

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Thursday, April 2, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I should like to direct the attention of the honourable members to the gallery where we have with us 50 Cubs from the Canadian Forces Base at Portage la Prairie under the direction and leadership of Mr. Tom Ellis, Del. Setchell, Shirley Crouch, Gordon Pourier, Dave Quin, Owen Ferris and Judy Savage. The Canadian Forces Base is located in the constituency of the Honourable Member for Portage la Prairie.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, if I could make the correction. I would like to take credit for the beautiful people in the gallery but they're really from the constituency of Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, obviously that's where all the beautiful people are.

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for Osborne. The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. I rise presently to oppose the receiving of the report by the motion of the Honourable Member from Osborne, but before I do that and because I have not been on my feet before in this session now, I would like to congratulate you on your post and say what a fine job that you are doing during this session.

Mr. Speaker, I rise to oppose the receiving of the report on the motion from the Member from Osborne. First of all, as has been said before, the Economic Committee only met on two occasions. During those occasions the second meeting was a very short one and basically nothing has been done regarding the economic development in this province during the last nine months.

Now I say nothing has been done because it is becoming a very deteriorating situation as far as the people and Province of Manitoba are concerned. Right here in my hand I hold building reports which I receive every day because of business reasons, and in these building reports there's exact evidence that the economic development and industry in this province is not going too well. And if you want to apply and receive them, the same thing, Mr. Speaker, can be found just by subscribing to Sanford-Evans and you can find out, proof positive that building, construction, economic development in this province is down. It's as simple as that. These problems were not discussed in any Economic Committee. No problems like this were brought before this committee to discuss them and yet it's been going on. It's been going on because this government at the present time, last session, the fall session, the first session of this Twenty-Ninth Legislature, stood up and started to dig a trench that's getting deeper and deeper and basically they don't know how to get out of it.

They dug this trench by doing this. First of all, the most important thing they did that would harm the economic development of this province is they raised the personal income tax to a point where people are not going to want to come to this province and it will harm the people that are presently in it. Secondly, the corporation tax was raised. I'm not going to dwell on that too long. It's important, but the fact that people are paying the highest income tax in Canada is very important. It's important for this reason. They laid the ground rules; they have said that anybody earning less than \$11,300 a year in this province will be subsidized. Now that's on Medicare, and I assure you if they are going to do any more subsidizing I don't know how they'll explain to a person if he gets subsidized for Medicare that he won't be subsidized for something else. It's there and it's happening, and the only people that are left are four percent of the population of this province, and if you're going to keep doing that when you get between \$11,300 and \$25,000 a year, there isn't that many of them, Mr. Speaker, there aren't that many making more than that and there sure aren't that many millionaires, so the

(MR. F. JOHNSTON cont'd) only people that are left are the productive people in this province. Well, Mr. Speaker, I hope the Honourable House Leader, the Minister of Mines and Resources is watching the faces on this side so he can see maybe the shock as well. We may have to start doing something for him, Mr. Speaker. We'll have to have our caucus meetings and we will plan what look we'll give him tomorrow or the next day. I think this would be very apropos.

Now also, Mr. Speaker, there's no doubt that the happenings of the past week, the loss of two very important people, the most important people in the economic development of this province have gone, and this I am not going to dwell on all that long. It's very important. We have lost them; they're gone; and this only means that we're going to be in a much worse situation than we have been. As my honourable friend from Fort Garry said yesterday, the Fund has been killed. There is no doubt about it. You cannot take experienced people and completely replace the board, except for three, and expect to have a Fund. We don't even do that in civic governments; we always make sure that there are some experienced people left when there's an election. Granted - granted when you have a provincial election the government can change completely, but they should have the common sense to keep experience in this province and working for this province.

Mr. Speaker, the First Minister has diverged from the actual case of economic development in this province. He keeps bringing up Churchill Forest Industries. He makes a political football out of something that is not just Churchill Forest Industries, it's the development of Northern Manitoba. Frankly, any government small enough -- (Interjection) -- Thank you. -- any government that is going to be small enough not to realize the bigness of the development of Northern Manitoba that this project will do, really has a lot of looking around to do for how to have an economic development in this province.

I'd like to quote from something for a minute, Mr. Speaker. I would like to quote from something I think we've all received. It's obvious not too many have read it, it's put out by Mayor Harry Trager and members of the Town Council of The Pas. "Forest Industries Opportunities in The Pas." Gentlemen, it is written by Hackling and Johnston. I would like to say that and I have to put my glasses on to read the small print.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): . . . a hackling Johnston?

MR. F. JOHNSTON: Management consultants. You know I've been now in the House for two sessions and I don't think that I could get up and make a speech, Mr. Speaker, and in fact I'd be very disappointed if I didn't hear from the Honourable Minister of Labour.

MR. PAULLEY: You will.

MR. F. JOHNSTON: I don't think that I would have been initiated if this didn't happen so I thank him very much.

MR. PAULLEY: Cock-a-doodle-do. Be careful . . .

MR. F. JOHNSTON: Mr. Speaker, just a few quotes from this little book. It says: "The opportunities in the north," and I just want to read a couple of things here to you. "Direct opportunities." The following tabulation; the estimates consumption, inputs required for pulp, paper and sawmill. All the things - salt cake, lime, soda, sulphate, maintenance and supplies, mobile equipment, bearings, couplings, valves, spare parts, machine clothing, packing materials - \$1,950,000 per year. Annual replacement value close to \$1,300,000 per year. Roads will be developed at \$15,000 per mile which is ridiculously low. Material costs for machine shop are estimated at about \$4 million per year. Food services will be up; transportation will be up; population and labour force - the labour force is expected to go from 4,150 to 12,000 people in 1976; commercial and service demands; potential industry opportunity. It's all there, Mr. Speaker, and all you have to do is read it. And I would say, Mr. Speaker, that what will happen with this report is I'm sure the government will go out and have it checked. It seems that they have to check all the reports that are brought forward.

Now The Pas in relation to - let's just take one more glance at this, Mr. Speaker, and I will get off this subject. "Local businesses." This is what happened in Saskatchewan for the Prince Albert Pulp Company: Fifty thousand dollars per year in motor winding went to the City of Saskatoon. There has been interprovincial cooperative -- chemical plant supplies chemicals to the mill, multi-million dollar investment was made to expand its facilities in Saskatoon. Maintenance of roads. Metal fabrication is done in Saskatoon and Regina. Salt cake is obtained from Regina. Considerable shopping in locale for people is done in this area. There is one possible disappointing thing, Mr. Speaker, is the people of Prince Albert did not

(MR. F. JOHNSTON cont'd) take hold of this and they lost a lot of it to areas of Saskatoon, to Regina. But there has been over \$450,000 a year go into the economy of Saskatchewan from this one pulp mill alone.

Now the recreation opportunities. My honourable friend from The Pas spoke about agriculture the other day. They wondered why -- he got up and immediately said, "You'll wonder why a man from The Pas is speaking on agriculture. Agriculture is developing in The Pas." Mr. Speaker, the only good building report I've got at the present time is a \$200,000 addition to a motel at The Pas, and it's done because of the advance forward thinking of the previous government to open up Northern Manitoba. My honourable friend the Member from Thompson-- he's smiling -- but I'm telling him right now that the town he lives in is of tremendous economic value to this province.

HON. JOSEPH P. BOROWSKI (Minister of Transportation)(Thompson): No thanks to you.

MR. F. JOHNSTON: And there are people, there are people . . .

MR. BOROWSKI: No thanks to you.

MR. F. JOHNSTON: Mr. Speaker, I'm not going to worry about who got the thanks. I'd like to make that plain to the honourable members right now. I'm not concerned about that, the fact is it doesn't. There's a lot of economic stability comes from places like Thompson, Lynn Lake and all the others.

MR. BOROWSKI: And it wasn't paid for by the people's money like CFI was.

MR. F. JOHNSTON: Mr. Speaker, this has been explained and I'm not -- this is the last time I'm going to answer the Member from Thompson -- that there were several people we tried, tried very hard to get people interested and we've explained how we happened to be doing it the way we are. And there's nothing wrong with developing Northern Manitoba. First of all we will have another report. We have a situation where the government is going out again and getting a report on something that was done before. This government doesn't believe anybody. They've gone out and got a report on the diversion, high-level diversion. Another report. They don't take the time to say that the people that they have involved, the senior servants and civil servants of this province have not done their job well. They just don't believe this. And I'll tell you, Mr. Speaker, when you start getting people checking people then checking people checking people, I can name a few countries in this world that I don't think that that's happening and it's not a very good situation. So, Mr. Speaker, I would like to get off that particular part of the subject and say let's get on with the job; let's not fool around with Northern Manitoba and make a political football about it. It's there; it's fact; all you have to do is go up there like I was January 12th before many of the members of the NDP Government ever saw it and you'll see 80,000 square feet of building closed in and people working.

Mr. Speaker, getting back to the economic situation of the Province of Manitoba, the Minister of Industry and Commerce . . .

MR. ENNS: Who is it?

MR. F. JOHNSTON: The Member from Brandon East, is that it? Thank you. The Minister of Industry and Commerce, as I remember very clearly, in the session of the House last year when the Honourable Member from River Heights was speaking he made some comment towards the uranium enrichment plant, and when he made that comment of a multiplier of six I think he was believing in to so many dollars to six jobs. I would go to Hansard and read it for you but I'm not going to be exact on that, but the Honourable Member from Crescentwood stood up and he said, "Impossible, doesn't work, it can't work." The Honourable Minister who was then Minister of Mines and Resources stood up and he said, "that is Mickey Mouse economy; all economists say so." I'd like to remind the Minister, Mr. Speaker, that there is another character in that cartoon called Goofy, and I tell you right now that his way of economic development in this province is just about that.

There is no question -- and I don't want to get into any argument about chickens and eggs in this particular speech because we've heard a fair amount about chicken and eggs and roosters and my poor friend who has been called a black angus and what have you, so anyway I don't want to develop in that -- but we have chickens and we have eggs so there's no argument. Now -- now, gentlemen, we have to have production. We have to have jobs for people. There is no way that this province can carry on without having the jobs for people that are required. And I tell you this, Mr. Speaker, with the problems in the rural part of Manitoba at the present time and in western Canada as far as agriculture is concerned, I said last year in the House there are country travellers coming back with empty order books -- and they are -- we're going to

(MR. F. JOHNSTON cont'd) have to have production of jobs in this province. And the funny part of it is, Mr. Speaker, every time you mention production of jobs in this House, half of the other side, the government, gets up and leaves the room. When my honourable colleague from River Heights got up to speak on economics and development and about jobs and what have you, the First Minister left the room and half of the other bench left.

MR. PAULLEY: Well, we've heard it so many times.

MR. F. JOHNSTON: So let's be clear on this. They're not really interested it seems in producing jobs. What they are interested in is diversion. It's a complete diversion on jobs.

Mr. Speaker, the Honourable Minister of Industry and Commerce made another statement. I believe it was on page -- well, 1284 - I can be exact if you want me to - he said: "40, 50, 60 years from now." You know, Mr. Speaker, this Minister, the Minister of Industry and Commerce can't recognize the benefit of Churchill Forest Industries 40, 50, 60 years from now, yet he turns around and says we can't be doing anything too fast today. Mr. Speaker, we have to do things too fast today. We had the loss of these gentlemen. The Honourable Member from - Elmwood is it? - Doern? The Honourable Member from Elmwood got up yesterday and pretty well clearly stated that you should, if you're going to spend the money, get into business. You should be part of the profits. If this is not a change in philosophy for the Province of Manitoba, I don't know what it is. If the Industrial Development Board gets into business, Mr. Speaker, it then becomes a political football. It should remain completely autonomous from political interference at any time. Mr. Speaker, there is no place that I can see that government is supposed to be in business.

HON. SIDNEY GREEN, Q.C. (Minister of Mines and Natural Resources)(Inkster): A hundred million dollars worth.

MR. F. JOHNSTON: A hundred million dollars worth? Well, I'll try and explain that. I won't use a hundred million dollars but I'll explain it. The government is elected to take care of the people of this province. They are to administer the funds and taxes of this province to the best of the peoples' ability. They are not collecting taxes to go into business or thus make the government a business not a government, and if government is continually --(Interjection)-- oh, certainly. I got criticized last year because I wouldn't.

MR. WALLY JOHANNSON (St. Matthews): Would the honourable member tell the members of this House what party established CNR? What party established CBC?

MR. F. JOHNSTON: Mr. Speaker, I'm not going to get into a history lesson at this time. Frankly, I'm not interested in history and I told the honourable members that I'm not --(Interjection) -- and there is a place, there is a place for Crown corporations, and when there is and there is no other way, but we've found another way. Look, Mr. Speaker, the House continually laughs when somebody makes a statement that's obvious, but we found another way so it's as simple as that.

