



Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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5th Session, 26th Legislature



THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 p.m. Friday, March 23rd., 1962.

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

MR. R. G. SMELLIE (Birtle-Russel): Mr. Speaker, I beg to present the first report of the Standing Committee on Private Bills, Standing Orders, Printing and Library.

MR. CLERK: Your Standing Committee on Private Bills, Standing Orders, Printing and Library beg leave to present the following as their first report. Your Committee met for organization and appointed Mr. Smellie as Chairman. Your Committee recommends that, for the remainder of the Session, the Quorum of this Committee shall consist of Six members. Your Committee has considered Bills No. 8 an Act to amend an Act to incorporate Brandon Golf and Country Club; No. 9 an Act respecting Capital Funds (IAC) Limited; No. 10 an Act respecting Coronation Credit Corporation Limited; No. 11 an Act respecting Laurentide Financial Corporation Limited; No. 13 an Act to amend an Act to incorporate "Les Clercs Paroissiaux ou Catechistes de St. Viateur"; No. 15 an Act to incorporate Russell Golf and Country Club; No. 18 an Act to amend an Act to incorporate The Union of Manitoba Municipalities; No. 19 an Act to amend an Act respecting Insurance Institute of Winnipeg; No. 23 an Act to amend an Act to incorporate the Middlechurch Home of Winnipeg; No. 24 an Act to amend an Act respecting The Western Savings and Loan Association; No. 26 an Act to amend an Act to incorporate The Trafalgar Savings and Loan Association; No. 27 an Act to incorporate Assiniboine Golf Club; No. 31 an Act to incorporate St. Boniface Club; No. 36, an Act to incorporate St. Boniface College Scholarship Fund; No. 41 an Act to amend an Act to incorporate The Winnipeg Better Business Bureau; No. 42 an Act to incorporate The Missionary Oblate Fathers of Keewatin, and has agreed to report the same without amendment. Your Committee recommends that the fees paid in connection with the following bills be refunded less cost of printing: No. 13 an Act to amend an Act to incorporate "Les Clercs Paroissiaux ou Catechistes de St. Viateur"; No. 23 an Act to amend an Act to incorporate Middlechurch Home of Winnipeg; No. 36 an Act to incorporate St. Boniface College Scholarship Fund; No. 42 an Act to incorporate Missionary Oblate Fathers of Keewatin; all of which is respectfully submitted.

MR. SMELLIE: Mr. Speaker, I move, seconded by the Honourable Member for Hamiota that the report of the Committee be received.

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

MR. SMELLIE: Mr. Speaker, I move seconded by the Honourable Member for St. James that the fees paid in connection with the following bills be refunded less the cost of printing: No. 13 an Act to amend an Act to incorporate Les Clercs Paroissiaux ou Catechistes de St. Viateur; No. 23 an Act to amend an Act to incorporate the Middlechurch Home of Winnipeg; No. 36 an Act to incorporate the St. Boniface College Scholarship Fund; No. 42 an Act to incorporate the Missionary Oblate Fathers of Keewatin.

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

MR. SPEAKER: Introduction of Bills; Orders of the Day. Before I proceed with the Orders of the Day, we have three schools in the gallery of the House. The first school is a visiting school from Minnesota, Moorhead, Minnesota, a senior class of this school consisting of 60 pupils under the guidance of their teacher, Mr. Williamson and Mr. Sunde. I might say that it's always a pleasure to welcome schools from the neighbouring States so that they may see at firsthand the workings of Democracy under the British system of democracy. While the two systems are closely allied, they will notice that there is some difference, and it's largely a matter of custom and protocol; the two systems the American Democratic system and the British system of Democracy certainly seek to achieve the same ends such as peace and prosperity for all of the people in the world.

We have another school from Manitou, 50 pupils, Grade XI under the leadership of their teacher Leo McGinn. This school is situated in Pembina constituency and is ably represented by the fair member for that constituency, the Honourable Mrs. Morrison. We hope that their

(Mr. Speaker, cont'd.) . . . . stay with us this afternoon will be one of pleasure and they will take away good impressions of the Legislature of Manitoba.

We have another school, Rainy River High School, 30 pupils Grade IX and Grade XII under the guidance of their principal Mrs. W. Sealy. We're certainly happy to have this school with us too this afternoon, and we hope that they also take away good impressions of the workings of democracy in the Province of Manitoba.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, before the Orders of the Day, I'd like to address a question to the Minister of Agriculture. Has the responsibility for flood fighting in the Metro area been transferred to the Metropolitan Government of Greater Winnipeg?

HON. GEORGE HUTTON (Minister of Agriculture)(Rockwood-Iberville): At the present time the committee that is operating is made up of designated municipalities concerned with flooding. I believe that--I can't say this for sure--but I believe that Metro had a representative at the committee meeting that was held. I wouldn't want to say that for certain but it's my understanding.

MR. MOLGAT: Mr. Speaker, there was a headline in the paper this morning that the province and metro set steps to combat spring flooding. It seems to me that the Minister if he's going to do an effective job should know exactly who's in charge of what and should find out.

MR. E. R. SCHREYER (Brokenhead): Mr. Speaker, before the Orders of the Day I'd like to direct a question to the Minister of Education. I would like to know when he will introduce to this House his proposals regarding the Teacher Retirement Fund and Teacher Pensions?

HON. STEWART E. McLEAN (Minister of Education)(Dauphin): Mr. Speaker, I have no particular date that I can give the honourable member. I hope as soon as possible.

MR. JOHN P. TANCHAK (Emerson): Mr. Speaker, yesterday I asked a question of the Minister of Agriculture regarding flooding south of Ste. Agathe--what preparations are being made and what safeguards are being taken. I introduced the question asking him whether there would be any assistance for self help in the town of Emerson in the matter of raising the buildings above the flood level and the Minister said he'd take it as notice. I wonder if the Minister has an answer today.

