen's representative appointed by the government in 1957 assisted in the organization and grants have been provided. Since 1964 the work of assisting the Federation has come under the Conservation Education System. This past year we have made a grant of \$5,000 to help to pay for a field man now appointed by the Federation and this grant will be continued in the fiscal year under consideration. This field man will help to organize new locals, reactivate others and increase membership, particularly among Indian fishermen. The work of the Federation will become more important as we move forward, as I expect we will, into a period when the marketing system will very likely be changed; when I hope a Fish Marketing Board will be established along the pattern recommended by the McIvor Commission.

As we found in discussing these matters with people who grow vegetables, it's going to be extremely important to explain to the fishermen what is being done, to enlist their support, to make sure that their interests are taken care of and I regard the work of the Fishermen's Federation and the help that we give to them as an important item in the estimates this year.

Now I should like to turn to the Commission of Enquiry into the fresh water fish marketing, the report of which is commonly known as the McIvor Report. The COMEF Report issued in February 1963, recommended the total reorganization of the fishing industry with special emphasis and urgency attached to the marketing system. In the fall of 1963 this government established an inter-departmental committee to determine the best action to be taken to ensure implementation of the recommendations of the COMEF Report. There was complete unanimity of opinion that the first step in reorganizing the industry must be the establishment of orderly marketing - and I suppose this phrase will be subject to about as many interpretations as we deal with the fishing problem as it was in connection with vegetables - but there's a real solid core meaning there under the phrase of "orderly marketing" and we no doubt will develop our own definitions as we go along.

Precedence was given to this aspect of the industry because we were convinced that the fishermen would benefit most from market reorganization although improvement in productivity at the primary or processing level also deserved continued attention.

There were no illusions on our part at the time about the difficulty of establishing an organized marketing system but we could see no other alternative. Manitoba has taken the initiative from the outset. In attempting to bring about reorganization of the fresh water fishing industry we enlisted the aid of the other prairie provinces in making a proposal to the Federal Government for the establishment of an appropriate marketing agency. As a result of these efforts, a national conference on fisheries development was called by the Honourable H. J.

(MR. EVANS cont'd.) Robichaud in January of 1964. Manitoba placed its proposal for market reorganization before that conference, which resulted in the formation of the Federal-Provincial Prairie Fisheries Committee. Before Christmas of 1964 the three prairie provinces and the Northwest Territories had all publicly announced approval in principle of the establishment of a fresh water fish marketing board. A troublesome problem however was that no reaction was forthcoming from the Federal Minister of Fisheries or of Trade and Commerce. In May of 1965, after strong arguments by the Provincial Department of Fisheries for federal action, the Commission of Enquiry was set up. At the urging of Manitoba, Mr. George McIvor was asked to head the commission. At all times the initiatives were taken and made the most of by the Province of Manitoba and credit must be given to those participating for their deep involvement and untiring efforts to bring about the establishment of a fish marketing board. I wish my distinguished predecessor in this office were here to hear it because he was the spark-plug which initiated the movement and held it together and gave it direction and I think a good deal of credit must come to him for that.

Terms of reference for the Enquiry were established and hearings commenced in the midsummer of 1965, with hearings in Manitoba in October at Winnipeg, Winnipegosis, The Pas, Lynn Lake and Gimli. At the Gimli hearing on October 29, 1965, three briefs were presented to the Commissioner by the Province of Manitoba, the Manitoba Federation of Fishermen and the Prairie Fisheries Federation. Manitoba's position was reiterated to the Commissioner, that immediate action be taken, first, and I quote now from the brief: "Because the situation of the fishermen is a desperate one and their incomes must be improved as soon as possible. Second, until we resolve the marketing question, the efforts of the fishermen, the fish companies and the provinces will be unable to achieve a successful total redevelopment of the industry," Those words were chosen deliberately and when you talk about a total reorganization of the industry it bears a little thinking about because it's an established industry, it's been here for some time and it will take a good deal of thought, a good deal of effort, and perhaps sometime to achieve the kind of reorganization that's going to have the effect that we hope for.