Now, Mr. Speaker, getting back to the affairs of state with the members who have left our employ, let's say the Ministers who have resigned, we have the Deputy Minister has resigned, the head of the Fund. We have been working for years on a uranium enrichment plant. I would like to know who in the government has the contacts to carry that through the way it is at the present time, or the knowledge. We have just done away, we have just done away with our contacts and people with knowledge of the many, many discussions that have probably gone on in that development at the present time. There is nobody that I know of and I would ask, Mr. Speaker, I would ask the First Minister at some time to tell me who is the man with that knowledge that will replace Mr. Rex Grose in that capacity.

HON. ED. SCHREYER (Premier)(Rossmere): Mr. Speaker, does the honourable member wish an answer?

MR. F. JOHNSTON: Yes.

MR. SCHREYER: Well, the honourable member is asking me now that since Mr. Grose has resigned, who will carry forward with the exploratory work on the uranium enrichment plant. I'd like to answer my honourable friend and tell him that two months ago Mr. Grose asked that this responsibility be assigned to someone in the Department of Industry and Commerce.

MR. F. JOHNSTON: Who to?

A MEMBER: It doesn't matter.

MR. F. JOHNSTON: Mr. Speaker, I think it matters very much who to. Well, Mr. Speaker, I only say to you this, that I am glad that there is somebody else appointed. I think

(MR. F. JOHNSTON cont'd) the House would like to know who the person is and has he as much experience as Mr. Grose had. -- (Interjection) -- Mr. Speaker, my honourable friend from Lakeside asked for the resignation of the Minister of Industry and Commerce and my honourable friend, the Minister of Mines and Resources, the Speaker of the House got up, and I might say -- (Interjection) -- The Leader of the House. Thank you, Jim. The Leader of the House got up and he said with a diversionary and what have you - and I might say I expected a rendition of "It just won't wash," but instead I got a lovely rendition of "Home on the Range" which I didn't expect and I think we all benefit from this - but he said the man is educated to the job. Mr. Speaker, the sum of the statements the Minister of Industry and Commerce has made - which is definitely a different philosophy as far as Industry and Commerce is concerned, and even more of the government going into business is something that I can't tolerate - because that isn't done - pardon me - done with education, it's not done with experience. Now I'm a firm believer in plain old horse sense experience and the Minister is not displaying much experience in this effect. Therefore, I have to agree with the Honourable Member from Lakeside.

Mr. Speaker, I have just said, and I have said very bluntly, let's get on with the job. I have seen during this session -- I notice this more when I walk down the street and see a group of children in a snowball fight and the one is saying to the other, "You threw the ball; no, you threw it; no, you threw it; no, you threw it. I have never seen anything in my life in a government that stands up and continually says, when they're asked questions or asked to explain something or what they're doing on any subject, this government says: "You didn't do that; you did this; you did that." They never say what they're going to do, what their plans are going to be, and I say it's time they stopped this kind of nonsense and got on with the job.

Now, Mr. Speaker, I really don't want, I really don't want an economic solution that is 40, 50, 60 years from now. I agree you plan to the future; there's no way that you don't. But remember this, that we have to have the production now. It has to be gone after now. We saw our north that was just in very bad shape for years. We did something about it that's going to develop the whole north, not just one area. We turn around and we have a government who spends all kinds of money - and I agree with the Task Force of the North - but then they get very mad, they get very mad and use a political football out of something that is going to be of benefit.

Mr. Speaker, this government, like all other governments and all members in this House, want the best for the people of Manitoba. I wouldn't accuse the government of not wanting the best for the people of Manitoba, Mr. Speaker, the same as I would take - not offence, but I think I'd feel bad if they said I didn't want the best for the people of Manitoba. I think my record will stand on its own and all of the members in this House or they wouldn't be here. But I say this, Mr. Speaker, this present government does not know how to do it. Thank you.

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

MR. GABRIEL GIRARD (Emerson): I move, seconded by the . . .

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. John's): Mr. Speaker, I wonder if I might be able to participate in the debate before the motion is put?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, the Honourable Member for Sturgeon Creek said, "let's stop this talk and let's get on with the work," and I was hoping that he and his party meant it and I was looking forward to our concluding this debate, which has gone on for some period of time, and the expectation that we could be allowed to get on with the work, deal with the estimates, proceed to the estimates of the Department of Industry and Commerce and then hear a proper debate on economic development, but indeed it seems that the Honourable Member for Emerson wishes to make further contribution and this may go on and on.

And then of course, Mr. Speaker, I want to thank the Honourable Member for River Heights who was anxious to speak whether he's seated or standing, for his contribution to my knowledge of the rules. I appreciate his offer to help me, and certainly any time he makes the offer, including the benefit of the uranium study which no doubt he is familiar with and able to expound on at length, would be one that we will all receive benefit from. But in view of the fact that it seems that the Conservative Party wishes to discuss this at great length and wishes to make statements which have to be responded to, I would like to deal with some of the statements made by the Honourable Member for Sturgeon Creek who of course has pointed out that he's only been here - this is his second session and he has the benefit of a fresh look at the Legislature and at the laws of the province. Of course he lacks the benefit of some experience but

(MR. CHERNIACK cont'd) he has the ability to pick it up quickly and forcefully and I am sure he is doing that.

I'm wondering, in view of his espousal of the philosophy of government being involved in administration, taking care of Manitoba and not being involved in business, how he would have stood at the time when the Telephone System was taken over by the province; what his action would have been at the time that Manitoba Hydro was taken over from the Winnipeg Electric Company; what his attitude would have been had he been presented with a proposal which I would like to make to him, and that is that the Manitoba Development Fund should be used not only as a banker but be used as an instrument of government. I wonder what he would think about the suggestion that the government should use the Development Fund as an instrument for development on behalf of the government. I wonder whether he would reject it. My feeling is that he would. I think that he would not want the government to use the Development Fund as a medium for a government economic development program, and it may well be that if I suggest to him that the Manitoba Development Fund might be used to act as an agent for government in respect of carrying out projects or matters undertaken or carried out pursuant to some Order-in-Council for the advancement of the industrial or economic development of the province, he would say: No, hands off, don't let government get involved and don't let it use the Development Fund as that kind of an agency.

I would invite him at this stage, at this moment, to tell me whether he would or would not accept this concept because I'd like further to understand his philosophy, and as I say, I would welcome him to interrupt me, although of course he needn't do so, and if he would interrupt me either at this time or at another time, I really would like to know because one of the problems I have had is understanding philosophies generally that come from the side of the House opposite to the one I happen to be standing in, and I make it that way because I used to sit on that side and plead with the government of the day to give me some concept of its philosophy, be it economic, be it in the tax field, and I never did get one. We did get, and we still get interruptions from the Honourable Member for River Heights, and I often think that the interruptions are of greater benefit to him than are the speeches he makes because at least they are not recorded very often and therefore they're not embarrassing to him. -- (Interjection) -- Pardon?

MR. J. DOUGLAS WATT (Arthur): What is the philosophy of that side of the House?

MR. CHERNIACK: The what?

MR. WATT: Philosophy.

MR. CHERNIACK: Oh - well, I will go on. I hope to deal to some extent with that. I am disappointed that the Honourable Member for Sturgeon Creek did not take up my offer that he interrupt me to tell me what his reaction would be to the suggestion that government should use the Development Fund as an agency for industrial or economic development such as it wanted, but if he doesn't care . . .

MR. F. JOHNSTON: Well, Mr. Speaker, he said he invited me to do it any time. I was waiting till he was finished. Mr. Speaker, I believe the Development Fund has been used for that very purpose up to now. When I say that I don't want the government to get into business, I don't want the government, like the Honourable Member for Elmwood and I mentioned that yesterday, buying in and being a part owner of business.

MR. CHERNIACK: Thank you. Well then, Mr. Speaker, I now have some understanding of what the Honourable Member for Sturgeon Creek has in mind and the Honourable Member for River Heights would help me considerably if he would do what he usually does and stand up and walk out of the room so I could continue. But I don't invite him to. I like to see him there and I like to see his smiling countenance listening to what we have to say.

Well then, let me tell the Honourable Member for Sturgeon Creek, who I saw was getting some counsel from other members near him and I presume on the question of what I thought was his philosophy . . .

MR. F. JOHNSTON: Mr. Speaker, on a point of order. My statements are my own. There was no counselling on that particular . . .

MR. SPEAKER: . . . the Honourable Member has a point of order.

MR. F. JOHNSTON: Well, of privilege.

MR. CHERNIACK: Well, I welcome that because now I can tell the honourable member that as far as I know he is wrong and he can't blame anybody for misinformation because his statement is his own, but I am not aware of any occasion on which Part II of the Act has been used by previous governments. And the Honourable Member for River Heights who is again

(MR. CHERNIACK cont'd) making his contribution sitting on his dignity, is now . . .

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Speaker, on a point of order. The honourable member did not say under Part II. The Honourable Minister of Finance is putting words in his mouth. He did not say that.

MR. CHERNIACK: No, but I said it. I said it, Mr. Speaker, because I read from Part II, because I read from Part II and possibly the Honourable Member for River Heights, who was once the Minister responsible for the administration of the Development Fund, isn't familiar with Part II.

MR. F. JOHNSTON: . . . give the honourable member another answer? Part II of the Act does say that if the government deems it necessary where there's a point of last resource - I believe I'm not going word for word - that it can use it. And to answer another couple of questions about the Hydro and things of that nature, what about roads and everything else? Now, Mr. Speaker, I'm not here to argue about Manitoba Hydro when it was started up or the Telephone System because when it was started up there was no other way. There wasn't enough people in this province; there wasn't enough money in this province for anybody to holler across the road let alone use the telephone so the government had to do it.

MR. CHERNIACK: Okay. That's fine. Let me tell the Honourable Member for Sturgeon Creek that neither he nor I were around alive at the time when the Manitoba Telephone System was created to take over an existing privately owned private enterprise telephone system. And that's how it came into creation; not because there weren't people. But there was a business operating in Manitoba providing telephone systems and those were taken over by the government of the Province of Manitoba. I believe it was a Conservative Government -- (Interjection) -- No, the Telephone System I believe was a Conservative Government in its day and it was much more progressive I would suggest than the Honourable Member for Sturgeon Creek. And the Manitoba Hydro came into being at a time when there was a Manitoba Power Commission in existence being operated by the Province of Manitoba, at a time when City Hydro was being operated as it is today by the City of Winnipeg, and at a time when the Winnipeg Electric Company was willing to sell out and that's when Manitoba Hydro was created. And that was done, I believe, by a Liberal Government which was much more progressive than apparently the Honourable Member for Sturgeon Creek is prepared to be now.

MR. F. JOHNSTON: He keeps asking me questions. I assure you that I am quite aware that this happened, but I think the companies that were involved would have gone broke. If any company is going to go broke and you're going to keep people in business go ahead -- (Interjection) -- but let me finish. The Bell telephone took over all the companies in Ontario because they were going broke.

MR. CHERNIACK: I now deny the honourable member the right to use my time to make his further speech.

MR. F. JOHNSTON: He invited me to, Mr. Speaker.

MR. CHERNIACK: Well, the invitation wasn't for ever you know. Well, Mr. Speaker, let me come back to point out the Winnipeg Electric Company never was broke if that's what is suggested, but I was trying to tell the Honourable Member for Sturgeon Creek and also for River Heights that I was paraphrasing Section 42 which appears under Part II. And now I will read Section 42 so I will not paraphrase: "The Lieutenant-Governor-in-Council may authorize the Fund to act as agent for the government in respect of projects or matters undertaken or carried out pursuant to an Order-in-Council for the advancement of the industrial or economical development of the province." And I suggest to the Honourable Member from Sturgeon Creek that had he been in this House and had he believed in the philosophy which I think he espoused today, he would have voted against this section. The Honourable Member from Lakeside is nodding his head. I don't know if he agrees with me that the Honourable Member from Sturgeon Creek would have voted against this or whether the Honourable Member from Lakeside would have voted against it -- (Interjection) -- but I am not inviting either of them to rise.

MR. ENNS: I'm just agreeing with your logic. Obviously he would have voted against it.

MR. CHERNIACK: All right, then I now have the formal acknowledgement by the Member for Lakeside that the Honourable Member for Sturgeon Creek would have voted against an amendment brought in by the Conservative Government which was brought in in 1966 by the government led by the former Premier, Duff Roblin, and was probably introduced -- (Interjection) -- I can no longer hear the honourable member because one shouldn't be able to hear those people who talk from their seats.

(MR. CHERNIACK cont'd)

Now, I want to read Section 41 of the Act, and I don't know whether the Honourable Member for Sturgeon Creek would have voted for that either, but I'll read it to him so that he will be aware of it now. Well, I see the Honourable Member from River Heights is listening so he too should know what is in the Act. -- (Interjection) -- If the Honourable Member from River Heights feels that three times is too much then I wish he would re-read and re-hear all the speeches he has made in the last week or ten days on the same subject ad nauseam.

Section 41 - "Where in exceptional cases" - exceptional cases - I want the Honourable Member from Sturgeon Creek to note that because he was right in speaking about that reference. Section 41 - "Where in exceptional cases the Fund concludes that it is feasible to develop an industrial enterprise that is urgently required for the economic development of Manitoba or any region thereof and that private industry is not ready to proceed with the development of such industrial enterprise, the Fund shall, pursuant to the direction as given from time to time by the Lieutenant-Governor-in-Council, do all things necessary to establish and carry on or to promote the establishment or carrying on of any such industrial enterprise." How does the Honourable Member from Sturgeon Creek like that one? Would he have supported that one?