MR. HUTTON: The help that is available was help that was given to other communities under similar circumstances and has been extended in the past--for instance, in 1960 when we had widespread flooding in Manitoba. We keep a stockpile of sandbags, pumping equipment and other flood fighting equipment which is made available to communities who are faced with the necessity for fighting a flood. The organization of their program is in their hands. We also in the Department of Agriculture extend assistance and help them in organizing where, for instance, livestock was threatened, or if there was a shortage of feed or something of this nature. This was done in the spring of 1960; it will be done in subsequent times. Now the reason for not organizing the communities on the Red in the same manner that they are organized on the Assiniboine is simply that the conditions that they face are quite different. As you know, when the Assiniboine is running full, the water level is many feet above the adjoining land and any break in the system of dykes would not only subject the municipality in which the break occurred to flooding, but would subject the municipalities downstream--that is to say, a break in Portage municipality would effect Cartier or St. Francois--and for this reason and because these dykes must be patrolled and because joint efforts are required, it is in the interests of the municipalities to co-operate to see that there's no weakness, or every weakness that they can find is provided for before a flood occurs. It is in the interest of these municipalities to combine their efforts in a flood fighting program, and that is why we have the Assiniboine Flood Fighting Committee established. And, of course, in the City of Winnipeg it is again through the combined efforts of the municipalities and metro that we make the best job of it. But where you have broadly separated communities or widely separated communities, circumstances vary. The emergence of flooding conditions is very much different from what it is on the Assiniboine, and in these cases the communities organize their flood fighting program and are able to call upon us for equipment--oh, barges, lights, sandbags, pumps of all kinds, and in supplying this flood fighting equipment we were able to give them substantial assistance.

MR. TANCHAK: I realize that the policy the way it stands is not much changed from 1950, but that's not what I was driving at. I wondered whether there would be any financial assistance

(Mr. Tanchak, cont'd.) . . . . as far as preventing the flooding of the buildings, and I mentioned yesterday that there's a group in the town that wishes to raise the buildings above the flood level and I wonder if the government would consider help financially, because these groups feel that on their own they would not be able to do it--they wonder if the government, plus the town, plus the individual--if the three parties get together wouldn't it be advisable to do that, rather than allowing the buildings to flood, to protect them in this manner. I realize that we cannot protect the towns by sandbagging and so on, but assistance is what I would like to know--whether the government is prepared to assist financially before the fact.

MR. HUTTON: Well, Mr. Speaker, I would say to the honourable member that I couldn't give an answer in this Legislative Chamber to a question of that kind. We have yet to be approached by the people responsible for any programs with the municipal authorities at Emerson, and when they have approached us on this and set out their program and what they want to do, and we have had the chance to assess the need for carrying out a program of this kind then we could arrive at a decision as to whether to go on with it or not. We can't underwrite all the flood fighting programs that any municipality cared to carry out if it was of no cost to them. If we're going to contribute it would have to be on the basis of an understanding with the municipality and knowing what they were doing, and we haven't--to my knowledge there's been no approach made to the department as yet.

MR. TANCHAK: No, I realize that there hasn't been an approach but they simply asked me to find out if it's advisable to approach. I shall convey your message. Thank you.

MR. SCHREYER: Mr. Speaker, before the Orders of the Day a supplementary question to the Minister of Education. He tells us that he cannot give us a specific date as to when the information, or the proposal will be laid before us, and I would like to ask him whether he can explain to us just what it is that's holding it up. If he can't tell us when it will be maybe he can tell us why it won't be immediately, if not sooner. . . . . the reason why it hasn't been brought forward up to now.

MR. McLEAN: Mr. Speaker, I think perhaps under the rules I am not required to--it wouldn't be proper for me to answer a question of that nature.

MR. S. PETERS (Elmwood): Mr. Speaker, before the Orders of the Day, I'd like to direct a question to the Minister of Health. In Wednesday's Tribune there's an article "Deformed Infants Feared" and it says that the manufacture of a sedative called Thalidomide has been recalled because they're having a reaction on pregnant women. I wonder if the Minister could tell us how a drug like this gets onto the market without too much research being done on it?

HON. GEORGE JOHNSON (Minister of Health)(Gimli): Mr. Speaker, with respect to the question, I would answer it in this way, that sporadically over the past drugs have been released for general distribution where later during clinical experience it has been found that they have deleterious effects, and in cases of this nature they are then withdrawn and further studies are made and they're not allowed on the market again until these clinical trials have been substantiated or not. This has been a matter of concern to us in the department to the point where we have felt for some time in this office that this is really a matter which is of federal jurisdiction. I would refer the honourable member to the Royal Commission Report where we felt that the efficacy of certain drugs should be cleared through a national drug board which we recommended being established.

MR. MORRIS A. GRAY (Inkster): Mr. Speaker, in the absence of the Provincial Treasurer, may I direct a question to the Leader of the House? We read in the press that the metro is issuing bonds for over \$5 million to borrow for certain improvements like sewage disposal and so on. Does this government have to authorize the loan; and the second question is: are they guaranteeing the loan?

HON. GURNEY EVANS (Provincial Secretary): Mr. Speaker, I'll take that as notice.

MR. DAVID ORLIKOW (St. John's): Before the Orders of the Day I'd like to direct a question to the Attorney-General. I'm sorry that I wasn't able to give him advance information on this and if he wants to take it as notice that will satisfy me. Is it true, Mr. Speaker, that the probation officers working for the department were asked to submit a brief to the Welfare Council Committee on Corrections--that they have a brief ready and that that brief has not been submitted because it is being checked for major revisions by senior officials of the department?

HON. STERLING R. LYON (Attorney-General)(Fort Garry): Mr. Speaker, the department

(Mr. Lyon, cont'd.) . . . . is making submissions, or will be making submissions to the Welfare Committee at their request. It is true that there are a number of groups within the department --a number of individuals who have submitted portions of this which are going to be consolidated into one brief which will subsequently be given to the Welfare Committee.

MR. ORLIKOW: Were the probation officers asked to submit a brief on probations per se?

MR. LYON: Not individually so far as I know, Mr. Speaker. I could check further, but not individually so far as I know.

MR. ORLIKOW: I'd appreciate if the Minister would look into it further.