The Report of the Commissioner was tabled in the House of Commons in October of 1966, the first recommendation being that a fresh water fish marketing board be established under federal legislation. You'll recall that in the Speech from the Throne this government promised full co-operation with the Government of Canada in the implementation of the recommendations of the Royal Commission. Since October, meetings have been held with the fishermen, the companies and between the provinces concerned and the Federal Government and action has been taken as follows to resolve some of the problems which still remain. While it was agreed that in principle the recommendations were good, there were a number of real problems to be resolved. I think we should pay attention to each of these separately because each is a large problem. Such as how the fish were to be purchased, which was not covered adequately in the report nor would it have been expected Mr. McIvor would look into that aspect of it; how rental of equipment was to be continued - that's a function that's now performed by the fish companies themselves; how adequate financing, including operational advances for the fishermen, and an adequate credit system could be provided; and how merchandising would be effected - that's a simple phrase - how merchandising would be effected. But other honourable members have raised this question in connection with the surplus of fish that now does in fact exist. Suggestions have been made that we should develop further consumption of fish in Manitoba. That would have some considerable effect on quantities, I have no doubt, but since 80 or 85 percent of Manitoba fish is exported to other countries, it involves further efforts as well, and that's merchandising, salesmanship, export drives to try to move the fish into markets where it will be consumed.

A number of technical questions such as points of inspection, grading, allowing for local sale of fish, pooling by species, public information programs, and so on, also had to be discussed. I myself discussed the report with Ministers and officials of the Federal Government in Ottawa. At that point I emphasized the importance of the proposal to the people of Manitoba and also expressed our concern over such matters as merchandising, capital financing and an adequate credit system. These matters were not gone into in detail by the McIvor Commission but I think they are fundamental; they are central to the whole problem. One of the difficulties that has arisen, or is said to be one of the handicaps of the industry at the present time, is the extent to which fishermen are said to be held enthralled, as it were, to a particular source of credit, and that they have not been able to develop the kind of independent operation that they would like to have or indeed that everybody else would like to have them have as well.

(MR. EVANS cont'd.)

The report had to be translated into an actual outline of how a marketing board would work, including how fish would be purchased, the flow of fish to the processor or to the exporters and on to the consumers, all the cost factors, and a thorough examination of the financial aspects. The report was very naturally in general terms, but the finances of it and how it would be carried out and how the various moves would be made had to be studied in detail.

Such an outline, which is called a model these days - it really means taking a plan and working it out in greater detail - but such an outline called a model was considered and approved at three meetings as follows. On January 26th of this year, in Winnipeg, the sub-committee of the Federal-Provincial Prairie Fisheries Committee met to study the preliminary model designed by the federal officials. On February 8th to 10th, in Ottawa, the Federal-Provincial Prairie Fisheries Committee met to finalize the model of the marketing board. On March 16th, at Winnipeg, the Federal-Provincial Prairie Fisheries Committee met to finalize the thinking and to get agreement on the following points: First, for the control and inspection; next, credit requirements of the fishermen including sources of assistance; next, financial commitments - that is basic financing of the board to get it going - there had to be some working capital for the board to enable it to carry on its operations; next, problems involved in production, management and control, to meet the needs of a marketing board; and last, the legal requirements.

The report is in course of preparation, or as I understand the report has been completed now, although quite frankly I haven't had time to read it yet. The model gets right down to such nuts and bolts operational matters as where the fish should be landed; by whom it should be handled; what the flow of fish should be, fresh fish to export or to the filleting plants or to the processing plants - I believe it is true to say that the most money for fishing effort can be got from the fresh market if the fish can be delivered to the market in proper condition, otherwise it is frozen and delivery is spaced over a period; and so on to the actual sale and what the cost should be at each step of the way. This is a large field on which there is very little in the way of information or statistics to study, but we must find out what the costs will be or what the proper charges should be for each step from the catching to the landing, processing, icing, transportation, handling, storing, and all the rest.