Well, Mr. Speaker, he says under exceptional circumstances, and here we are told, and have been told for the last number of years and certainly the last number of days, that we had forests in Northern Manitoba that were rotting away, producing no benefit for Manitoba, and that the former government had feasibility studies made and then started to shop around for private enterprise to enter into that field. And we have been told, and not once but a number of times, and although it still staggers me, the statement has been made that 100 firms were approached. Now if I heard wrongly then I wish I would be corrected because I feel sure I have heard it on that side -- (Interjection) -- Is the Honourable Leader of the Liberal Party suggesting that I made up the figures?

MR. G. JOHNSTON: No, I am saying that that statement will be repeated on television tonight at 7 o'clock by one of the members of the Conservative Party.

MR. CHERNIACK: I appreciate the information because I wasn't aware of what was going to happen later on in my lifetime, but since he knows - and I know he participated in discussion - a hundred firms were approached and really it staggers the imagination of where they would have found a hundred firms that would have been capable of operating something of this magnitude, but yet apparently they must have done so. Is that true?

MR. G. JOHNSTON: Your imagination staggers pretty easily, Saul.

MR. CHERNIACK: Yes, I imagine it does when I hear statements that come from the Conservative side of the House. But after approaching a hundred firms, either the 100th or the 101st apparently was the private enterprise, private industry which was prepared to come in and develop the Northern Manitoba industrial complex at The Pas. By that time I should think that this government was running around - I mean the former government - with its tongue hanging out just looking for some sort of solace for all the developmental research that had been made, and by that time must have been ready to give almost everything in order to get somebody to please undertake it.

And do you know, Mr. Speaker, they did exactly that. And do you know, Mr. Speaker, that apparently none of all these wise persons who participated in that running around to a hundred firms read what they had the authority to do, and indeed they didn't have to have that authority, they could have passed the authority. They could have well, on the basis of the feasibility studies which were so satisfying to them, gone ahead and done it. And what did they do? They started dickering and bargaining and they reached the stage that has been fully revealed of financing the entire construction of the plant that is now being in process up there.

MR. BUD SHERMAN (Fort Garry): Lending the money.

MR. CHERNIACK: Lending the money.

MR. SHERMAN: Yes, lending the money. Stop referring to it as a give-away.

MR. CHERNIACK: Lending the money by putting up 100 percent of the dollars for the security which was built out of the monies of the people. You talk about foreign capital coming into Canada or into Manitoba to develop the areas of Manitoba. What foreign capital is brought in on this deal? Foreigners, yes, but the capital was Manitoba capital, and whether it was loaned or whether it would have been used for an investment, it was still the same number of dollars that are building the same number of complex buildings and structures in the north. So if you call it a loan . . .

MR. F. JOHNSTON: Would the honourable member permit a question?

MR. CHERNIACK: Yes.

MR. F. JOHNSTON: Would the honourable member - I won't use agree because he won't - would the honourable member not think that if government, government instead of private enterprise had been building that with the knowledge they have and the markets that will be involved, if government had done it it would cost probably \$150 million.

MR. CHERNIACK: Based on the experience I now have with that government that preceded us, I would agree that that government probably would have spent one and a half times what it needed to spend. Not that I want to suggest that the previous government was not a government that could administer operations such as was in the realm of its understanding, but because that government had the philosophy, if indeed you could call it a philosophy, of the Honourable Member from Sturgeon Creek where it would not have believed in what it was doing and could not have handled it properly, and I believe that this government does believe that what it should be doing is working for the benefit of the people by using the people's money, when it has to use the people's money, so that the people will be the ones who will receive the dividends that come and accrue from the development. And the Honourable Member from Ste. Rose said that when he spoke on the emergency debate that he raised some short time ago. He said, "If that is Socialism, I'm a Socialist." Or something like that. What he made me realize is that you don't have to be a member only of the New Democratic Party to see the sense of using your own dollars for your own benefit than using your dollars for somebody else's benefit.

MR. PAULLEY: You're spoiling his chances for the Senate.

MR. CHERNIACK: I wouldn't want to do a thing to disturb anybody's chances for the Senate and I will certainly not do any more about that.

MR. GILDAS MOLGAT(Ste. Rose): Still trying to get rid of me. I can hear.

MR. CHERNIACK: Mr. Speaker, I do feel that the points that we made as long as four years ago when this deal with Monoca was first broached here, without knowing anything about any loan, without knowing the first thing about the kinds of monies that would be advanced by this province, and indeed if I recall my predecessor in this office when he spoke, the indication I had is that they had means whereby they could raise the capital that they needed - and he was right, because they did and they got it from that government - but even without knowing that we suggested that the input by the province, by its commitments that I have enumerated at length previously, was such that justified the province to proceed, having the feasibility studies before it, having all the expertise, and all it had to do was to get the people to do it. But the government of that day decided not to do it, and at this stage I want to repeat what I've said before and what the First Minister has said and what the Honourable Member for Sturgeon Creek has said, we hope that development will proceed and will be successful. We pray so because if it isn't, Mr. Speaker, there will be a very serious result. So we hope that the feasibility studies were correct; we hope that the development will proceed as expected; we hope even that it will reach the stage where the people of Manitoba will get some benefit.

But the Honourable Member for Sturgeon Creek even expressed some dissatisfaction with the fact that this government believes in studies, in investigations, that this government doesn't believe anybody he said, and apparently he wants this government to believe the preceding government, a government which had the nerve, I believe, to listen to debate that was going on about this whole development of Churchill Forest Industries and never revealed to the people or to the legislators the kind of commitments that were made in connection with that throughout all that debate. -- (Interjection) -- So the question is, whom do we point at? Well, the Honourable Member from Sturgeon Creek pointed about high-level diversion studies and said, "They didn't believe them." Doesn't the Honourable Member for Sturgeon Creek know that the only studies that were developed, that were developed exhaustively, were the ones which that government had become committed to, and that is the high-level diversion at Southern Indian Lake. Doesn't the Honourable Member from Sturgeon Creek know that the studies that are being conducted now, and have been since this government came into force, are studies that were never studied to that extent by the previous government? Doesn't he know that all the other alternative diversions were not studied to the extent that they have been studied now? However, that is exactly what was done.

MR. F. JOHNSTON: Would the honourable member permit a question?

MR. CHERNIACK: Pardon?

MR. F. JOHNSTON: Would the honourable member permit a question?

MR. CHERNIACK: Yes.

MR. F. JOHNSTON: I will try to put this in an example form. If you are going out to buy a truck to carry three tons, after you have looked at two or three and you know one will do the job and you know the other won't do the job, you buy the one that you know will. You don't go and waste money on ones that don't do the job and that's exactly what the Hydro told you. Now, do you not agree that the feasibility or the people of Hydro knew which would do the job?

MR. CHERNIACK: Yes, the people of Hydro knew which would do the cheapest job in terms of the production of power, but if I went out to buy a truck and I found one that would drive down the road and do it well, that's fine, but if I knew that in doing so it was spewing enough pollution to kill off people on the sides of the road, I would stop and think about looking for another truck, and that's exactly what we're doing.

Mr. Speaker, the honourable member -- I seem to have said something that didn't go down well. I didn't quite expect this kind of reaction, but that's all right. I must tell the Honourable Member for Sturgeon Creek when he invited us to watch the faces of the other members of his caucus while he was talking I tried to see them but all I could see was the backs of their heads, because either they were so enthralled with what he was saying or they were more embarrassed by the fear of what we might see if we could see their faces while he was talking.

Mr. Speaker, the honourable member kept saying he is going back to what we are discussing, and I am only trying -- Does anybody else want to interrupt me? -- (Interjection) -- On your feet. As long as the honourable members are not prepared to rise to question, a point of order or to ask me a question which I would not reject, as long as they're prepared to mouth their thoughts and yell out loud sitting on their seats, then I will ignore what they are saying because I would like to bring this debate to some end, and I want, therefore to be able to come to some conclusion based only on matters raised by the Honourable Member from Sturgeon Creek who spoke about the most important people who have gone, and of course he spoke about the two civil servants that have recently announced that they are leaving government service. Of course from his standpoint the most important people that have gone are those who left on July 15th, but he wasn't aware of the fact that we were able to carry on pretty well in spite of that. -- (Interjection) -- The Honourable Member for Swan River says June 25th, but it happened to take until July 15th really for his people to get out of their seats and create space, so to me the important day was July 15th because that was the first day that we could start taking the reins of government. The important day for the Honourable Member from Swan River was June 25th, because that's the day when he was told by the people that he and others were rejected in government . . .

MR. JAMES H. BILTON (Swan River): I wasn't.

MR. CHERNIACK: . . . by the people. Now, Mr. Speaker, I believe that it would not be proper for me to discuss the merits, the relative merits of civil servants, especially those who have resigned from government. I accept all the statements that have been made about competence. I don't believe that any person cannot be replaced. I believe it is fair game to attack politicians and that's being done in this House all the time. I don't propose, unless provoked, to say anything about these two people who have given of their time and of their service in the time in which they served the province with sincerity and devotion and I don't propose to discuss it anymore unless provoked, as I say, and it will need quite a bit of provocation.

I did get some provocation from the Honourable Member for Sturgeon Creek when he started to talk about the digging of the trench when we raised income taxes. Now he is talking in history. Mr. Speaker, did he suggest, did I hear of him the suggestion that the people that are suffering as a result of the increase in income tax are the productive people of Manitoba? Did he say that, or did I hear him correctly? -- (Interjection) -- 96 percent, because, Mr. Speaker, the people who earn not \$11,000 but under \$10,450 were not subsidized but in fact their taxation was reduced; their Medicare premium was removed and their income tax was not raised to the extent that the reduction was carried out in the Medicare premium, and they are the productive people of Manitoba along with all the others. And I would not suggest for a moment that they are being subsidized. I don't think that word was ever used on this side of the House. They received their right which was to a healthy -- to improvement and maintenance of their health just as we've been doing for education for many years.

And certainly I want to tell the Honourable Member for Sturgeon Creek that I have heard complaints about income tax increases. I don't think I've heard any person, and I could be challenged on this, but I don't think I've had any person complain about the increase of his own

(MR. CHERNIACK cont'd) income tax. I have heard persons complain about the increase in income tax that somebody else received, because that person would leave. Now no one has said to me I'm leaving the province because you raised my income tax - what was it, a six percent increase of the tax itself? No person has said to me I'm going to leave this province because my tax has increased, the tax by six percent. But a number of people like the Member for Sturgeon Creek, like other members on that side of the House, said: People will run away from the Province of Manitoba; people will not come. People will come to the Province of Manitoba if it's a good place to live and I think it is. People will come to the Province of Manitoba if Winnipeg is the centre they have to live in rather than Toronto, if indeed they're thinking about their cost of living. And I have not heard complaints about personal income tax increase at all. I have heard complaints about corporate income tax, I have heard people in the corporate field who have said you're raising us to a level where we have to think about leaving. I believe some people have thought about leaving. I don't know of one case to this day at this moment where somebody has left this province because of corporate income tax increase.

MR. SHERMAN: You don't know or you don't believe.

MR. CHERNIACK: I said I don't know, but if you want to suggest somebody to me I'll let you know whether I believe it or not. Because there are people who make statements that I don't believe as well. But I don't know. That's what I said in case the honourable member didn't understand.

So it's really the Honourable Member for Sturgeon Creek who feels that -- now that's what interests me -- he said, "I'm not speaking really much about corporate income tax, it's the personal income tax that bothers me." And I want to assure him that that is not the kind of complaints that I have heard; I have heard complaints on corporate income tax. But regardless of what his opinion is, the fact is that we do say that the Manitoba Development Fund Act in its present form is much the Act, the type of Act that we had been promoting for years before it was passed, and when Part II was brought in by the Roblin Government, it was the former Member for Lakeside who called it a socialistic measure -- (Interjection) -- Oh I think the Member for Rhineland agreed with that statement. And it was indeed the former Leader of our Party who was able to stand and say that he was the one who proposed the introduction and the use of the principle behind Part II of the Act. But in spite of the fact it was brought in, to my knowledge it was not used. But I can say for the honourable members' benefit that this government is looking very carefully at that part because this government feels that the people of Manitoba should, through their government and through its agency the Development Fund, play an active role in the economic development and indeed intends to do so. And if the Honourable Member for Fort Garry or any of his cohorts think that by pronouncing the death of the MDF that indeed he had the power to kill it, he's absolutely wrong. The Fund is and will be used as a medium for economic development.

MR. SHERMAN: We just wish we had the power to resurrect it, that's all.

MR. CHERNIACK: Yes, the Fund is alive and well, thank you, Honourable Member from Fort Garry. The fund has a board which is anxious to work . . .

MR. SHERMAN: That remains to be seen.