MR. LYON: Before the Orders of the Day are proceeded with I should like to lay on the table of the House a return to an Order of the House No. 3 dated the 23rd of February, 1962, on the motion of the Honourable Member for Turtle Mountain; and a return to an Order of the House No. 5 dated February 23rd, 1962, on the motion of the Honourable Member for Emerson.

Mr. Speaker, also while I'm on my feet I wonder if I might call the attention of the House to today's issue of Votes and Proceedings, No. 26, in which Members of the House will find notice of a proposed resolution in my name dealing with the matter of the Constitutional Amendment Act. Honourable members may have noticed, Sir, that there is referred to in the body of this resolution Schedule "A" which incorporates the draft amending bill itself. The Clerk of the House has on his table at the present time for distribution 60 copies of that Schedule "A" with the resolution attached to it. I think honourable members will appreciate that if we had to carry that item--and when you see the bulk of it you will realize that it's some four or five tightly typed foolscap pages--if we had to carry that item each day in Votes and Proceedings it would be rather an onerous and, may I suggest, an expensive task for the Queen's Printer and for the printers. And so, Sir, at this time I would respectfully suggest to the members of the House that they afford the privilege of suspending the rules insofar as the printing from day to day of this item is concerned, either in Votes and Proceedings or subsequently in the Orders of the Day, remembering that they will have on their desks, which will be distributed to them right now, a copy of the resolution and of the schedule.

I think that if members of the House are agreeable to this suggestion, Mr. Speaker, it will be of considerable assistance to the Clerk, to his staff and to the Queen's Printer. I should also add that I think it would be advisable, in the interests of the record, to have this full resolution and schedule printed in one copy of the Votes and Proceedings, or one copy of Hansard --whatever the case may be--so that the record will be complete, but beyond that I do not believe we should ask for it to be printed each day in Orders of the Day.

MR. SPEAKER: Do the leaders of the House agree?

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Mr. Speaker, I'll agree with this. I haven't seen the schedule. I was going to ask before Orders of the Day for a copy of it in order that we might take a look at it. I would suggest to the Honourable Attorney-General, or to the Clerk of the House, as far as I'm concerned and this group, we would be agreeable to the suggestion of the Honourable the Attorney-General. I would suggest, however, that the matter be printed in Votes and Proceedings as against Hansard because Votes and Proceedings I think is considered actually an official document of this House whereas there may be a little question insofar as Hansard is concerned.

MR. MOIGAT: Mr. Speaker, so far as we're concerned, we certainly won't insist that this appear every day, but I do think it should appear the once, then it will show up in the Journals which we get at the end of the Session and which is the printed record that we go back to for any formal decision of the House.

MR. PAULLEY: A suggestion if I may, Mr. Speaker, that in the record, and for the purposes of the record, that it might be noted in the daily Votes and Proceedings that the schedule was printed on such and such a day so that in the future we could refer back to that particular day if we were looking for this schedule. It's just a suggestion to the Clerk and the Attorney-General.

MR. D. L. CAMPBELL (Lakeside): Mr. Speaker, before the Orders of the Day are proceeded with I would like to direct a question to the Honourable the Minister of Agriculture and Conservation.

MR. EVANS: Mr. Speaker, I wonder if the honourable member would permit, I think the Honourable Member for Rhineland has not been spoken for as far as unanimous consent is

(Mr. Evans, cont'd.) . . . . concerned. I'll be glad to have his views.

MR. J. M. FROESE (Rhineland): Mr. Speaker, I was on my feet but I didn't get a chance to speak. However, I wish to indicate that I'm quite in agreement with the request that is made.

MR. LYON: That being the case, Mr. Speaker, I take it then it will meet with the unanimous satisfaction of the House if the resolution and the schedule are printed in one edition of the Votes and Proceedings and thereafter in the Orders of the Day it will be sufficient if the resolution alone is printed with a notation to the effect that the schedule appears in Volume No. blank of Votes and Proceedings. That is the understanding. We will proceed in that way.

MR. JOHNSON (Gimli): I would like to table an Order for Return to an order of the House dated March 9th, '62, No. 17 on the motion of the Honourable Member for Gladstone.

MR. CAMPBELL: Mr. Speaker, my question follows along the same line as the one asked by my leader, but deals with a somewhat different subject; and that is: what public authority has the responsibility with regard to the protective dyking system in the metropolitan area--the responsibility for seeing that stockpiles of material are maintained and the dykes kept in good repair, etcetera?

MR. HUTTON: Mr. Speaker, there's a dyking commissioner, I believe, in the person of one of the engineers of the branch of Water Control and Conservation. The responsibility for taking action as a flood threat emerges falls under the Civil Defence, a program set up under civil defence in which the members of the Executive Council and various persons who have been named to these responsibilities will take action as certain predetermined conditions or circumstances arise. So it is that should the flood threat develop at a given stage--and if I had all these various steps before me here I could give them to you--at the various stages, provision is made to have the low places on the dyke--because the entire dyke is not held at 26-1/2 feet at all times. There are some sections that were not built up to that height, I expect to facilitate the day to day business of the community. They are not extensive and they will be filled in at such a time as the flood committee considers it to be advisable in the interests of the community. Now to give you all the different stages at which you trigger off certain works to be done, I couldn't do that just offhand. The Acting Leader of the House tells me that the Manitoba Flood Fighting Plan has been tabled and if members would consult with that the various stages at which measures are undertaken are set out in that.

MR. CAMPBELL: Mr. Speaker, a subsequent question. Does that plan mention the fact that stockpiles have been provided for building up those low sections of the dyke and for raising the existing dykes, if necessary.

MR. HUTTON: One of the first things that the Flood Fighting Committee does when it is called together and there is any indication that a flood might arise is to assess, is to examine the bull pits and the stockpiles and make sure that they're adequate to any need that may arise. I understand that this assessment is going on at the present time by the committee on a decision arising out of the meeting that they had yesterday.

MR. McLEAN: Mr. Speaker, before the Orders of the Day I should like to tender answers to certain questions that were asked by the Honourable Member for Brokenhead and agreed to on March the 20th.