While reports to date are not available publicly, I am very much encouraged from what I have seen that significant additional returns to the fishermen are possible through reorganization. We have had some preliminary figures on each of the cost factors, and after considering them and the price that's got from the final consumer, we believe that substantial additional returns or significant additional returns to the fishermen are possible through reorganization. We cannot place enough emphasis on the need at this time for the most careful consideration of all aspects of the recommendations of the report and their implementation. While reaffirming the need and urgency for action, it is vitally important that the ultimate action taken, which will affect the economy of a significant segment of our population, be based on sound principles.

Before I close this summary I would like to reiterate that in all the work that has been involved in the production and assembling information for the model, and more recently the preparation of data on credit requirements and production control and management, my officers have played a most positive role, indicative of the importance that we place upon this project. I thought the honourable members wouldn't mind if I read a statement in that connection because there was a good deal of material to lay before the committee and I thought I would like to have it on record because undoubtedly the members of the committee will want to study it more in detail later.

So I have touched on the question of the marketing board as raised by the Honourable Member for Portage la Prairie. He talked also about the non-renewable resources and asked a question concerning the Churchill area and the oil shale in that neighbourhood, and I would like to give him some information on that subject. It's basically that the company - and I'll be able to give him the name - has drilled a hole, and it's not able of course to operate in the wintertime. With respect to the drilling for oil in the Churchill area, I would like to report to the committee that the first exploratory drilling in the Hudson Bay for oil and gas commenced September 16, 1966 when Banff Oil Company - and that's spelled like Banff, Alberta - acting as operator for Sogepet Limited, Aquitaine of Canada Limited, and Bralorne Petroleum Limited, sputted in near the mouth of the Kaskattana River, latitude 57° 4' north and longitude 90° 9' west. The drilling has been suspended for the winter months after reaching a depth of approximately 2,800 feet. It is scheduled to test all prospective sedimentary formations down to the precambrian. Permits held by the above company total 27, covering 1,168,444 acres.

(MR. EVANS cont'd.)

My honourable friend also raised the question of incentives, or new incentives for mining exploration and development and I would like to give him and the committee some information on that subject as well.

In 1962 the Department of Mines and Natural Resources entered into an agreement with Canada to undertake a joint aeromagnetic survey of the precambrian areas of the province. The initial contract was for a period of three years at a cost of \$770,000 shared equally by Canada and Manitoba. A further agreement has been entered into for the years 1965 to 1967 inclusive, at a cost of approximately \$694,000 which is also being shared 50-50. The results of these surveys will greatly improve the quality of the geological maps which are subsequently prepared and will accelerate the rate of mapping by indicating some areas which do not require detailed work. In other words, the aeromagnetic survey is designed to find areas where there are indications and which should be mapped first. The areas of high magnetism usually denote rocks of like character, hence the survey enables the geologist to extend the occurrences of certain rock types from exposed outcrops to areas where such rocks are covered by overburden. The 1967 program will complete the aeromagnetic mapping of the entire precambrian area of Manitoba and the areas on its fringe. The area which will be flown in 1967 is for the most part the fringe area including Lake Winnipeg and Lake Manitoba. Aeromagnetic maps showing the data recorded by the surveys carried out from 1962 to 1965 are now available to the public. Within a few months the maps covering 1966 program will also be available.

Through the Mines Ministers' Conference, the Department of Mines and Natural Resources has initiated discussions of the desirability of various provinces entering into a similar agreement with Canada in respect to electromagnetic surveys. These discussions will be continued. This type of survey would be carried out in areas in which previous work had indicated those more worthy of further investigation.

But with respect to the particular question on incentives, I would like to say that after the aeromagnetic surveys and the maps have indicated areas in which there is some likelihood of an occurrence and which would be worth prospecting, then prospectors have to go out and look for the mines. Eventually you have to get on the ground, and so it was considered a year or so ago advisable to offer some incentives under The Mineral Exploration Assistance Act which provides that the Minister of Mines and Natural Resources on behalf of the government may enter into agreements with any person under which exploration grants will be made. In any one year such grants to any party shall not exceed the lesser of one-half the money expended on exploration or \$50,000. The Act also provides that grants in respect of a single mining property payable over a number of years shall not exceed \$150,000. Such grants are repayable only out of the profits of the mining venture in respect of which the grant is made. In other words, if no commercial property develops the grant is not repaid. If, however, a mine is found and it develops into a profitable mine, arrangements are made for the original grant to be repaid which is only proper.