MR. CHERNIACK: . . . and to proceed. Well I am not sure at this moment whether the Honourable Member for Fort Garry is well or not. I hope he's well but we will see in time, as time goes on, whether he improves in his health or in his spirit or in any other capacity that he has or deteriorates. That remains to be seen. But as of today the Manitoba Development Fund is alive and well. Thank you.

MR. SHERMAN: We've seen resurrections before. We've seen resurrections before. Let's hope there's another one.

MR. CHERNIACK: Mr. Speaker, I've never been one to become involved in discussions of a religious nature and I would rather plan, plan for the growth and development of the Manitoba Development Fund than to rely on some other body, corporeal or otherwise, to look after it.

I want to say just one other thing, Mr. Speaker, coming back to Churchill Forest Industries and the entire complex. In spite of the accusations by members - the Member for Fort Garry, the Member for Sturgeon Creek and others - we did not bring out initially in this session the question of CFI. It was brought in by the Member for Ste. Rose as an emergency measure and it was debated and we have not held back any more than we felt that we were bound to hold back by the terms of the Act and by the contractual obligations. Now as the

(MR. CHERNIACK cont'd) matters have developed we have still been able to give the information, and a considerable amount of information, as it became available to us, and I hope that as we continue to govern we will be able to say that we are not concealing from the people of Manitoba and indeed from this Legislature actions and decisions that we make, matters that we know are deeply involved in the future of Manitoba's growth.

MR. ENNS: Would the Minister permit a question, Mr. Speaker?

MR. CHERNIACK: Certainly.

MR. ENNS: Mr. Speaker, during the course of his speech he referred to specific studies being undertaken with respect to the Hydro developments. Could he indicate what specific multi-resource studies are currently under way in the South Indian Lake area?

MR. CHERNIACK: Mr. Speaker, I am really not one of those who is closest to the studies that are taking place, but the honourable member no doubt spent all of last night reading volumes 2 and 3 of the Crippen Report and had earlier opportunity to read the -- (Interjection) -- Oh, he must know what the Crippen Report is all about.

MR. ENNS: Mr. Speaker, perhaps for the Minister's clarification, I listened with interest to his very logical explanation about the reason for the different studies now being undertaken by this government with respect to the alternatives, and of course I agree with him to some extent that those in-depth studies weren't taken. Therefore, it seems to me logical also to ask the question that if in effect we did not have enough information in some of the other areas such as the multi-resources around South Indian Lake, and that was one of the reasons why your position was taken by that party, I now ask what specific current multi-resource studies are being undertaken with respect to the South Indian Lake area, and hopefully of course, as consistent with your policy, that that report would be tabled.

MR. CHERNIACK: Well, Mr. Speaker, I wanted to continue by telling the Honourable Member for Lakeside who was once the Minister deeply involved in this whole problem, that the control of Lake Winnipeg was certainly considered one of the alternatives, and indeed not alternative but eventually necessary parts of the whole development of Hydro power, and if he didn't know it I'd be amazed because I know that that was part of the plan of the entire development. But aside from that, I'm sure that he knows that Hydro engaged a firm to carry on further studies of the alternative availability. He's not aware of that? Well then one of the members . . .

MR. ENNS: Mr. Speaker, the Minister is not referring to the same question. I am asking the question about the multi-resource, additional multi-resource studies at South Indian Lake, not on Lake Winnipeg or anywhere else.

MR. CHERNIACK: Now you're just limiting me to the one specific, and I did introduce my reply by saying that I'm not one of those who has been closely involved. Nevertheless, I know that Underwood-McLellan in their studies have become involved to some - I don't know to what extent, but to some extent in that study and that in addition there is a committee that is studying that and on which there will be further reports. But I am not aware of the reports and therefore I can't speak about that particular aspect. I'm sorry I can't tell the Honourable Member for Lakeside because he well knows that if I could I would.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, would the Minister permit a further question?

MR. CHERNIACK: Yes.

MR. SHERMAN: The Minister in the course of his remarks said that he had no knowledge or no information of any corporation, any corporate entity that had left this province for the stated reason that it found the increase in corporate income taxes in the past fiscal year, taxation year, unacceptable. I ask him then will he tell this Chamber what reasons were given to him for the departure of the Head Office of the A & W restaurant system?

MR. CHERNIACK: Mr. Speaker, in the first place I did not say that I was not aware of any corporation that left Manitoba for the stated reason. There have been many corporations that have given reasons that I don't accept so I did not use the words "for the stated reason." The reasons that I have received - it was not given to me by A & W but indeed -- well I know it's not a good idea to quote civil servants so let me say this. The reasons that I have been given for the move of A & W is that the principal shareholder lives in Vancouver and wanted to keep his fingers on the operation. That's the reason that was given to me, and that he was doing that in order to consolidate the control of whatever he owns and whatever is his enterprise close to his own place of residence. That's the reason I have been given. What the true reason

(MR. CHERNIACK cont'd) is I don't know, but I have never heard from A & W Drive-Ins at all, much less with a stated reason that it was the corporate income tax that drove them away.

MR. SHERMAN: Well you haven't been listening then.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, as a member of the Committee on Economic Development I wish to make my remarks at this time and I would like to say if there were one issue towards which the greatest government trust should be directed at the present time, it should be economic development in this province. I think our entire society revolves around commercial industrial activity because jobs arrest brain drain, immigration which brings in new skills, and this is what we need in this province at the present time.

Mr. Speaker, I wish not to deal with the Chairman of the MDF as has been debated in the last couple of days nor the CFI, the Churchill Forest Industries. I wish to direct my remarks directly to the Committee on Economic Development and the committee's report. Mr. Speaker, the committee met on February 23rd, 1970, at 10:00 a. m. and I think it was late in meeting that morning. We adjourned at 12:45 and our second meeting I think consisted of something no more than about 15 to 20 minutes. This is a department that I think that we should be directing most of our energies and spending a great amount of time, and that's all that we've spent in this area, approximately two hours in the whole committee, while some of the other committees, the Municipal Affairs for instance had somewhere in the neighbourhood of 13 meetings; your Northern Task Force I'm told has met on at least 41 occasions. And I'm not saying that the northern problem is not important, I think it is very important and perhaps the committee was doing its work.

On the other hand, the Committee on Economic Development - and I may say at this time I will be one of those that will also say I feel that the report should not be accepted, not because it's something that the Minister has done or because the Chairman of the MDF has resigned, but because the Minister I think has not shown the initiative that I think that he should have in this department.

I'm sure, Mr. Speaker, that you will appreciate that industry often attracts many skilled people to this province. It gives them job opportunities and at the same time keeps the people in this province employed instead of them moving away. I think we need new sources of development in this province and I feel that the Minister of Industry and Commerce has taken his position quite lightly when the whole committee only spent so little time, two meetings, and one of those meetings was to prepare a report which probably had taken no more than 15 minutes.

Now I know it's no easy task to be the Minister of Industry and Commerce and to attract the industry. I remember the former Member for Lakeside had stated on previous occasions in this House when he said that it seems that every Minister when he gets into this position he's quite exuberant and enthusiastic about his job. The late Ron Turner was and he had trade commissions and conferences held in London and in New York and so on and worked extremely hard and the following Ministers did likewise, and I would like to at the same time say the former Minister, the Member for River Heights, if anything I at least can give him credit for the salesmanship that he tried to promote, but on the other hand I think we could question him as well. Was he that successful? Mr. Speaker, really I don't think we were that successful in this area, and I think it's the responsibility of all the members in this House to come up with a policy to see.

I think it would have been a good idea to meet with the former Board of the MDF to see what suggestions and new ideas they had to offer to the Committee and I think it would have been most worthwhile. And what I mean that the former Minister may have not been so successful, because during the estimates of the Minister of -- when the Labour Estimates were before the House we were told from 1960 to '69 that labour force in this province increased by 1,000 people. Mr. Speaker, this is much less than what Manitoba's Targets for Economic Development stated - much less - because what we were told in the report were anywhere from eight to ten thousand that we were required to increase our job opportunities and increase our labour force if we were going to keep up anywhere with the national level and keep up with the rest of the provinces. So just in this one area I see that we have not been keeping pace with the rest of Canada. On the other hand, I accept TED Report; I think it was a good report. I know the Minister, the House Leader said it was a socialist document . . .

MR. GREEN: No I didn't.

MR. PATRICK: . . . and the former government shouldn't accept it or shouldn't have been a party to it.

MR. GREEN: Mr. Speaker, on a point of privilege, I didn't say it was a socialist document. I said that there was a measure in it that was more . . .

MR. SPEAKER: I do not believe that the Honourable Minister has a point of privilege.

MR. GREEN: Okay.

MR. PATRICK: I stand to be corrected, Mr. Speaker, but I say if it was, so what? If it's good for Manitoba, let's accept it, and as far as I'm concerned I think the TED Report was a good report. The problem that we're confronted with at the present time, I think if the present government and the Minister does not agree with it he should say so; if he does, if it's out of date and if it isn't all that bad, I think it was up to him to issue a supplement and to give us some changes and see what areas we are not going to be able to keep up with and what areas should be changed. The Minister did not supply a supplement to this report which I think he could have, because I think the report was good. I think there was such things as targets to close gaps between Manitoba and Canada's more prosperous provinces up to 1980, about our population growth, if it's keeping up with the rest of the provinces; to close the gap in our wages and so on. I think it was a good report but I think that perhaps maybe it needed revising.

Now the report itself, Mr. Speaker, is dealing with only four items in here and I think it was at some great insistence and argument from the other members on this committee, not the government members, that we were able to get two more items on this Order Paper, and that was to deal with a provincial bank and one was the advisability about incentive programs in Manitoba not designated in the area incentive program of the federal department, and this was put in the report.

Mr. Speaker, I think there's many areas of this report could have been quoted such as transportation, because I feel that Manitoba at the present time suffers a traditional transportation disadvantage. Goods produced here can't compete in eastern markets because of the high cost of transporting these goods. We must be able to convince the Federal Government that regional disparity problem is linked to the lack of regional transport policy. I feel it is the government's responsibility to establish policies that overcome these disadvantages, and if we are to achieve our goals of relieving unemployment, raising standards of living, providing better education, medical care, I think our economy has to expand and this means sound and aggressive government action and policy, and at the present time, or to the present time we have no idea what the present policies are going to be.

On the other point, Mr. Speaker, I feel that the Manitoba Development Fund in the past was not as aggressive as it should have been to pursue and stimulate development in this province, and I'm referring more to small industries and smaller developments because on quite a few occasions - and I'm familiar with instances myself where people have come to see me and I think that these industries had an opportunity to be established in this province and operate were not able to get any financing and invariably had to establish in other provinces and I understand that one of them even moved across the line.

So I think at this time I will say to the members that I think the report should not be accepted or received at this time, not for the reasons that I mentioned of MDF or some other areas but because of the little time that the committee has spent - very little, two hours and some minutes - and I think that the Minister should have shown more initiative and enthusiasm than he has.

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

MR. GIRARD: Mr. Speaker, I'd like to move, seconded by the Member from Swan River, that the debate be adjourned.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point, it's been drawn to my attention that we have with us in the Speaker's Gallery the 66th "A" Brownie Pack from the constituencies of Elmwood and Kildonan under the direction of Mrs. Peter Potts. On behalf of the Members of the Legislative Assembly, we welcome you here this afternoon.

REPORTS BY STANDING COMMITTEES (Cont'd)

MR. SPEAKER: The proposed motion of the Honourable Member for St. Matthews. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I wonder if I can have this matter stand?

MR. SPEAKER: (Agreed). Notices of Motion.

INTRODUCTION OF BILLS

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN introduced Bill No. 27, An Act to amend The Mineral Exploration Assistance Act; and Bill No. 28, An Act to amend The Mining and Metallurgy Compensation Act.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. PETER BURTONIAK (Minister of Tourism & Recreation)(Dauphin), in the absence of the Minister of Municipal Affairs, introduced Bill No. 3, The Local Authorities Election Act.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON introduced Bill No. 33, An Act to amend An Act to incorporate the "Portage Industrial Exhibition Association."

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Official Opposition.

MR. WALTER WEIR (Leader of the Opposition)(Minnedosa): Mr. Speaker, I wonder if the First Minister could advise us this afternoon whether he knows yet if he'll be prepared to table the letter of resignation of Mr. Grose or do we have to put in an Order for Return or something?

MR. SCHREYER: Mr. Speaker, I indicated to the House that I would be prepared to table the letter, subject to confirmation that this is the usual practice. On reflection, I think that I should also consult the writer of the letter to determine whether this would meet with his wish or not. If it does, I would then be prepared to do so.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Agriculture and ask him whether he has any confirmation of the report that a substantial number of farmers and western agricultural people are preparing to appear on these Legislative grounds on the forthcoming weekend.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): I'm not sure that we have been made aware that they are going to appear on these grounds. I have been invited to participate at a meeting on Saturday at the Auditorium. That is the only knowledge that I have of the subject matter.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: I'd like to ask a question of the Minister of Agriculture. I wonder if the Minister could advise the House of approximately the proportion of wheat production in Manitoba that is sold to feed mills - approximately the proportion.