MR. SPEAKER: Before we leave the Orders of the Day and by leave of the House I should like to introduce a group of children from Snowflake, Manitoba, seven pupils of Grade X with their teacher Mr. Crawford. The school is located in Pembina constituency and is ably represented by our fair member from Pembina. We are very happy to see them with us this afternoon and I hope that their visit will both be instructive and a pleasure to themselves.

Orders of the Day; Orders for Return. The Honourable Member for Brokenhead.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable Member for Elmwood that an Order of the House do issue for a return showing: 1. The present rate structure for telephone services in each member municipality in the metropolitan area. 2. The municipalities in the metropolitan area that have a two-party line service or single line service. 3. The municipalities in the metropolitan area that have multi-party line service.

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

MR. SPEAKER: The Honourable Member for Brokenhead.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable Member for Fisher that an Order of the House do issue for a return showing: the amount paid by Greater

(Mr. Schreyer, cont'd.) . . . . Winnipeg Gas Company for goods and services during 1960 and 1961 to each of the following: G. M. Gest Company; Gas Utility Construction; and Harris Construction.

MR. SPEAKER: Are you ready for the question?

MR. LYON: Mr. Speaker, . . . . reservation that this will be provided insofar as this information is a matter of public record.

MR. SPEAKER: Subject to the reservations of the Honourable the Attorney-General.

MR. PAULLEY: I wonder if the Honourable Minister would repeat that. I didn't quite catch it.

MR. LYON: Insofar as the department concerned, the Public Utility Board would have the information, that is presuming that they have it.

MR. SPEAKER: Agreed?

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

MR. SPEAKER: The Honourable Member for Brokenhead.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable Member for Seven Oaks that an Order of the House do issue for a return showing: a copy of the uniform system of accounts format as used by the Public Utility Board in its regulating of natural gas distribution companies. Is it in order to explain?

Mr. Speaker put the question.

MR. SCHREYER: I'm sorry, Mr. Speaker, there's an error here. It should be "a copy of the uniform system accounts". I don't know how the word "assistance" got in there.

MR. SPEAKER: I didn't hear what the honourable member said.

MR. SCHREYER: Mr. Speaker, in the first line of the Order, the word "assistance" appears--it should be "system".

MR. SPEAKER: "system".

MR. SCHREYER: Yes.

MR. SPEAKER: Are the honourable members agreeable to the change in the order?

MR. LYON: Mr. Speaker, even with the change, I think that has improved it and made it more intelligible, but I do ask the honourable member, Sir, if he could give us some further explanation. By uniform system of accounts format, I presume he means uniform classification of accounts which was referred to in the annual report of 1960 of the Public Utility Board. If what he is getting at--I'll just explain what I think he is getting at--I think he is getting at the Gas Association classification plus the Manitoba addendum which together comprise the uniform classification of accounts. If that is what the honourable member is looking for . . . .

MR. SCHREYER: Well, Mr. Speaker, it could be that what the Attorney-General means what I have in mind. Now I'll tell him in my words what I have in mind. What I have in mind is simply this: as of last year it's necessary for the Natural Gas Distribution Companies to adhere to a uniform system of accounting procedures. There is an uniformity in classification and so, and I simply want, in general terms, I want the format that is used, that is insisted upon by the Utility Board of the Natural Gas Distribution Companies. I think that what the Attorney-General mentioned there is this information that I am seeking.

MR. LYON: With leave, Mr. Speaker, I wonder if I might respond to my honourable friend. I believe that we are now on common ground, if what I believe he thinks I think about this, is the case. What we are after then is this uniform classification of accounts which for the honourable member's information is a rather thick volume. I believe that one copy of it could be made available in response to this Order if that is sufficient for the House. I can only say that when I inquired about this, I found that the Board had only the one copy of their own but they would make--they now have, they tell me, one additional copy and if it meets with agreement I will undertake to have that one additional copy made available to the House or to the honourable member. But there is only the one copy unfortunately.

MR. SCHREYER: That's fine, Mr. Speaker.

MR. SPEAKER: Subject to the Attorney-General's explanation, are you ready for the question?

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

MR. EVANS: Mr. Speaker, at this point I wonder if we might have leave of the House to ask you to call second reading of Bill No. 88 and 89, which as Your Honour knows deals with



(Mr. Evans, cont'd.) . . . . supplementary supply and interim supply, that those might be called now for second reading with the object of carrying them forward then into the Committee of the Whole House and deal with them at third reading as well.

MR. SPEAKER: Is the House agreed? Second reading of Bill No. 88. The Honourable the Provincial Treasurer.

MR. EVANS: Mr. Speaker, I beg to move by leave that Bill No. 88, an Act for granting to Her Majesty certain sums of money for the public service of the province for the fiscal year ending the 31st day of March, 1963, be now read a second time.

MR. SPEAKER: Are you ready for the question? Those in favour--

MR. PREFONTAINE: Mr. Speaker, may I ask if this is the Bill which refers to 10% of the estimates?

MR. EVANS: Mr. Speaker, I think for my honourable friend I nodded my head that I was in error. This is the bill referring to supplementary estimates. --(interjection)--Bill No. 88 refers to supplementary supply, that would be the additional amounts required to complete the present year.

MR. PAULLEY: Not according to my . . . . . Mr. Speaker, if I may, not according to the Orders of the Day that I have here. Bill 88 deals with the granting of certain sums ending in the fiscal, March 31st, 1963. Unless there's a cross-up on figures.

MR. EVANS: I think the explanation is that in the Orders of the Day, there is--no, just a moment--

MR. EDMOND PREFONTAINE (Carillon): Mr. Speaker, I would like to bring the attention of the House to what happened in this Legislature in 1959. At that time we were getting ready for an election in the Province of Manitoba and we had such a bill which provided for a certain sum of money, some 10% of the estimates, and soon after, the First Minister declared that he had been defeated and called an election. Now I wonder, Mr. Speaker, if such a thing now is not being contemplated by the government.