The Act further provides that regulations may be made which designate areas within which exploration grants may be payable, which also is sensible, because if there are areas in which there is great activity now and in which people are carrying out adequate exploration, there is no need to pay their expenses, but we do want to attract more exploration into certain areas in which we think the activity is not great enough. And, too, to prescribe the terms and conditions of the grants and the form of agreement. There is some other detail here as to that Act, but I point to the fact that this incentive is there and that it is held out to those in the mining exploration field.

I would remind my honourable friends also of Project Pioneer which is an intensive examination of an area north of the Whiteshell and east of Lake Winnipeg from all points of view in conjunction with the University of Manitoba, and we have hopes that this will develop information of value to the mining industry and will lead to further exploration and further development.

I have for consideration the remarks of my honourable friend the Leader of the New Democratic Party, and since he's not here -- oh he's here -- and in this particular speech he was not a seeker after truth, he was not an enquirer into the affairs of the Department of Mines and Natural Resources; he was in a bombastic mood, he was in a mood to throw insults across the House and to engage in a rough and tumble debate which isn't the purpose of my speech at the present time -- I'll be glad to engage in a rough and a tumble with him any time -- but it was a repeat of so many of his other speeches earlier on. But if he will understand me doing so, I will confine myself to the few remarks that he made that bore on the subject.

(MR. EVANS cont'd.)

He asks about the difference - he didn't really ask about it - the difference between the estimates showing some increase and the revenue as showing some decline, and I merely point to the fact that the production at International Nickel, among others, was very severely restricted by a labour shortage during that particular year in question. That was the main cause, and my understanding is that some \$30 million of mineral production was reduced in this province during that period because of a lack of miners, and this accounts, naturally, for the reduction in the revenues of the Department at the same time. -- (Interjection) -- For the year in question, I don't think -- the estimates for the coming year have to be based on the conditions as we knew them at the time the estimates were drawn up, and we draw up the estimates starting in October and work hard at them all the way through, and it has not been possible to change those estimates between that time and now. So the estimates for the coming year would naturally be based on the actual experience of the year before. It's the only thing we can do.

My honourable friend asked also about potash, and as several of the honourable gentlemen have shown interest in potash I would like to give some information on that score, which I'll draw from a number of pieces of paper that I have here. Prairie Potash Mines Limited drilled four holes early in 1966 in the area south of St. Lazare. This makes a total of 15 holes drilled on the company's property. Tombill Mines Limited was reorganized and the name changed to Sylvite of Canada Limited. Four additional holes were also drilled on this company's property. In January of 1967, Hudson Bay Mining and Smelting Company Limited acquired control of the latter company by purchasing a majority interest in the Francana Oil and Gas Limited. There's some reference here also to another mineral which doesn't apply to this point.

Now my honourable friend from Birtle-Russell has shown considerable interest in the location of the actual mining shaft 2-1/2 miles the other side of the Saskatchewan border. The reason for it is that the potash on that particular development is in Saskatchewan. To locate that mining shaft in Manitoba would have cost them an extra 25 cents per ton mined, or an estimate of \$250,000 a year and over a ten-year period would have cost the company two million and a half additional transportation costs to get the raw potash from where it is in fact located - and nature did that - to where it would be processed and loaded and shipped out.

We had long discussions with them over a considerable period. I took part in the discussions myself. We examined every possible way in which we could entice them into Manitoba with the plant itself, and more particularly with their office and other accommodation because we wanted this in Manitoba, but we could not come up with anything that the government could offer or any other advantage that we could put before them which would counterbalance an additional expenditure on their part of two million and a half over a ten-year period to put the shaft artificially away from the centre of the deposit itself, and so that has been the controlling factor in this situation. There was, I think, no stone left unturned to try to find some way in which we could entice them into Manitoba or to make it seem attractive to them, or more attractive than the additional expenditure, and it simply didn't work out. So we have had to acknowledge the logic and the financial logic of the place that they are putting their core hole. When it comes to mining, any of the potash that does in fact lie inside Manitoba, they will pay their royalties to the Manitoba Government just as is done at Flin Flon with respect to the ore that is taken out there. So we have this potash situation facing us now.