MR. USKIW: For what period of time, Mr. Speaker?

MR. GIRARD: For one year.

MR. USKIW: I don't have those figures with me. All I can say on that subject, Mr. Speaker, is that the province initiated a study last fall on the whole question of feed grain sales, off-Board sales, and there is a great deal of documentation in the report which was received from that group.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Honourable Minister of Government Services. I understand that the government by Order-in-Council has increased a number of fees. Can the Minister tell us or supply the House what fees have been increased?

MR. PAULLEY: They are all in Orders-of-Council, Mr. Speaker, which are available to my honourable friend, or the public, by going to the office of the Executive Council where he will receive the information - or any other member.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I directed a question to the Minister of Youth and Education the other day in respect to the summer job program at the University, and I believe the reply was that he wasn't familiar with it but he had had a letter that he had

(MR. CRAIK cont'd.) forwarded on. I want to direct a question to the First Minister, in light of an announcement he made at a press conference on the 6th of February indicating that the province was in fact going to be reinstating the program that was supported last year by the government and that added funds would be made available to the university for the 500 job program.

MR. SCHREYER: Was the question directed to me?

MR. CRAIK: Yes.

MR. SCHREYER: Well, I think that I should explain to the honourable member that I indicated that there would be a program of assistance for summer employment of students. I don't think that I specified the exact nature of the program except to say that there will be such a program and that the moneys available will be substantial; in fact they will be considerably greater than has been the case in the past.

MR. CRAIK: A subsequent question then. Can we take from this that it is not likely that the government is going to support the University program this year?

MR. SCHREYER: You can take it that there will be a program of assistance for employment of students during the summer season. Whether it is a particular kind of program identical in every respect to that which obtained last year or whether it is different is something that the Minister will be explaining in due course.

MR. CRAIK: A subsequent question, Mr. Speaker. Would someone then undertake to clarify this with the appropriate people at the University who have been basing their actions on the announcement made by the First Minister.

HON. SAUL A. MILLER (Minister of Youth and Education) (Seven Oaks): Mr. Speaker, if that question is asked of me, I question the statement that the University does not know what's going on. They are fully aware of the program so far as we are concerned. As far as their own program is concerned, whatever they are doing we don't know, but we are not a party to it.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question in the absence of the Honourable Minister of Finance will be addressed to the First Minister. The Federal Government, in introducing the White Paper on taxation indicated that it was estimated that the surplus that would be raised as a result of the new taxation would be approximately \$700 million. The Province of Ontario has disputed that and have said that they have run it through their computers and they mentioned a billion, 200 million and I think two billion by 1975. Has the province calculated or determined whether the representations by the Federal Government in terms of the surplus money to be raised as a result of the new tax program is correct, or have they determined, as Ontario, that there is a variation in what is being suggested?

MR. SCHREYER: Mr. Speaker, I wouldn't want the honourable member to take my answer as a definitive answer; the Minister of Finance can reply later. May I just say in the interim that I understand that on the basis of the calculations made by our own Department of Finance here in Manitoba that the figures that we have come up with are considerably closer to Ontario's than to the Federal Government's.

MR. SPIVAK: A supplementary question. Has this information been passed on to the Federal Government?

MR. SCHREYER: I believe that's a fact, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to direct a question to the Honourable the First Minister in the absence of the Finance Minister. In view of the matter that nothing is contained in the Throne Speech, does the present government have any program in the way of fighting or combating inflation in Manitoba if there is such a thing? Can we have a statement from the government, an official statement on this matter sometime during this session?

MR. SCHREYER: Well, Mr. Speaker, that question would be a suitable basis for discussion and debate at some later date during the session, during the Budget Speech in particular. May I just say for the meantime that I believe it was indicated in the Throne Speech that this government felt it necessary to observe certain restraints in programming and spending and the estimates of spending, we feel, does reflect that there has been some exercise of restraint practised.

MR. FROESE: Restraint caused by the fact that there is inflation or is it not more because of the lack of finances that we might have?

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well, Mr. Speaker, this is a supplementary question to the question which was directed to the First Minister in connection with the White Paper, his estimate. I wonder if he would be prepared to indicate to the House the amount the Province of Manitoba has estimated?

MR. SCHREYER: I believe, Mr. Speaker, that the best procedure would be to have this question taken as notice and the Honourable Minister can reply tomorrow.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): I would like to direct a question to the Honourable Minister of Youth and Education. I wonder if he would like to confirm a printed statement in the media lately that says the province is going to increase its \$25,000 grant to the University of Manitoba to help provide summer jobs at the University.

MR. MILLER: I never made that statement; I don't know where the member is quoting from.

MR. CHERNIACK: Would I be permitted to deal with a question that was asked by the Member - I assume from River Heights. As I understand it, the question was whether the projections of our department on the Benson White Paper were closer to that of Ontario's than that of the Federal Government. I might say that with the limited staff that we have - and I say this quite seriously - the comprehensive work that had to be done was really computer work to do. The staff did make a calculation which was out of line with the federal one and indeed - I'm trying to remember whether it was at a public or private part of the meeting of Ministers of Finance - it was however contained in a statement that I had made that our calculation was that the Benson White Paper forecast was underestimated rather substantially. The Ontario Government, which I'm told has a very very large tax research department, did a monumental job really in terms of time and volume of work on a computer and came up with a much higher figure which was less surprising to my department than was the figure of the Federal Government's projection. And I really don't feel that I can elaborate any more than that because ours was just more of a guesstimate than a real calculation.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, in regard to the last statement, I wonder if the government could provide us with the statement of the Honourable Minister of Finance that he made in Ottawa and also the projection that he just mentioned. I don't know when these reports will be published by the Federal Government, if they will be published, and there can be considerable delay if . . .

MR. CHERNIACK: Mr. Speaker, the projection, no. I won't submit the projection because it was one done roughly by the department and there are no figures that I could produce on that. The statement that was made is now in the tax structure report which is a public document. Now I will check to see if I have any copies of any other statements I may have made and I'd be glad to supply the honourable member with them.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well I appreciate the statement from the Minister of Finance and I recognize the problem involved. I understand from the First Minister that your position at least has been communicated to the Federal.

MR. SPEAKER: Has the honourable member a question?

MR. SPIVAK: Yes, I do, Mr. Speaker -- it's been communicated to the Federal Government. Was there any discussion between the Manitoba Government staff and the Ontario staff with respect to the figures that were arrived at? Was there any communication or discussion in connection with these figures?

MR. CHERNIACK: Mr. Speaker, the answer is "yes" but I don't feel that I can go much further because I know that there were confidential discussions, as often takes place between departments of various governments.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct a question to the Honourable the Minister of Transportation. I believe he indicated earlier that the road program schedule would be forthcoming at the time of his estimates. Is there any chance of having that program prior to his estimates so that we may in fact discuss his estimates more intelligently?

MR. BOROWSKI: Mr. Speaker, I'm surprised that a former Minister of the Crown would make such a ludicrous request. I don't believe it was ever the practice before; but I can tell him one way he can get the estimates very quickly. If they don't waste the time of day every

(MR. BOROWSKI cont'd.) day harping away on something that happened some time in the past we can get my estimates in here and I can give him the program.

While I'm on my feet, Mr. Speaker, I'd like to answer a question asked by the member for Emerson the other day having to do with a bridge on Highway 201. I'm sorry to report that due to problems at Hamilton the company can't get the two steel beams. The result is that there will be a month delay in completion of the bridge. A penalty clause has been invoked and the company is paying \$100.00 penalty clause as of the first of the month and should there be a breakup very rapidly I'm afraid that the residents of the area will have to go around about 10, 15 miles around this area until the bridge is completed.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I have no supplementary questions for the Minister of Transportation, but I have a question to the Minister of Agriculture. Is there any serious thought being given in the department for reimposing the tax on horned cattle?

MR. USKIW: I think that's subject matter we could discuss at some length during the estimates but I have no serious thought at the moment.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: I'd like to ask a question of the Minister of Transportation. Would he advise the House of the date therefore that the bridge reconstruction will be completed?

MR. BOROWSKI: Mr. Speaker, all I can say, I have been in contact with our crew out on the field and they have contacted the Hamilton company that's manufacturing the beams themselves. We weren't satisfied with the contractor's excuse or explanation and we have been in contact with the suppliers and they have stated quite clearly that it is their fault that they couldn't supply the beams and it'll be a minimum of one month delay.

MR. SPEAKER: Orders of the Day; Orders for Return.

MR. MOLGAT: Mr. Speaker, before the Orders of the Day I'd like to address a question to the Minister of Finance. Could he tell the House when we might expect the budget?

MR. CHERNIACK: Soon, Mr. Speaker. I have not yet made the decision as to when I will be ready.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: I'd like to ask another question of the Minister of Transportation. I wonder if he would undertake to advise the school division, the Boundary School Division, of the details that he has given us so that they can make appropriate plans and changes in the transportation system that they will in fact have to make?

MR. BOROWSKI: Mr. Speaker, I was assuming if the Member from Emerson is a good MLA he would inform them, but I can assure him that we will let the school division know because they will be affected by this.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: . . . question to the Minister of Education, Mr. Speaker. I understand by press announcement yesterday that the Manitoba Teachers' Society are going to request the government for legislation for the right to strike. Will the legislation be brought in this session?

MR. MILLER: Mr. Speaker, I am only aware of what I read in the press. I haven't been in touch with any of the teachers. I haven't heard from any of the teachers and so I can't pre-judge something that we may or may not do.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I address a question to the Honourable Minister of Agriculture. Can the Minister of Agriculture confirm a statement attributed to him in today's Winnipeg Free Press in which he is alleged to have stated that the subsidy offered by the Federal Government to the farmers to reduce wheat acreage is sufficient to cover costs and which in effect would put the farmers in a position to break even?

MR. USKIW: I think that the article is in error. I think if you read the two newspapers you'll find a difference of opinion. I spoke to both of them at the same time so that's an example of what may occur when you speak to the news media. I'm not overly critical of it. I think it's reasonable to expect -- it's reasonable to expect that people that are not knowledgeable in a certain subject matter may err. The comment was that it was very doubtful whether or not the \$6.00 was sufficient to cover costs and to allow for cost of living.

MR. WATT: Did I hear the Minister -- a supplementary question, Mr. Speaker. Did I hear the Minister say that there was some doubt in his mind as to whether \$6.00 an acre

(MR. WATT cont'd.) would be sufficient to cover the costs of operating a farm in the Province of Manitoba?

MR. USKIW: No I think I said it was very doubtful.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question, Mr. Speaker, to the Minister of Agriculture. Would he then also like to confirm or not a statement attributed to him recently in Beausejour that the \$6.00 payment in the wheat reduction program was a step in the right direction?

MR. USKIW: I didn't say that at all, Mr. Speaker. If my honourable friend wants a speech I'll give it to him all over again. I said that the idea of bringing in line production to marketing demand is a reasonable one and that whether or not the formula to achieve that end is -- that's a separate question, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I direct a question to the First Minister. In the light of the statements of the Minister of Agriculture since he came back from Ottawa I ask the First Minister now if he still takes the same position that he did some days ago in the House when he stated that in his opinion the Federal policy was a step in the right direction?

MR. SCHREYER: When who took that position, Mr. Speaker, may I ask?

MR. WATT: Mr. Speaker, I haven't got it on the top of my head, the exact date, but I think Hansard will reveal that the First Minister did say that he believed that the policy was a step in the right direction, a "small" step if I recall the exact term.

MR. SCHREYER: Mr. Speaker, in terms -- if the honourable member is asking whether I stand by that statement, if that's the question, then I reply -- but I want it understood in the proper context -- that in terms of it being a means of attempting to reconcile supply and demand that it was a small, tentative step in the right direction. As long as the honourable member doesn't distort the meaning of the word "small" then I don't think there should be any problem.

MR. WATT: On a point of privilege, Mr. Speaker. I was not attempting to distort the Minister's statements. I simply tried to draw to his attention the fact that he made the statement and I remember the term "small step".

MR. USKIW: Mr. Chairman, I wonder if I just may add for the benefit of my honourable friend, the reason for my trip to Ottawa the other day was to make the step a little larger.

MR. WATT: May I ask the Minister of Agriculture now did he present a brief to the Federal Government and exactly what reply did he get to that brief.

MR. USKIW: I think I made my statement abundantly clear yesterday, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Minister of Mines and Natural Resources. There was a news report some days ago about possible mercury pollution in the Red River coming from American plants. Has the Minister any further information to give us on the subject and has the Manitoba Government acted upon this?

MR. GREEN: Mr. Speaker, the pollution in that respect and in the other respects in Lake Winnipeg and in Lake Manitoba is being studied but I haven't anything further to report at this time.

MR. SCHREYER: Mr. Speaker, inasmuch as the question relates to pollution of an international stream and inasmuch as that would come at least in part under the jurisdiction of the House of Commons and the Senate, and inasmuch as my honourable friend from Ste. Rose may well be in the Senate before too long, would he undertake now to assure us that he will do his part when in the Senate to bring it to the attention of the Federal authorities.