I've seen this afternoon, Mr. Speaker, a resolution with respect to the floodway and other matters that will be coming up in a few days. There might be some discussion on this resolution that will be coming up, that might cause quite a furore in this House, and it might be that the First Minister would take advantage of some discussion on this issue maybe to call a general election and go to the people before Mr. Diefenbaker is defeated in the federal field. Maybe the running would be easier now in Manitoba than it might be after there is a federal election. Now I wonder whether the present Leader of the House would not be in a position to tell us whether this is not proprietary. It seems that there's quite a rush in having this bill passed. We still have quite a few days and I've never seen action to proceed so quickly on a bill of this type in any previous year. The permission of the House has been secured in the past, but only in the last or second last day before the first of April. Now we have still another week. The First Minister yesterday wanted to rush this thing through and now we have the Leader of the House wanting again to have this money voted. I wonder if the House might not be dissolved in a few days and I wonder if the Leader of the House could not inform us on this question.

MR. PAULLEY: Mr. Speaker, just one comment on the bill before us. I can appreciate the fears of the Honourable Member for Carillon that the government may call an election ere long--as far as we're concerned in this group, let's have one. But I, again say, Mr. Speaker, that I can understand the fears of the diminishing party to my right--(interjection)--oh, there's no argument here. However, Mr. Speaker, I've no objection to this Bill being proceeded with. I think the situation referred to by my honourable friend from Carillon and the present situation is a little bit different. At that time the government didn't have a majority. This time they have. Again I say, Mr. Speaker, we've no fear at all in this group whether the passing of this Bill today means an election. If it does, let's go.

MR. EVANS: I think I would point out the discussion has been out of order because unanimous consent was secured to proceed with the Bill and I should think that the honourable gentleman should have addressed himself to the motion that was before the House.

MR. SPEAKER: Are you ready for the question? Before I put the question should this be 1963 or 1962 at the end of the motion?

MR. EVANS: Mr. Speaker, for greater clarity in the situation, I wonder if I should again read the motion that I am proposing to the House. I am proposing by leave, that Bill No. 88,

(Mr. Evans, cont'd.) . . . . an Act for granting to Her Majesty certain sums of money for the public services of the province for the fiscal year ending the 31st of March, 1962, be now read a second time.

MR. PAULLEY: Mr. Speaker, again it's '63, I believe.

MR. EVANS: This is Interim Supply-- . . . . The year in question is 1963.

MR. SPEAKER: Give me the motion and I'll know.

Mr. Speaker presented the motion.

MR. MOLGAT: Just to put the mind of my honourable friend the Leader of the NDP at rest, I want to assure him that the comment of my colleague from Carillon by no means indicated any fear on our part. On the contrary, I'm sure he was thinking of the welfare of my honourable friends and was suggesting that it might be useful to have election early before there are further defects--

MR. SPEAKER: Order! Order!

MR. MOLGAT: Mr. Speaker, there's no order here--I'm perfectly justified in speaking. If the Whip on the far side wants to make some noises he can go out in the hall. I'm speaking on the second reading of this bill--I'm perfectly justified--

MR. SPEAKER: Where does the proposed election, or the election that the fortunetellers are forecasting appear in the motion before the House?

MR. MOLGAT: We're being asked to vote them monies in advance, and some three years ago this is exactly what they did, and they did call an election. So it's certainly a perfectly justified comment. However, Mr. Speaker, my comments are very brief. I just want to reassure my friend that we are thinking of his welfare and before there are further defections in his party there should be a quick election to save him.

MR. PAULLEY: Mr. Speaker, I appreciate the benevolent attitude that the Honourable Leader of the Liberal Party has taken at this stage.

MR. SPEAKER: Are you ready for the question?

MR. CAMPBELL: Mr. Speaker, may I come to the defense of the Honourable the Leader of the House at this moment and say that the rules quite clearly indicate that the government does not have to answer on a question of policy.

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

MR. EVANS: Mr. Speaker, I beg to move by leave, seconded by the Honourable the Attorney-General that Bill No. 89, an Act for granting to Her Majesty certain further sums of money for the public service of the province for the fiscal year ending the 31st of March, 1962, be now read a second time.

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

MR. EVANS: I wonder, Your Honour, if I could ask you to call the Committee of the Whole House.

MR. SPEAKER: Committee of the Whole House.

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable Acting Minister of Municipal Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the Bills standing on the Order Paper.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House with the Honourable Member for St. Matthews in the Chair.

Bills No. 2, 6, 7, 12, 16, 17, 21, were each read section by section and passed.

MR. CHAIRMAN: Bill No. 28, section 1, passed. Section 2(a), passed.

MR. MOLGAT: Mr. Chairman, is this not the bill where we were to receive some amendment? I think it would be useful if we had the amendment before we go into the bill. The Department of Health or this one?

MR. JOHNSON (Gimli): Mr. Chairman, the Leader of the Opposition is referring to the Department of Health Act. I have amendments ready.

MR. MOLGAT: All right.

Bill No. 28 was read, section by section and section 7 as amended and passed. Bills No. 35, 38, 39, 44, 45, 46, 47, were each read clause by clause and section by section and passed.

MR. CHAIRMAN: Bill No. 49--

MR. MOLGAT: Mr. Chairman . . . . here to take a moment so that we can have a look

(Mr. Molgat, cont'd.) . . . . at the amendments that are proposed.

MR. CHAIRMAN: . . . . number 1, 12(a) - 1--

MR. MOLGAT: How will that read now, Mr. Chairman, as amended?

MR. CHAIRMAN: "Shall be composed of 5 members appointed by Order"--not 2 or 3 or more than being stricken out--composed of 5 members.

MR. MOLGAT: Fine.

MR. CHAIRMAN: 12(a) - 2, passed; 12(a) - 3, amendment--

MR. MOLGAT: Mr. Chairman, read the amendment.

MR. CHAIRMAN: 3, passed--

MR. MOLGAT: Mr. Chairman, could you read the amendment on that please?