I have commented on our concern about the hunting of any animal, whether moose or otherwise, for my honourable friend from St. George, by helicopter or mechanical means. We're disturbed about it; we're trying to do our best. He raises me on a previous occasion and I thank him for giving me notice of it, the fact that the royalty of 10 cents per pelt on muskrats seems a good deal higher now when the prices are low than it did some time ago. The reason is that we try to co-ordinate our royalties in this connection with our neighbouring provinces, and having an agreement or having had discussions -- I can't call it an agreement, there's no obligation on us to do it, it's just been the practice that the provinces do in fact co-ordinate their royalty charges -- and so they having been established for this year in concert with the other provinces, we thought it was impractical to change it in the middle of the season when some farmers will have delivered their pelts and some will not. I'm aware of the problem and we'll try to solve it by agreement in another year. I have commented on -- I will certainly take advantage of my honourable friend's offer to visit him. He's a very pleasant fellow to visit and a very hospitable one, and I will be very pleased to visit him in any circumstances whether I get a helicopter ride or not.

(MR. EVANS cont'd.)

My honourable friend the member for Turtle Mountain has commented on the possibility of developing oil in the Turtle Mountain area, and if I can find the right pile of paper here I think I can give him some information. I'm told that in the Turtle Mountain area a company is producing three wells for oil now which had formerly been abandoned. I'm told that three wells are in production. They have drilled three dry wells in the adjacent area and did not find an extension of the reservoir as a connection with the production south of the border. Their conclusion from the three dry holes was disappointing to them. They had hoped that the southern area that my honourable friend referred to did in fact step up into Manitoba there, but the three dry holes were, if anything, a disappointment; and that's about all the information that I have there. We would want to give every encouragement for further development of oil in that part of the country, and we are holding our own in the oil business.

I think I need not comment in detail on the comments of various other gentlemen about the protection of wildlife and indeed of improving - or maintaining and improving, if possible, the relationship between the farmer and the sportsman, and here is where the Game and Fish Association are of the greatest value to us. It is through them, and with their assistance, that we're able to make some progress. We recognize a responsibility here; we recognize difficulties. We'll do our best and see what can be done in that way.

My honourable friend from Gladstone asked about the Grand Rapids dam and its effect on spawning. We're concerned about this as well. A fish ladder would not work - he's not here to hear me but undoubtedly he will be able to read it - that the dam being about 100 feet high is too high to be overcome by pickerel, they're not as powerful jumpers as the salmon are, and a fish ladder was not practical. However, we are at present starting on a research and hatchery operation which we hope will fill this need in the Grand Rapids area. It's too early to tell whether the dam itself is having much effect on the population, the fish population, because it hasn't been long enough for any decrease in the fish population to show up.

Well then I must not comment in detail on some of the comments that have been made except to say that I found them all constructive; that I recognize a good deal of value in many of the suggestions and many of the problems that were raised; and the department will do its best to help to solve them. Now I'm informed that the time available has -- certainly that I should not take up any more of the time in replying, and if I have not commented in detail on individual gentleman's remarks, it's perhaps understood because of the limitation of time.

MR. CHAIRMAN: Resolution No. 59 --

MR. HILLHOUSE: Mr. Chairman, I wish to move, that Item 1 (a), Ministers' Compensation - Salary and Representation Allowance of \$18,000, be reduced to the level of the 1966-67 appropriation of \$12,500.00.

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Yeas and nays please, Mr. Chairman.

MR. CHAIRMAN: Call in the members.

A COUNTED STANDING VOTE was taken, the result being as follows: Yeas, 14; Nays, 38.

MR. CHAIRMAN: The motion is lost.

MR. DESJARDINS: Mr. Chairman, I'd like to move that the words "and Representation Allowance" be struck out of Item No. 1 (a).

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Same division, Mr. Chairman.