MR. MOLGAT: Mr. Speaker, I want to thank the First Minister for the confidence that he obviously has in me and I wasn't aware that he was in charge of making the appointments to the Senate. I can assure him that I can't quite understand his apparent desire to get rid of me in this House. I rather enjoy it here and feel that I have a contribution to make.

Following on the question of pollution however, Mr. Speaker, what action has the Manitoba Government taken further to the pollution in Cedar Lake and the plants in Saskatchewan which were apparently responsible for this. Has the Manitoba Government proceeded with any action to recover costs and losses?

MR. GREEN: Mr. Speaker, the honourable member may know that all of the mercury contaminated fish that were caught in Cedar Lake were in fact purchased by the Freshwater Fish Marketing Board and then destroyed. The cost of purchasing them was paid by the

(MR. GREEN cont'd.) Federal Government and I expect that there may be something forthcoming as a result. However, there is going to be an earlier discontinuance of the purchase of fish than we originally anticipated, so that for the balance of 15 days from April 1st to April 15th the Freshwater Fish Marketing Board will cease to purchase the contaminated fish and there will be a loss resulting to Manitoba fishermen who ordinarily catch them. I am now considering just what the Provincial Government will do to try to recover the loss that will be sustained and by whom it will be sustained from the industrial firm that is believed to have caused the pollution.

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MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): My question is to the Minister of Mines and Resources and it's supplementary to the first question asked by the Member for Ste. Rose dealing with pollution along the Red River. If I understand the Member for Ste. Rose correctly, he asked specifically about mercury pollution, not the general type of pollution studies that have been carried on. I would like to ask the Minister now is there any evidence of mercury pollution along the Red River?

MR. GREEN: Mr. Speaker, the information that I have in this respect is that there is being studied pollution in the Red River, mercury pollution.

MR. SPEAKER: The Honourable Minister of Health and Social Services.

HON. RENE E. TOUPIN (Minister of Health and Social Services)(Springfield): Mr. Speaker, I do want to set the record straight, not to be able to get questions in the House; but I am the Minister responsible for pollution, anti-pollution in the province -- (Interjection) -- anti-pollution.

MR. MOLGAT: I think the Minister then should reprimand his colleague, the House Leader.

MR. TOUPIN: If another Minister gets knocked over the knuckles this definitely will have to be done, but I must say that the Honourable Minister of Mines and Natural Resources is the Minister responsible for the Fish Marketing Board and that so far as the pollution into the Red River this is being investigated by my quite capable officials in the Department of Health and the report should be submitted very shortly.

MR. GREEN: understand I was talking about the fish -- the fish. The fish are my department.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, then coming back to the Minister in charge of pollution. Has he been in touch with Ottawa since the report came out about potential or possible mercury pollution in the Red River?

MR. TOUPIN: Yes, we have, Mr. Speaker.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is to the Honourable Minister of Fish. I wonder if he is aware of the quantity of fish that's not contaminated but now held by the Freshwater Fish Marketing Board?

MR. GREEN: No, Mr. Speaker, I'm not aware.

MR. SPIVAK: Well I wonder then whether he would undertake to inform this House the quantity of fish now being held by the Freshwater Fish Marketing Board, in storage.

MR. GREEN: Mr. Speaker, it's really a federal agency. I don't mind trying to get the information but I don't want the member to think that that is something that I'm responsible for.

MR. SPIVAK: By way of a question and an offer I would suggest that when he does determine the quantity he should then discuss with the Minister of Consumer and Corporate Affairs why the price of fish is so high in Manitoba.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I wonder if I could have a supplementary question to the Minister of Mines and Natural Resources. Did I understand him correctly to say that the Freshwater Fish Marketing Board would cease purchasing the contaminated fish at an early date? When will that be?

MR. GREEN: An earlier date than was expected. It was as of April 1st is the information that I had on Friday. Since then I've been trying to get in touch with the Minister of Fisheries and have not been able to make direct contact with him. I believe he's on vacation.

MR. MOLGAT: Mr. Speaker, then could the fishermen at Cedar Lake have assurance that they will not lose by virtue of this fish not being purchased by the Marketing Board because the fishing season is continuing in that area. There is a summer season I believe as well in Cedar Lake and unless they have those assurances then the livelihood of these people is at stake.

MR. GREEN: Mr. Speaker, I can't give that kind of assurance.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, the Minister of Industry and Commerce -- oh he is here. He indicated yesterday I believe in the House that the date of appointments of the new members of the MDF Board was April 1st but the Order-in-Council indicates that their appointments take effect March 30th. Can he indicate which date is the correct date?

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): I believe, Mr. Speaker, I believe the Order-in-Council was dated March 30th but the effective date should read April 1st because the effective date of termination of the previous board, if I may use that expression, was March 31st.

MR. CRAIK: Would the Honourable Minister undertake to check it? I don't believe the Order-in-Council mentions the termination date. It does mention though March 30th as the beginning date of the new board.

MR. EVANS: I'll check.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I want to come back to the question of Cedar Lake and the fishermen there. If the Fish Marketing Board is not going to purchase the fish from the fishermen, what are they to do with it? Are they free to sell it on the open market even though it's contaminated?

MR. GREEN: No, Mr. Speaker, I don't believe they are. The fact is that if the Fish Marketing Board can't purchase the fish it's because there is a mercury content which is above a tolerant level and they will not be able to sell it on any market, and it will just be mercury contaminated fish that can't be purchased. I have indicated to my honourable friend that we are going to look into seeing what can be done by way of recovery; then he asks me can I give him an assurance that there would be no loss, and I say I can't give him that type of assurance. We are trying to look into the matter to see what we can do but I can't at this moment stand up and say that the fishermen will not lose money by virtue of the fact that the fish in the lakes were contaminated. It is only because the Freshwater Fish Marketing Board was prepared to purchase the fish and then destroy them, that they didn't lose up until now.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: A supplementary question on the same subject, Mr. Speaker. Is the government then making efforts to document with evidence where the mercury traces came from with a view to taking court action on behalf of the affected fishermen?

MR. GREEN: Well, Mr. Speaker, that I think was the first question that was put, I think, that's in the realm of two departments. I have indicated that we are trying to determine just what means we will have of recovering from the agent that is believed to have caused the pollution.

MR. SPEAKER: Has the honourable member a supplementary question?

MR. G. JOHNSTON: Yes, I direct the question then to the Minister of Health. Has he employed investigators to try and trace without any doubt so that evidence can be produced in case there has to be a court case?

MR. TOUPIN: Mr. Speaker, I thought I had answered that question a while ago. I said that my officials were investigating and that a report should be submitted very shortly.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: I think it's a supplementary question probably to what has already been discussed here. What area is the Federal Government's contribution of a million, three, toward the fresh water institute in Winnipeg going to? Is it in connection with the production of fish, or what is it?

MR. GREEN: I believe the honourable member is asking with regard to the Freshwater Fish Marketing Corporation building a fish processing plant. They are contemplating the building of a fish processing plant in Manitoba. That is all I can say at the present time.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, this is another question to the Honourable Minister of Mines and Natural Resources and it is along the lines of the Honourable Member for Ste. Rose. Contaminated fish could be sold by the fishermen not necessarily commercially to the

-- (Interjection) -- Yes, it's a question. Is it not a fact that it could be sold privately?

MR. GREEN: Mr. Speaker, I don't believe that there is a market, but I am not certain. My understanding is that they will not be able to sell the contaminated fish. I may be wrong.

ORDERS OF THE DAY - MOTIONS FOR PAPERS

MR. CRAIK: Mr. Speaker. I am just looking to see which one's first. Mr. Speaker, I would like to move, seconded by the Honourable Member for Arthur, that an Order of the House do issue for a Return showing the number of new businesses registered with the Companies and Business Names Registration Branch for each month during the years 1966, 1967, 1968, 1969 and 1970.

MR. SPEAKER presented the motion.

HON. AL MACKLING, Q.C. (Minister of Consumer and Corporate Affairs)(St. James): Mr. Speaker, subject to checking with my department we have no objection to agreeing with production of the information requested in the order, but I would like the matter to stand just to insure that there will be no difficulty in getting all the information required. I would like it to stand over. I can get the assurance from the department and then agree to it.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I would like to move, seconded by the Honourable Member for Lakeside that an Order of the House do issue for a Return showing the names, dates and amounts of approvals in principle and final approval of all new schools or additions in the fiscal year 1968/69 and 1969/70.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Youth and Education.

MR. MILLER: Mr. Speaker, I wasn't quite sure what information the member really wanted. I discussed this with him privately and I am prepared to accept the Order for Return with -- and he'll correct me if I'm wrong. My understanding of what he wants is really information as to the date of the acceptance of the letter of intent; and the second point, the date and the amount of the approval based on the architect's plan. If this is in order, I am prepared to accept the Return.

MR. CRAIK: That's the understanding, Mr. Speaker.

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Health and Social Services 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 Committee of Supply with the Honourable Member from Elmwood in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: We're dealing with the estimates of the Department of Health and Social Services. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Chairman, when I finished speaking yesterday afternoon I had brought to the attention of the Minister the unfair manner in which Winnipeg taxpayers are being used by this government. The Welfare caseload of the City is transferrable to the province under certain conditions at the end of a year's time, and out of 330 people who had been processed and could have transferred to the Provincial Social Allowance, only 110 have been accepted. There's a backlog in city welfare rolls of between seven and eight hundred people. The province, I realize, pays 80 percent of the cost of families even when they are on welfare, but, of course, the taxpayer of Winnipeg pays his fair share of that 80 percent. Then in addition the Winnipeg taxpayer is paying the other 20 percent on what is actually a provincial responsibility.

Now in trying to analyze the 32 percent rise in welfare costs in the City of Winnipeg without any apparent comparable rise in unemployment, we learn through asking the Honourable Minister of Labour that the unemployment figure which he uses is based on a spot check. Our Dominion Bureau of Statistics says that in Manitoba October 18th, there were 7,000 unemployed. On November 15th, a month later, there was 8,000 unemployed. The Unemployment Insurance Commission statistics show that unemployment on October 31st, was 8,946. A month later on November 28th it was 12,500, a rise of about two-thirds. Apparently our unemployment in the City of Winnipeg is more serious than we have been led to believe. The report that the Minister tabled in the House showed a drop in unemployment figures for the year ending October 31, 1969, to an average of 3 percent from the 3.4 percent recorded for the previous year. This is below the national average of 4.7 percent. On the morning of the 26th of March, the national average was still 4.7 percent, but the Manitoba figures had descended to 2.7 percent from the previous year's level of 3.5 percent. On the afternoon of the 26th, the Minister of Labour said that he believed that Manitoba's unemployment rate was 4.2 percent. I'm sorry he isn't here. Perhaps he would have told us whether again he was mistakenly alluding to last year's average, or whether he was referring to Manitoba's present unemployment level.

(MRS. TRUEMAN cont'd.)

The variety of conflicting statistics offered by the Minister would indicate one of two things. He is either not sufficiently concerned with the plight of the unemployed to even acquaint himself with the numbers, or, he's just exercising his lungs by talking numbers around at random. The pitfalls of relying on Dominion Bureau of Statistics unemployment figures are that this DBS unemployment rate is the result of a use of conventional statistical techniques. A monthly sample of 30,000 households is taken and calculations are made in an attempt to estimate the size of the employable population, that is the labour force and the number of unemployed. The ratio of the latter to the former is the national unemployment rate.

A similar statistical procedure is used to calculate Manitoba's unemployment rate. Now obviously the principal difference is that the sample of householders is smaller, being only a fraction of the national total of 30,000. Because of the use of a smaller sample and in the calculation of provincial unemployment rates, the possibility of inaccuracy is much greater than at the national level. Statistically speaking, the smaller the sample, the more questionable the result. But regardless of a sample size, DBS material has certain other drawbacks. One of these is the time lag between collection of data and publication. This lag is often substantial and makes DBS material a more historical than current interest. A final drawback of DBS employment and unemployment data is that they may not be the most accurate indicators of the human problems involved in unemployment. And I would suggest to the Minister that welfare data and the Unemployment Insurance Commission data may be more valuable in this respect.

And while I'm on the subject of statistics, I think I might say, too, that I feel quite unhappy when I hear the government relating the poverty level, 43 percent of people living with incomes under \$3,000.00. This figure doesn't take into account that many of those low incomes are a second income in a family. I think the bleakest picture is painted and it just gives our province a rather bleak view to the rest of the country.

Until we have the answers to all of the questions that I have posed, I feel unable to express complete confidence in the Minister's ability to handle the social and economic problems that fall within his area of responsibility. Now others may agree -- and this is a most challenging portfolio. I would suggest, Mr. Chairman, that the item of the Minister's salary be left in abeyance until all the estimates have been discussed and we are satisfied that the priorities that the Minister has expressed do indeed justify the building of what is a huge empire. There is precedent for holding the Minister's salary during the period of the discussion of his estimates and I do think this would be useful for us.