MR. CHAIRMAN: And such--

MR. MOLGAT: In committee it isn't on the record, Mr. Chairman. I would like it--

MR. CHAIRMAN: Yes. The person designated as the chairman and such other one is inserted there--"such other one of the other members of the commission"--that's the only change there. Subsections 3, 4 and 5, passed, and amendment in 6, reading: "three members of the commission", instead it says "where the commission consists of three members" and so forth--three members of the commission. Subsections 6, 7, 8, 9 and 10, passed. 12(a), passed; 12(b) - 1 (a), (b), (c), (d) and (e), passed--

MR. JOHNSON (Gimli): I move, seconded by the Minister of Labour that in clauses (f), (g), (h), and (i) of subsection 1 of section 12(b) of the Act set out in section 1 of the Bill be struck out and the following clauses substituted therefor:--and in each case they read this--should I read this out or can I just indicate the changes? . . . . "Carry out such research as in the opinion of the commission is necessary in order to determine standards of hospital construction and operation as are desirable in the province consistent with the financial resources of the province, or make such arrangements as are necessary to ensure that such research is carried out." In (g) "Ensure that adequate standards are maintained in hospitals including the supervision, licensing, equipping and inspection or make such arrangements as are necessary to ensure that such adequate standards are maintained." (h) "Provide a consulting service to hospitals in the province exclusive of individual patient professional care, or make such arrangements as are necessary to ensure that such a consulting service is provided"; and (i) "Carry out such public educational programs alone or in co-operation with others as are necessary in the interests of hospitals and related health plans or make such arrangements as are necessary to ensure that such programs are carried out." I would move that this be adopted.

MR. CHAIRMAN: (h)--that's the new--(f), (g), (h) and (i) then, as according to the Bill before. (j) and (k) passed.

The remainder of Bill read section by section and passed.

MR. PAULLEY: Mr. Chairman, if I may ask direct to the Minister, I note that this bill comes in on proclamation. Is there any indication as to when this might be proclaimed?

MR. JOHNSON (Gimli): Yes. I think they were put in on proclamation, Mr. Chairman, because there were various Acts altered and they would all have to be proclaimed at the same time.

MR. PAULLEY: Is there any indication when?

MR. JOHNSON (Gimli): I imagine just as soon as the Manitoba Hospital Services Diagnostic Act is passed and the commission is established.

MR. CHAIRMAN: Bill be reported. Passed.

Mr. Chairman read Bill No. 50 section by section and passed. Also Section 1 of Bill No. 51 and section 2 as amended.

MR. MOLGAT: Would you read the amendment on that one, Mr. Chairman.

MR. CHAIRMAN: "Provided"--after the Lieutenant-Governor-in-Council--"provided that the rate of interest payable should not be less than that currently prevailing for securities of the Province of Manitoba and conditions as determined by the Provincial Treasurer." Passed. 3, passed--

MR. MOLGAT: Mr. Chairman, yesterday in committee I proposed an amendment to this Bill and I'd like to read the amendments as I proposed it then because I want to make a change in it today. My amendment was that Bill 51 be amended by adding a new clause number 3 to read as follows: "clause 3, section 26 of the Act is amended by adding the following - section (c)

(Mr. Molgat, cont'd.) . . . . subsection (a) shall not apply to the name of the borrower, the amount of the loan, the interest charged thereon nor to the total amount of arrears owing to the Fmd"--and this of course would necessitate re-numbering here number 3 and calling it number 4.

Mr. Chairman, yesterday in committee this was voted down I think by every member of the government that was there and every member of the New Democratic Party. It would appear that I have no hope whatever of proposing the same amendment now, and while I still feel that this information should be supplied to the Members of the House, it seems that I cannot obtain this--therefore I am prepared to limit my request for information somewhat from what I had there yesterday, because I think it would still be preferable to get some information rather than none as we are getting at the moment. I would therefore propose an amendment now to this committee that Bill No. 51 be amended by adding a new clause number 3 to read as follows: --the clause would be number 3, section 26 of the Act is amended by adding the following: "(c) subsection (a) shall not apply to the name of the borrower." Then of course we would renumber the present clause 3 here to be clause 4.

MR. SCHREYER: Mr. Chairman, would it be in order in committee to ask a question of the Leader of the Opposition? I merely want to ask him if he regards as valid the argument that if we insist on demanding the names of borrowers from the Development Fund we'd be equally obliged to insist for the names of all borrowers under the Agricultural Credit Corporation Act? The argument has been put forward and I wonder if he thinks it's valid.

MR. MOLGAT: Well, Mr. Chairman, I wasn't asking for the names of all the borrowers under The Farm Credit Act but if someone wanted to ask for that information, I think they would be entitled to ask for it. I don't choose to do so but certainly any member of the House can. I would have no objection to that being done.

MR. GRAY: Mr. Chairman, I think this is entirely between the administration and the borrower. If a man would have money and be wealthy and wouldn't care, he wouldn't come to the province and borrow money. He does it because the banks may not accept his security--the banks not accept his note and undertaking. This is a body that is trying to help people out. There's hundreds and hundreds of honest people in this world but they could not get \$10.00 from the bank unless they put up \$10.00 security. The names of these people I don't think should be published.

MR. PREFONTAINE: Mr. Chairman, I think there's good reason why we should get the names of the borrowers because there's a clause in the act which says that this money cannot be loaned to people who can get money otherwise. Now we in this House are asked to vote \$15 million to be loaned by an organization that has been named by this government, and we have seen this government going to certain places and boasting of the fact that they had helped certain companies. Now I, for one, am quite positive that a certain company, that was named by the First Minister and the Minister of Industry and Commerce, could readily have gotten money through another channel rather than going to this fund for assistance. I'm quite positive. I might be wrongly informed, but a certain company I've known for years and years, it's well known in the community that it can borrow all kinds of money because it has all kinds of resources and cash; now it was a surprise to me when I found out through reading the paper that this company had received a loan from this fund. If we were given the names, only the names, as my leader asked, of the borrowers, to us at least we would be discharging a little bit of our responsibility. Now we're giving a blank cheque, and on three occasions it seems that it was used for political purposes by the government--apparently anyway. No sane-minded person can come to the conclusion after what has happened down in the south-east that this was not used for political purposes.