MR. CHAIRMAN: Same division. (Resolutions No. 59 to 66 were read and passed.) Resolution No. 67 --

MR. MOLGAT: Mr. Chairman, under Resolution 67, there has been considerable concern in the province regarding ...

MR. CHAIRMAN: ... Leader of the Opposition, I would like to inform you that under Rule 62A we have now come to 80 hours. 62A (1) reads: "Not more than 80 hours shall be allotted to the business of supply on Estimates, including main, supplementary, interim and capital, in each session. (2) At the end of 80 hours in Supply, unless the debate has been previously concluded, the Chairman shall interrupt the proceedings and forthwith put every question necessary to dispose of the remaining resolutions."

Accordingly, in accordance with the rules, I will put the remaining resolutions. The next resolution is No. 67.

MR. MOLGAT: Mr. Chairman, on a point of order then if I may, I appreciate that ...

MR. CHAIRMAN: There is no point of order here, because it is covered by the rules and we must follow the rules.

MR. MOLGAT: But, Mr. Chairman, surely surely in this House if a member gets up and wants to speak about a particular rule -- does the Chairman rule I have no right to speak on it?

MR. CHAIRMAN: Until the rules are changed, the rule is that at the end of 80 hours in Supply the Chairman shall interrupt the proceedings and forthwith put every question necessary to dispose of the remaining resolutions.

MR. MOLGAT: Mr. Chairman, are you ruling that I cannot get up on my feet at this point and, on a point of order, speak on that rule? Is that your ruling?

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Chairman, you should hear what the point of order is and then you can decide what the point of order is thought to be, and then you can decide whether it is a point of order.

MR. CHAIRMAN: I think that is correct.

MR. MOLGAT: Thank you, Mr. Chairman. I recognize that you have no alternative under the rules, Mr. Chairman, but I was going to appeal to the Leader of the House for an exemption to the rule. I recognize that the rule says 80 hours; however, I think it is fair to say that the estimates are getting bigger every year and there is more and more money being spent, and that while over past years you can make a case that we didn't spend that much time, nor did we spend that much money, and there's a vast difference between the estimates of a very few years ago and the estimates that are before us now. I think that in the interests of our work here in the province that we should not stick with this arbitrary rule but simply proceed through the estimates as we are and simply conclude the work of the committee in a normal fashion.

MR. PAULLEY: Mr. Chairman, if I might, I would like to join in the suggestion of the Honourable the Leader of the Liberal Party. Even apart from the question of the increase in the amounts under consideration, there is the additional fact this year that this is the first time we have met since the last provincial election and there are still some Ministers, or a Minister who is new in a portfolio, that hasn't had an opportunity of introducing and discussing his estimates. It is obvious I refer to the Honourable the Minister of Industry and Commerce.

Now if I recall correctly, Mr. Chairman, last year it was, that because of the importance of the Churchill Forest Industries agreement, an additional four hours was allocated to the Department of Industry and Commerce. That was by agreement of the government to listen to what was going on in the Department of Industry and Commerce, and I suggest that if it was important last year for an additional amount of four hours, then certainly an additional amount should be allowed this year even more so than last year. First of all, because of the peculiar situation of a new Minister; and secondly, that we did not learn a lesson from the procedure on estimates of last year and Industry and Commerce, the most vital department or one of the most vital departments in our province, was left to the last this year. I do not know why it was left to the last this year, Mr. Chairman, but I want to join in the appeal for a continuation of consideration of the supply to be granted to Her Majesty, and in particular to hear from the Honourable the Minister of Industry and Commerce.

And I think another very vital department that has come under some scrutiny outside of the House but none inside is the Department of the Attorney-General. I think it would be quite proper for the government to agree to an extension of the rules. I appreciate the fact that we are going to be considering the rules during the recess, however, that will not overcome or help the present situation.

MR. FROESE: Mr. Chairman, I too would support the contention raised by the two previous speakers. I feel that it would be a disservice to the people of Manitoba if we did not debate to some extent the branches that have not been discussed so far. I know Treasury is I think another one in addition to the others that have been mentioned by the previous speakers, and I would appeal to the Honourable Minister that you do allow for time to discuss these additional money resolutions.