MR. CHAIRMAN: The Honourable Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Chairman, I would like to compliment the Minister on his hard working approach to his very large and difficult department. When I say difficult, I'm reminded of an earlier speaker this afternoon who noted that each Minister of Industry and Commerce that comes along determines through energy and hard work to bring industry into the province, but it has been found after looking back on the records of the various Ministers that this doesn't necessarily follow, so perhaps a word of warning to my friend that no matter how much industry and how much hard work and energy he devotes to his department, I think he shouldn't be disappointed if he finds out that he cannot move mountains in a relatively short time of the period of any government's tenure.

But I would like to say that I believe that the department in Manitoba here has been operating fairly effectively in the various fields that it is in, one that ranges all the way from Public Health and Mental Health to preventative services, to Northern Health Services, to Correctional Institutions, the environmental conditions of the Province. I really feel that it's too much of a load for any one Minister to carry. I think that there is no way a dedicated Minister can devote his attention to only the problems that I've mentioned and there are many other departments and problems associated with this department. So that when the Minister states that he intends to bring in new programs with emphasis on preventative measures, I tell him don't be disappointed because there's many the problems we have in this province that just can't be prevented in the fields of mental health, family breakdown; there's no way you can prevent these things from happening. So that while his views are laudable, I think that the hard practical solutions that have to be taken are based on the hardships and problems facing our people.

I'm only going to, Mr. Chairman, mention a few of the departments in this huge ministry. It can't conceivably be covered by one speaker in twenty or forty minutes, so I'm only going to mention a few of the problems as I see them.

(MR. G. JOHNSTON cont'd.)

I note that the estimates are up about 28 percent in this department and I know that it is difficult to allot the limited amount of monies to all the pressing needs and I will not be critical in that regard; but as a member of the Northern Task Force, we had it impressed upon us many, many times that the isolated communities of the north feel that they are not receiving their share of the social services that are being offered by this province. In other words, they're not being treated equally. And I'm inclined to believe them. Most of the complaints that we heard were valid and the proof was before us; we could see the way the people had to live with lack of medical, dental treatment; we could see the people living in - beautiful communities to look at as far as the appeal to the eye went - but it was a shock to find out that many of the people had their only source of water supply was the river or lake that was at the door and through the actions of hospitals and health stations and civil servant operations dumping raw sewage into these waters and waterways, the native people were forced to drink polluted water or they were forced to take precautionary measures over matters over which they had no control. So I would like to see more emphasis placed upon the people who work in the northern communities. I would like to see the Clean Environmental Commission, for example, go outside the main centres, go to the small communities and let them look at the pollution that is evident there; and the pollution, in my opinion, was brought by the white people coming into the communities. Whatever small amounts of pollution were there in the past, which may have been brought on by the native communities, were so infinitesimal that they didn't affect the environment in the way that the white people are affecting the environment in the north.

I'd like now to turn to Mental Health. In the report that was given to us a very few days ago I noticed 220 closely typed pages, so I doubt if any member has had a chance to peruse it very closely. But I note on Page 137 there's reference made to the Manitoba School for Retardates at Portage la Prairie. The report contains information that tells us that there are about 20 percent overcrowding. I think the figure of 230 beds out of 1,170 are more than the institution is meant to contain.

I notice, also, that a report is made about the home units that have been - the first one was begun in Portage by Dr. Lowther in conjunction with the Kinsmen Club of Portage la Prairie where the mildly retarded people in the institution were put into a home atmosphere and with some supervision by a staff member they were allowed to integrate into the community. I think that this is one of the largest steps forward ever taken in the field of mental health in North America. For many many years we have believed that people who clinically should be under care for mental retardation, it has been found by scientific work such as Dr. Gibson and Dr. Lowther have carried out, that a percentage of these people, in the right conditions, can be put back into their communities. I'm glad to note that there is an intention by your department to expand this work into other communities across the province and I think that is something that more could be done in, for two reasons: the humanitarian reason, where people can live their lives in dignity and comfort and in their own community; and also the financial aspect where it becomes less of a cost to the department.

I note again, Mr. Chairman, - refer back to the Clean Environment Commission - I note that the budget has only gone from a little over 20,000 to in the neighbourhood of 34,000. Well, for an important task that these people are called to perform, I don't quite see how they can travel, how they can employ expert staff or carry out investigations with that measly amount of money - that's what I'm inclined to term it. \$34,000 to look at all aspects of pollution in this province are just not enough. Now perhaps some of the work is being done by the Environmental Services, I don't know, but perhaps the Minister could explain that.

I note in his statement of philosophy and intention that he gave in the beginning, there's one item that he did not mention and I think it should be brought to his attention -- it may have been mentioned by the Member for Fort Rouge -- and that is the matter of day care centres in the urban areas of the province. I know he knows that his members of his party have long advocated this; members of the Liberal Party have long advocated, that this is an important measure that should be taken as soon as possible. Again it's for the two reasons: the humanitarian reasons but also the economic reasons, that working mothers should have a place where they can with confidence take their young children and also be able to have this service at a reasonable cost and also have the assurance that the service is licensed and a properly trained organization so that it is performing the function that it was meant to do. The people who are presently struggling along with the two day care centres in Winnipeg I know have approached the

(MR. G. JOHNSTON cont'd.)... government; they've approached all the caucuses and I'm sure everybody has said that this is an important measure and it should have a high priority. So I'm rather disappointed, Mr. Chairman, that even though my friends have only been in power eight months, that they haven't acted on this relatively simple measure. It's not that complicated; it's not that hard to put into practice. There is a foundation of something that has been going on for some years now and surely it would not take that much expertise or that much capital to expand. My friend says money, it costs money. I agree with him. I agree. But it is nearly self-supporting. It doesn't have to be a charitable proposition. I'm sure every working mother is prepared to contribute a percentage of her earnings for this service. But the service doesn't exist, or what little service does exist there are large waiting lists, large large waiting lists. So I hope that when the next session rolls around that the Minister will have acted on this.

I'd like now to turn to the matter of Elderly Person's Housing. I think the program has been progressing fairly well across the province, but I still find that many people don't know about how to start this service in their own community. One of the by-lines about two weeks ago was discussing this matter and it was surprising to find the number of people who called in didn't know how this program should be instituted or where the money came from, so I think that a little better selling job should be done in this regard. It should be pointed out to the people and the various organizations where the money comes from, what they are expected to contribute in their own community and how the program can be carried out.

In the Minister's opening remarks he stated that he had hoped to do something about preventing many of the problems in the public health, in welfare and what other programs he has to handle. I would like to draw his attention to a study that was carried out in Calgary of all the people receiving welfare or assistance of any kind, the fact that it was found they fell into four groups. I would just like to point out to him the results of that study and perhaps he could tell us if these figures are comparable for Manitoba and what emphasis he is placing on them.

It was found in Calgary that of all the people receiving assistance, the physically and mentally disturbed, ill and aged, accounted for 45.7 percent of people receiving welfare. The next category was mothers with dependent children; this accounted for 38.6 percent of the total budget. The next group consisted of people employed but whose earnings were inadequate to support large families or certain problems that they may have faced. That accounted for 10.3 percent of the people on welfare. And the last group - and my friend, I see he is in his seat, the Member for Pembina made very strong reference to this group and he spoke of the group which were unemployed and either didn't want to move to work or didn't want to look for work but anyways they were not working - that accounted for 5.4 percent. So that when we are talking about people who are forced to take public assistance whether they can help it or not, it was found in Calgary that there was 4.4 percent of the people could do something about it. They could move away to look for a job or they could take work in the locality. So I wonder if the Minister could tell us if he has any figures for Manitoba and if these figures are very close to what was found to be in Calgary.

Mr. Chairman, throughout the estimates I will be asking questions and comments but I know the Minister is anxious to reply. These two statements have been made so I think he should have a chance now.

MR. CHAIRMAN: Gentlemen, what is your wish, the Minister or the Member for Swan River?

MR. BILTON: I bow to the Minister.

MR. CHAIRMAN: The Minister of Health and Social Services.

MR. BILTON: As long as he is not closing the debate.

MR. TOUPIN: Mr. Chairman, I'd first like to make reference to the comments made by the Honourable Member for Fort Rouge. I notice she's not in her seat. She'll probably read it in Hansard. She mentioned here, why is the Department of Health and Social Services called the largest department. Well, I don't want to make an issue out of this. It only has the largest amount of employees, civil servants; there's a provision in the estimates for 4,066 employees; and it has the largest dollar increase in 1970-71. My colleague here says I shouldn't brag about this. I don't really want to brag about it, it's just that there's need and I think we'll be able to prove this as we go along.

The second comment was in reference to the former Minister. She mentioned Dr. Johnson. Well, I must emphasize that the former Minister was the Honourable Sidney Green, a quite capable Minister of Health and Social Services, and before the Honourable Sidney Green there

(MR. TOUPIN cont'd.) . . . was the Right Honourable Dr. Johnson. I'd like to congratulate and thank both of them for the good work they've done in the Department of Health and Social Services. If I'm having more or less of an easy job today, it's because of them.

MR. BILTON: Sid wasn't there long enough.

MR. TOUPIN: Her third comment was regarding the appointment of elected members on boards and agencies. Well, here I don't know - I'm not known to be a political man that much yet but I feel that why should we mention this here now when this was being done in the last administration? I'm ready to look at it but I mean we shouldn't only say that we should do it now. Why didn't we do it yesterday? Why didn't we do it nine months ago? But I am saying though that we will definitely look at all boards and agencies and see what representation is best for the people of Manitoba.

We mentioned here on number four our plans that we have for the the Health and Social Services Centre. Well, I made a statement a few days back to the Family Bureau and I pointed out what I had in mind so far as the Health and Social Services Centre. And I'll just read you this here if you don't mind: "I intend in the next 12 months to establish no less than two community Health and Social Services Centres. These Centres will be actually experimental projects operating on a neighbourhood basis. One especially intriguing model which we may employ for the centres is the Crown Corporation model. In such a case a centre would be able to exercise a great deal of autonomy. We would be able to reap two harvests, really. First we could centralize our administration. In addition to liberating staff for the permanence of the professional skills and duties, a centralized administration would serve to ensure uniform standards of assistance and services provided. This is one of the main reasons why we have been talking about making all welfare aid programs the responsibility of the province and relieving the municipality of that function." But I must emphasize so far as the Health and Social Services Centres are still in the planning stage and we will most definitely consult with the people concerned.

Her fifth point was, seemed to be some sort of a mixing between Health and Industry. Well, let's get the record straight. We sometimes try to relate the Department of Health and Social Services to the Social Services Audit. I have said quite publicly on many occasions that we endorse parts of the Social Services Audit; we're ready to go along the next 12 months and in four points. But that does not mean that we accept everything that was said in the Social Services Audit; no more than I think we can say that the Department of Industry and Commerce which is sometimes related to the TED Report, doesn't really mean that we accept everything in the TED Report. We accept maybe a few things. Let's not mix these departments together, please.

We talked equally about day care and foster day care services for working mothers. Well, I must emphasize here that this is a priority. The staff in the Department of Health and Social Services are working on plans regarding day care and foster care services and we should have comments on this very shortly. And regarding nursing homes, well there was a statement made a few days ago that were equally on nursing homes as they see it, about an additional 2,000 beds in the next two years, and here again so far as the location, still remains the policy of the government.

Now regarding drug abuse the Honourable Member for Fort Rouge mentioned that this government didn't seem to have anything too clear insofar as drug abuse was concerned. I would ask the Honourable Member for Fort Rouge and all the other members of this House, to please read the pamphlet that was tabled here the other evening. I'm quite proud of it. I'm not responsible for it but I'm quite proud of it. I think it's a very good pamphlet and it may even, apart from drugs, alcohol and so on, it may get a few of our honourable members to slow down on their smoking. My Deputy Minister is always after me to slow down and I'm trying to do so, but I'm just like the Honourable Minister of Health and Social Services in Ottawa, I . . .

A MEMBER: No will power.

MR. TOUPIN: Well I guess so. But I'd like to make an additional comment on this apart from the pamphlet that . . .

MR. JORGENSEN: . . . suspect that honourable members of the Chamber are indulging in drugs?

MR. TOUPIN: I beg your pardon?

MR. JORGENSEN: Does the Minister suspect that members of this Chamber are using drugs?

MR. TOUPIN: Well let that be struck off the record.

Regarding drugs, here is something that may be of interest to the honourable members of the House. This came from the Council of Women, a resolution in March, 1970 - to be exact on the 17th of March, 1970. -- (Interjection) -- No, the skirts weren't that short, Joe.

"(1) The Alcohol Education Service and the Alcoholism Foundation of Manitoba are presently including in their efforts education in this regard." I think it's a good thing to know that the Council of Women of our province are quite concerned with this problem.

"(2) Their programs are not that intensive as drug education is not a definite area of effort for them. Health and social service education has recently prepared a pamphlet" - and they mention the pamphlet that we tabled in the House here the other day.