So I think, Mr. Speaker, that we're at least entitled to know the names of the borrowers. It's possible we're in the loaning business--the Province of Manitoba at the present time through this Board. We are in the loaning business. It's possible that we may have to repossess some of these firms. We might be in different kinds of businesses in competition with a private enterprise before very long if things don't go 100% with respect to all the borrowers that have borrowed from this fund. I believe we have a right to get at least this little bit of information.

MR. ORLIKOW: Mr. Chairman, it's my intention to support this amendment. I have some sympathy for the argument which the government was advancing that to give detailed information, and I'm not trying to put words in their mouth, but as I understood it, to give detailed

(Mr. Orlikow, cont'd.) . . . . information as to the loans or the amounts of the loans or the terms and so on could be embarrassing. I have no sympathy for the argument that this is a private transaction and that people who borrow from other institutions don't have it made public and so on. After all, the management of a bank or the management of an insurance company or the management of an investment company which loans money to companies or to individuals is responsible to the Board of Directors and then to the shareholders, and if they make a mistake, they certainly will have to answer; they will have to explain; they will have to judge them. Now in this case, the Development Corporation is a creation of the Legislature of Manitoba. The money which it uses to the largest extent--it's not entirely--is the money advanced to it by the people of Manitoba, and certainly the people of Manitoba have a right to know what is happening to their money.

Now I assume, Mr. Chairman, that the directors of the Development Corporation, being human, will make mistakes; will loan money to certain businesses which will be bad loans. I hope, and I'm sure the government agrees and I'm sure they hope even more than I do that the number of loans which are made which will be bad will be very small, but we have to assume that there will be a certain number of mistakes made. Now surely, if the people of Manitoba are to know how the business is being conducted, how their money is being used, it is essential, it is desirable that we have as much information as possible. Now having said that, I want to say that I agree with some of what was said by the government speakers in our debate, that to give the details, the amounts of the loans, the length of the loans, the terms of the repayment and so on, could be used by opposition companies in some ways to harm, to embarrass companies which are making the loan. Well I can see, Mr. Chairman, no logical reason for opposing the proposal now made that we simply list the names of the companies making loans, because I venture to say, Mr. Chairman, that there isn't a company in Canada which can operate without loaning money. As a matter of fact, I've heard it said many times by people who are much more successful in business than I am, that you measure the success of a business corporation by the size of the credit which it can get. So we can assume, I think justifiably, that virtually all business corporations in the Dominion of Canada have to borrow money from the banks, from this fund, from the Industrial Development Bank of the Dominion of Canada and so on. It seems to me that there would be no hardship on any company to have it listed once a year that that company borrowed money from the Development Fund. We don't have to say how much; we don't have to give any of the other conditions; but simply that this be done.

I want to say, Mr. Chairman, that in doing this it seems to me that the public would not be getting much more information than they do now because--I want to say to the Minister of Industry and Commerce that while I'm not one to stand very much on dignity, I'm not one to feel that because I'm a member of this House that I'm entitled to any special privileges, but I resent a little bit picking up the newspaper and reading in the business columns that such and such a company borrowed money from the Development Fund while I, as a member, or any of the other members of this House know nothing about it. I can see no reason why the members of this House and, after all, not because we are the members of this House but because we represent, and we on this side as much as members on that side, Mr. Chairman, represent our constituents and we are entitled to know on their behalf and for the reason that we have to do our job properly, we are entitled to know, I think, as much about the business of this Development Fund as any other public group in this province. I think we're entitled to know it just as soon as the newspapers know it.

MR. SCHREYER: Mr. Chairman, I would like to say that, it seems to me, this amendment gives us an opportunity to compromise, to get the best of two worlds, so to say. After all, we are expected, on this side particularly, to fulfill our function and role in control of the purse. Now this is a concept that's more than 200 years old, and how in the world can we justly say to ourselves that we're doing our job when rather important information is not given to us. Now it might stagger members to know that in some countries in the western world, this secrecy business is practically non-existent. For example in Sweden--if members don't believe me they can check for themselves--there is nothing in domestic affairs that is secret to, not only anyone in parliament, but to any member of the public. The only official secrets are those having to do with the war department and with international diplomacy, and in theory, every member of the public, after adequate notice, can insist that even interdepartmental

(Mr. Schreyer, cont'd.) . . . . communications be made available for him to scrutinize either in the offices or in the libraries. It seems to me that this amendment is merely trying to allow us to do our jobs. We're not asking for amounts to be disclosed; we're simply asking for a bare minimum which will satisfy us that we are not giving up entirely this important heritage which is control of the purse.

MR. GRAY: Mr. Chairman, I do not want to be misunderstood--(interjection)--Oh, I'm sorry.

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert-Plains): Well it won't be long, only not on this side, Mr. Chairman. We've heard quite a bit about why the Legislature should have certain information which has been denied us by the government. The arguments have been that these are public funds, therefore, the public should know how they are being utilized. We've had the argument that the government or the people of the Province of Manitoba are subsidizing the operation of the fund, and these arguments are pretty sound. But there is one other argument that I think is being overlooked. When this program was brought before the Legislature for the approval of the Legislature, we were told at that time that the only reason the fund was being set up was because there were worthwhile enterprises that couldn't obtain money elsewhere, and it was the feeling of the government that under the circumstances it would be in the interest of the province if we provided a fund whereby such enterprises, as were worthwhile, could obtain their money. Now I want to say, Mr. Chairman, that I have very serious doubts whether the fund is used solely to finance those enterprises which couldn't get money elsewhere. If I am correct in my assumption, then certainly this House is entitled to know the names of the borrowers, to see if the fund is used as the people of the Province of Manitoba were told that they would be used. That is the point that I want to raise here, Mr. Chairman.