MR. LYON: Mr. Chairman, speaking on I presume the point of order that has been raised, the Chairman just read to us the rule in question which was agreed to by the Rules Committee and was first put into practice last year. This year is really the first full year under which we have operated under these rules, so much so is that the case that we still do not have the Rules, Orders and Forms of Proceedings of the House printed in permanent form, because this was the first year that they really came up for full utilization.

I think we all realized - and I underline the fact that I am speaking now as per all of the

(MR. LYON cont'd.) other honourable members - speaking now about a rule of the House rather than an injunction of the government, or a curfew by the government if that is not too inappropriate a word. I am speaking now of a rule of the House that we all agreed would be appropriate. Having regard to the previous experience of the House with respect to Committee of Supply, and may I say the abuse that all of us agreed - without reflection on any party in this House - the abuse that had occurred heretofore prior to this rule of the use of Committee of Supply. My memory may not be too accurate on this figure, but I believe there was one year when the Committee of Supply went something like 130 hours and it was agreed, I believe on all sides of the House when the rule was considered, that this was wasteful of the time of the members of this House; that it was not contributing to the public interest and that there should be some reasonable, although albeit arbitrary, time limit that should be set on debate, and after some considerable discussion the agreement was arrived at on 80 hours.

At the same time, agreement was arrived at that there should be other changes in the House procedure, and I think these should be mentioned at this time. And what were those changes? Those changes were that the House would no longer sit until the regular adjournment hour of 11 p. m.; and furthermore, that the government would no longer have the right after, I believe it was 60 hours in Supply - if that's the correct figure - to cause the House to sit beyond the 11 o'clock adjournment. It was also agreed that there would be no more Friday evening sittings of the House and there were a number of other matters of like nature that were discussed and decided upon at the time the 80-hour rule was set.

I believe at the same time we also agreed that there should be a fixed limitation on the amount of time that should be spent on the Budget address, having some six or seven years ago agreed that there should be a fixed time on the Speech from the Throne, and those two matters have come into being and are rules that have been adopted and followed by the members of the House, I suggest, with not one iota of prejudice to the public interest. In fact, I think they have had a very salutary disciplining effect upon us as members, and I include all of us in this description, in limiting our speeches and speaking to the point.

Now I think the same rationale applies to the 80-hour rule, and I think we all realized that when the 80-hour rule was agreed upon that we would have to discipline ourselves in terms of speaking to the point and realizing that there were a certain number of departments that were to be covered and so on. I remember quite well in the committee that we discussed various methods of approaching this manner of discipline, whether or not there should be a certain set time for each department, whether or not the opposition would call a department and so on, but it was finally agreed that these should be cast aside, that the 80-hour rule should be inserted. And the further requirement which we find in subsection (3) of this new rule, 62A, was that the Clerk shall indicate daily on the Order Paper the number of hours spent in supply to date. That was to be the day-to-day reminder to each of us that we had only so many hours left in supply and that we must gauge ourselves accordingly if we were to cover the business before us, as indeed we must do with respect to the Throne Speech, the 7-day limitation, as indeed we must do with respect to the Budget Speech and the limitation that applies there.

These changes were made at a time when the House of Commons at Ottawa was also considering substantive changes to their rules, many of which have the effect of putting certain limitations upon debate, as we have seen recently in a debate in the House of Commons where one of these new rules was applied, not a closure rule but a rule where if agreement could not be reached on the conclusion of a debate, then the government would have certain options with which to deal with the matter in the House. I think it was agreed by all of us then - and I hope I am speaking on behalf of those who were the members of the Committee - and certainly subsequently members who spoke in the House, although I realize there was not unanimous agreement on this - I believe the Member for Lakeside for one said that he could see problems in the 80 hours - and certainly problems have arisen in the terms of getting it all in at the time. So I take note of that objection of his, but I think it was agreed as we were recasting these rules that we were working with a set of rules that were devised to be appropriate in times that have long since passed by, that the public business of the province could not be operated under the terms and conditions of the old rules as they used to be and that we must indeed individually, each of us, the 57 members, apply a certain amount of discipline to the amount of time that we spoke, keeping in mind the public interest that we all must serve, and that is why we arrived at the 80-hour rule.