"(3) There is some attempt being made to provide some education in this area. It is uncertain whether advertising aimed at repression of activity is a viable method." I think we should stop and study that for a few instances to see exactly if advertising is the solution. I think the solution is to give the best information to the persons who are qualified to educate the children or the young adults who are actually implicated with drugs or the abuse of drugs. "Some people feel that the fear is minimal but the advertising of the unknown is an enticement to try it." And we have some proof of this. "In the present controversial position of the law in this regard, emphasis on the legal consequences is probably unlikely to affect a great number of users; and (c) the groups dealing with alcohol and drugs will also be supporting an advertising campaign of a major size. The results of this action would be highly speculative." End of that quote.

We have here camping centres. The Honourable Member from Fort Rouge made reference to camping centres and asked us if we were involved. Well let's say that this is actually something that the Department of Youth and Education is quite involved in, and we are indirectly through the Society for Crippled Children, Retardates, through the budget -- actually the grants that we make to the different associations, and they make use of the camping centres.

There was reference here to the St. Amant Ward, the St. Vital Sanatorium, why is it not converted to a home for retardates. We say that it should be eligible but the Federal Government seems to be holding back on this, but I must emphasize that we are still in negotiation with the Federal Government to have this actually cost-sharing between the Federal Government and the Province of Manitoba.

There was a point here on how doctors of the Grace Hospital had volunteered to serve northern communities. Well I'm quite proud and happy to say here that this is so and I think it would be wise to recognize the work of these doctors who go up each month on rotation to places arranged by our Department and arranged by the Federal Department of Health and Social Services. We pay their expenses and arrange clinics in our areas and the Federal Government does the same in their areas. The Medical Insurance Corporation pays the doctors \$106.00 per day. The doctors say that they will not keep this money but will place it in a fund to send doctors to St. Lucia. I think they have to be complimented on this. I must mention here that this plan was actually conceived by our own Dr. Scatliffe.

The honourable member referred to the Grace Hospital, asking what we were doing insofar as the Grace Hospital is concerned. I must say here that myself and the commission are studying the proposals but there is nothing definite at the time being. It has been recommended that consideration be given to using the building for alternative care -- (Interjection) -- That's the old Grace Hospital, yes. I can't give a definite answer at this time but something should be coming forth very shortly.

There was a question regarding the Juvenile Reception Centre and I'd like to inform the honourable member that she was mentioning that the Juvenile Reception Centre was quite far away from the Court. Well the Family Court is currently housed in the Fort Osborne complex and will be within several hundred yards of this new Juvenile Reception Centre so I can't really see your problem there.

There was a question equally regarding the northern health services and the ambulance service that we were talking about. Well this government has given its blessing to a public ambulance service for the north. I'm not saying that the rest of Manitoba will not be considered, but let this be known that for the time being that this has been ratified and accepted, a public ambulance service for the north. More details will be supplied later; I wouldn't want to go through the whole document now. -- (Interjection) -- Just wait and we'll see. -- (Interjection) -- Yes, I know there's memos there but I didn't get to that yet.

(MR. TOUPIN cont'd.)

There was a question about a medical hot line, so far as having this feasible for the north. Well it is not feasible financially for the north to have these different X-rays read on T.V. and so on. This is only possible financially for the time being anyway in the same building, for instance one of the hospitals that we have in the city here on the Cancer Society, but it's not contemplated for the north now.

There was talk equally about recruitment of more doctors for our province. I'd only like to make a statement here that I'm fortunate enough to have an ad hoc committee set up of doctors that I can consult with at least once a month and I have given them this problem quite recently. They are looking into the problem and I hope that they will come back with some information that will be of interest not only to myself and to my department but equally to the honourable members of this House.

But what are we doing really so far as the recruitment of doctors. We are losing a lot of doctors in our province to other provinces and to the United States and so on. We had incentive grants which provided a bank loan of \$5,000 repaid by the province over three years if the doctor or dentist remained in rural Manitoba. I think the problem lies really in the rural parts of Manitoba. -- (Interjection) -- Well not only northern, there's rural parts equally who don't -- you wouldn't want to forget Springfield. Three doctors at Churchill, Rivers and Arborg, plus two dentists at Winnipegosis and Roblin were recruited under this plan. We haven't entered into an agreement with Ottawa in that Churchill will receive assistance regarding this plan. We have established, like I said a while ago, this ad hoc committee. There are representatives of MMA on this committee, the College of Physicians and Surgeons, the university, the Insurance Corporation, the department itself of Health and Social Services and the profession at large, to look at the supply of physicians, to actually identify the shortage that we have in Manitoba and make recommendations for measures to meet any shortage that we may have in the rural areas.

There was a question here regarding the policy for need of hospital beds and so on. There was a commission of enquiry as you so well know that was established in this regard. We do expect a report from them in the near future.

The honourable member equally made mention here of - I didn't get Hansard, I didn't check it out - she didn't seem to be in favour of the reduction of 88 percent in the Medicare premiums. Well before I go into this I'd just like to make this short statement regarding the program for the development of the hospital facilities and services since she is concerned with the hospital need in our province. The Manitoba Hospital Commission under the provision of its legislation is charged with the responsibility of developing throughout the province a balanced and integrated system of hospitals and related facilities, having in mind the needs of the residents of the province and such as can reasonably be provided by financial resources of this province. Let's keep this in mind.

The commission has a plan for the development of new hospital facilities and services and for the upgrading, modernizing and extension of existing facilities for rural Manitoba and for Metropolitan Winnipeg. The original plan prepared by the commission was based on the recommendations of the Manitoba Hospital Survey Board, sometimes called the Willard Report, which were made in 1961 and which examined in considerable detail the existing facilities throughout the province. In the course of its study the Hospital Survey Board visited each of Manitoba's hospitals and met with the hospital boards, chief executive officers of hospitals, and gathered statistics on hospitals' programs, patterns and so on.

Arising from this study a program for hospital development over a five-year program was recommended, and a part of the program recommended by the Hospital Survey Board has now been completed and is under way or in some cases in the equally planning stage. As I have said, the commission's capital program is based on the original program of the Survey Board. The commission's capital program is continually under review and is updated or revised as indicated by new or change in circumstances. The utilization of statistics pertaining to each hospital facility and each municipality, town and village served are reviewed at least once a year. Referral patterns for hospital care and the availability and type of medical services are under continuous study and review. The most up-to-date data on population trends and projections for the future is used. The population data prepared by the Local Government Boundaries Commission has been of considerable assistance in this regard. All of these factors are taken into account in the process of planning for hospital facilities.

(MR. TOUPIN cont'd.)

In rural Manitoba the plan stresses the upgrading and modernization of existing facilities and the provision of additional beds in areas where present and anticipated population growth is a significant factor. Notable in this connection is the Town of Thompson where the future need for hospital beds is under active review and will be substantially increased in the near future. This will probably please my honourable colleague, the Minister of Agriculture.

In Metropolitan Winnipeg the plan is designed to provide for population growth, especially in the suburbs, as for example the new Grace Hospital in St. James; the new Victoria General Hospital now under construction in Fort Garry; the new Concordia Hospital now in the planning stage and slated for East Kildonan; and the new community hospital and health facilities, Seven Oaks Hospital, to be constructed in Old Kildonan. Furthermore, in Metropolitan Winnipeg the plan of the commission is to improve and extend the facilities available for health education and research, and to assure an adequate supply of professional resources for the future needs of our hospitals and other community health facilities.

The Honourable Member from Fort Rouge mentioned, in respect of the 88 percent reduction in Medicare premiums, saying that if we had not reduced by 88 percent the Medicare premiums we could have maybe had heavier input elsewhere in the Department of Health and Social Services. Well, we are doing it as you see according to the estimates, Mr. Chairman, but I must emphasize that the reduction of 88 percent on the Medicare premiums was actually a reduction not only to Manitoba in general but it was about a reduction of \$15 million to the taxpayers in the Greater Winnipeg area. I'll have more comments on this later.

MRS. TRUEMAN: I wonder if I could ask the Minister a question. My suggestion was that, just as an example, instead of 88 percent suppose you'd reduced it by 85 percent, would this additional money have perhaps given you enough leeway to establish one Day Nursery more?

MR. TOUPIN: Well, you know I am not going to start arguing with the Honourable Member from Fort Rouge, but I will say though that by actually giving back or not charging the taxpayers of Manitoba this \$24 million, that maybe we may have less requirements for the types of needs that we had to supply before.

Now the 20th question here, or comment regarding family planning clinics and so on, well I must confess, Mr. Chairman, that this was actually an Order for Return and it will be coming forth very shortly. I would not want to make a statement now on this before I get all the information regarding the family planning clinics.

There was mention here about the province to replace federal funds to the City of Winnipeg regarding -- I seem to be mixed up in my papers. Here, I have them here. First of all, why do we not pay two-thirds of the city's health cost? Well, we operate suburban and rural health units staffed by civil servants and have given our priorities to serving new rural areas without pre-existing services. This was always the goal of the program. We charge municipalities one-third of the cost which is actually a little different from paying them two-thirds of their costs. If Winnipeg claims our two-thirds of their costs are \$360,000 then their per capita costs must be \$5.16 per capita. Our suburban units cost about \$1.76 per capita. Something is a way out of line in these figures, even taking into account the greater concentration of problems in the Greater Winnipeg area.

I'd like to point out some areas of assistance that the province makes to the City of Winnipeg. Direct assistance: Grants in lieu of province operating a Health Unit - for instance we have in the budget for 1970-71 - \$90,265.00. Provisions of national health grants from the Federal Government - \$44,800; and it was 66,750 in 1969-70. This makes a total of 135,065.00. A reduction, I agree a reduction because of the reduction of the federal portion. Indirect assistance: Support of Child Guidance Clinic, provincial civil servants - \$179,300; last year was \$144,100.00. Grants - \$203,300; last year it was \$185,000.00. The indirect assistance to the Child Guidance Clinics cannot be ignored as this is a benefit to the City of Winnipeg which rural areas do not actually enjoy, and too, the attached costs are relative to the other urban health units. Certain City of Winnipeg health costs have been borne by the province such as municipal aid programs, welfare, child dental treatment, and for 1969, 80 percent of \$200,000 has been paid, which is \$160,000.00. The per capita costs as between the City of Winnipeg and other municipalities cannot be made because the City of Winnipeg enjoys a relatively higher standard of service.

The honourable member just before made reference to unemployment and the figures that were actually supplied by the Minister of Labour and the figures supplied by my department.

(MR. TOUPIN cont'd.).... Well the only thing I can say is that whoever is tossing the different percentage will have to - if it is at random - will first have to check that these figures were taken at the same date and I for one will have to check this out.

I wish to thank the Honourable Member for Fort Rouge for, what seemed to be anyways, confidence in myself and I hope that I will not deceive you and not deceive the honourable members of this House and the people of Manitoba. Far from being what could be classified as a highly skilled person, a person insofar as medical needs are concerned, but I will do my best.

And then the Honourable Leader of the Liberal Party took the floor about a half an hour ago. I see that the honourable member is not in his seat. Some industry will cause less social assistance is mentioned here. Well, I must say that this is quite true. If we have a heavy input of industry in our province we may have less social recipients, but we may equally have more in some cases if we look at the records, and I think all we have to do is look at the past records to determine this.

I must congratulate not only the Honourable Leader of the Liberal Party for his contribution on the Northern Task Force but all the other members who have done a fine job on the Task Force. But I must say that we have to have more access to funds to be able to do a better job not only in the north but equally everywhere in the province, and this seems to be the problem that we have now. In a lot of cases we're paying to welfare cases when I feel it's too late. We should take them much sooner. I think that we should perhaps spend more money on low income families and not wait until they are completely down and sometimes with 25 or 30 thousand dollars owing to different financial institutions.

I must agree with the Honourable Leader of the Liberal Party when he mentions that the Home for Retardates at Portage is understaffed, overcrowded and so on. This is why we have actually, as I mentioned in my opening remarks, that we were going ahead with two additional camps at Portage. This seems to be the only amount that we can afford in 1970-71, although we have a lot of cases waiting and we would like to be able to solve the problems of these families today but we just can't seem to be able to do this. I'd have to ask my honourable colleague the Minister of Transportation to transfer a few millions dollars to my department, to cut down on some roads maybe and -- (Interjection) -- Well, that's something that was done by the previous administration; let's get that clear.

There was mention here about the Clean Environment Commission having a small budget. Well, I must agree that we have a very small budget in the Clean Environment Commission but we have very capable civil servants in that commission and I'm quite confident that we'll do a very good job. But we seem in a lot of cases, not only so far as the Clean Environment Commission is concerned, but when we talk about health regulations and so on we seem to get into some sort of a dilemma when we visit Thompson or The Pas and so on so far as the health regulations. I think we should speak to the Minister of -- the Honourable Howard Pawley, the Minister responsible for housing in a lot of cases and we may be able to do a better job, have more homes built in the Province of Manitoba. -- (Interjection) -- Mr. Chairman, I've been told it's 5:30. I'll carry on later.

MR. BILTON: Is it the Minister's intention to continue after 8:00 o'clock?

MR. CHAIRMAN: Is the Minister going to honour us with more comments? It is now 5:30. I am leaving the Chair to return again at 8:00 p. m. this evening.