And I must say, Mr. Chairman, that I think the 80-hour rule has a great deal to commend it. It's arbitrary, yes, but every rule is arbitrary, and there must be some limit set somewhere

(MR. LYON cont'd.) if you are going to conduct public business in any sort of an ordered manner at all. I admit it is arbitrary now, but at the same time I suggest that no matter what rule you follow on, there must be a degree or an element of arbitrariness to it. I suggest that 80 hours was thought then, and this was not a long time ago - this was the committee meeting I believe a year and a half ago - the rules were debated last year in our session and came into effect last session, so it can't be said they are out-moded or out of date. I believe it was said then that we must take into account the time limit that we have set on it.

And so I am wondering - and I'm asking the question - I'm wondering if really a case has been made for a breach of what is a new rule and what is a rule that really should not be too readily breached if we are to give that degree of attention to public business and to give the care to all of the departments of government that we would all wish to give. I am not unmindful of the fact, nor I am sure are my honourable friends opposite, that this is not a closure on debate at all; it merely suggests that when we rise out of committee the debate in this committee ceases. Without going into great detail, of course there are other means and other manners by which debate can be carried on. In fact it may be said, I think, that our rules provide a multiplicity of channels of debate rather than a restriction of channels of debate. So I do not see this in any way, this rule, this application being looked upon as any form of closure or anything like that at all.

But I do sincerely say to my honourable friends, has a good reason been advanced for extending the rule this year? Because when one looks back - and I think the most cogent evidence in this regard is the 3,000 pages of Hansard that we have at the present time - when one looks back over the Hansard debate in supply, can anyone in this House honestly say that we have not had sufficient time to cover the work that was before us in supply? I think not, because when one looks in there - and you will find that this applies again to all sides of the House - there were speeches, there was time taken that was a waste of time of the Committee of Supply on all sides. I was one who spoke, I am sure, on one or two or more items perhaps longer than I should, but at the same time, can we honestly say when we debate such matters for 20 minutes, as I recall on one item, whether or not the new front doors were working properly. Another time under Tourist estimates, and I remember that particularly, an hour or more was spent talking about what Americans did when they came to Manitoba. How can we honestly say to ourselves or to the public that we have not, to some extent, dissipated and wasted away the time that is set for proper debate in the House, so I think we have no one to blame but ourselves collectively.

Now the time has passed for my comment, but I merely suggest that I do not see at this stage, and we're certainly willing to listen to reasonable suggestions, but I do not see that a case has been made for the extension of time, having regard for what our practice has been, having regard to what past debates have been. We're certainly prepared to listen to any reasonable suggestions, however, from the other side.

MR. CHAIRMAN: Committee rise.

MR. ROBLIN: Mr. Chairman, do you wish the committee to rise or are we agreeable to having you leave the Chair and resume the rest of our work at 8:00 o'clock. If that's agreeable, I would suggest that you just leave the Chair.

MR. PAULLEY: That will, Mr. Chairman, deprive us of an opportunity of any question that we may wish to bring up on Orders of the Day.

MR. LYON: . . . we can actually go back into committee when we return at 8:00 o'clock because the 80 hours has expired. It might be better, if we are going to continue this debate, if we have the Chairman merely leave the Chair and return.

MR. PAULLEY: . . . I would suggest that it's still at the end of 80 hours, irrespective of whether in the interim it's another session, the 80 hours is a continuing process, so I don't think the argument of my honourable friend holds much water.

MR. ROBLIN: I'd like to suggest to my honourable friend that we'll be meeting tomorrow morning and perhaps the questions could be put then. If that would be agreeable, the Chairman could just leave the Chair and we'll finish it up.

MR. PAULLEY: I was just raising the point on behalf of the other members. I confess I haven't a question for Orders of the Day myself at the present.

MR. ROBLIN: Well if there's no objection, I'd just ask the Chairman to leave the Chair.

MR. CHAIRMAN: I leave the Chair till 8:00 o'clock.