MR. GRAY: Mr. Chairman, if a committee, or a commission, or a commissioner or a manager is appointed by the government and he cannot be trusted to do his job right, the best thing is to fire him, fire all, and give it to somebody else. I consider the very fact the last speaker himself admitted that this money is to be loaned to people who cannot on their own security get money anywhere else and a certain sum of money will bring him back to life again and he'll pay the money back and still maintain his business or industry, provide more work, this is the sole purpose. If a person is financially A-1, he is not our client--he's the client of the bank. He won't come to us. If he's not, why should the world know? I didn't say that those reports should be given to this House. Definitely, the Minister in charge should bring in a report to every session or even oftener, or the general situation, but what difference does it make whether it's C. J. Gray or M. A. Gray or T. B. Gray? You wouldn't know the difference anyway. It's Gray so why--he may have other friends. He may in the meantime with the money that he borrows from the government, from the Industrial Development Board, he may get some more credit. If he's a merchant he'll get more credit. If he's in industry he'll get more credit for machinery and everything else from others, knowing that he has a certain amount of money, but when he feels that he had to borrow money from the province for a certain purpose he could not extend his business anyway. It's my humble opinion, and if I'm wrong I wish to apologize, that this is splitting hairs entirely. It is not a principle and I'm sorry I have to disagree with my colleagues. I may have to vote with the government but don't take it as a sign that I join the government.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I don't know whether this is a fair question to ask or not, but it does concern the matter at hand. In 1958 or 1959, when we first passed the Business Development Fund Act, we authorized a total expenditure of \$5 million, I believe, and on page 22 of the report on our desk headed "A Review of Activities," they report that the total loans approved to date total \$9,411,640, so it's quite evident that the fund has loaned \$4,411,640 over and above what was authorized. Now my question is, where did they get authority to loan above the \$5 million mark. It looks to me, Mr. Chairman, as if we must pass this Act now, or this Bill now, to cover up past actions. Now, Mr. Chairman, I haven't taken any part in this debate at first reading, second reading or in committee or any place else, but in listening to the various members who have spoken on it, it suggests to me that there is concern in the minds of many of the members here; No. 1, that they're not satisfied that these borrowers have been unsuccessful in getting their money through the regular channels. That seems to be concern No. 1. They seem to have reason to believe that in certain cases, and

(Mr. Shoemaker, cont'd.) . . . . perhaps quite a number of them, that the borrowers could have obtained money at reasonable rates through the regular channels that are available to everybody. Then, they seem to be concerned, too, that if that is not so--that is, if it was absolutely impossible for them to borrow money through the regular channels, then that automatically stamps it as rather a risky venture, because everybody else has turned them down, and if that is so, then they say, "Well, we have some concern over the risk because it has already been stamped a risk by reason of the fact that they could not obtain money through the regular channels." I don't know whether I'm expressing the concern of anybody else other than myself, but that is the way that I have sized it up. Now the Honourable Member for Brokenhead has suggested that, well if we ask for the names of the borrowers here, we should do it with the Farm Credit Corporation, and he has a point but, Mr. Chairman, it's slightly different--

MR. SCHREYER: On a point of privilege, I didn't say that. I asked your leader to express an opinion as to whether this argument was valid. I'm not sure myself.

MR. SHOEMAKER: Well, I was going to suggest that it was slightly different because of the fact that with the Farm Credit Corporation, they have, loaned money not to exceed \$25,000 and there's probably two or three thousand borrowers involved there, whereas with the Business Development Fund I think it is a fact that a couple of loans have been made in excess of a million dollars, and it's these big ones that the members are concerned about. Now I know I can't prove that loans have been made in excess of a million dollars, but we have reason to believe that one or two loans have been made in excess of a million dollars, and it's those big ones that we are concerned about because I don't think that any member of the House would like to see this government having to foreclose and take over some of these huge companies, and I certainly hope that that does not happen, because we would then be in business in competition with private enterprise. Now, Mr. Chairman, as I said at the outstart, I don't know whether I'm expressing concern for anyone else other than myself, but that is my conclusion.

MR. FROESE: Mr. Chairman, I'm in full support of the amendment and I think it's come a long way in compromise to what the original requests were. We all know that this matter was fully discussed in committee and that we're subsidizing this project by a quarter of a million dollars for the coming year, and surely we, as members, ought to know who are the ones that are going to benefit, and further we also know that the people who avail themselves of these services, getting the loans, know that they'll be dealt with more leniently than they would had they borrowed from elsewhere. They know that, under bankruptcy proceedings the government would be much more lenient than another company would.

MR. EVANS: Mr. Chairman, I'd like to deal with some of the remarks of the Honourable Member for Gladstone first because they touch on different aspects and don't deal with the main points. If he will turn to the annual report of the Manitoba Development Fund he will see the sources from which the funds arise, which are twofold. First of all, the purchase by the government of common stock which during the current year is expected to be the full \$5 million; and then there are loans in addition to that, and so the sources of funds are adequate for the total amount of loans contemplated and, of course, no commitment to loan would be made before the Fund itself saw its funds in sight. My honourable friend has no information at all on which to base any statement as to the size of any loan, and I am not in a position to give him any.

I think my honourable friend and one or two others have touched on a point which I think is quite fundamental to this, and that is, would the government be in a position to foreclose on any particular plant and to therefore become its owner and to operate it? That was never contemplated. The Manitoba Development Fund might itself be in a position where it would be forced to foreclose and to operate, but not the government itself.

I cannot agree with the principle of the amendment offered by the Leader of the Opposition for this very fundamental and basic reason, that the very announcement of the fact that someone is or is not a borrower, is a matter of vital personal information to that corporation which affects its credit standing and gives information to its creditors, gives information to its competitors about the financial situation and the source of funds of that company. In many circumstances it would be quite sufficient to cause creditors to become uneasy and to press for foreclosure, or for other steps to be taken, merely to announce that someone has become a borrower, whether or not the amount is added. Furthermore, if complete lists of borrowers are published at any time, the very absence of a name from that list, where it may have been known

(Mr. Evans, cont'd.) . . . . . that that particular intending borrower had applied to the Manitoba Development Fund for a loan, becomes information of a very positive character. Negative information can be as strong and as powerful an influence in this case. It's as much as announcing that the Manitoba Development Fund has refused credit to a particular borrower. This could be absolutely vital in the financial life of a corporation.

Matters of credit are extremely difficult matters to deal with. They are very delicate matters. I have seen credit standings of corporations influenced by seemingly unimportant things. I have seen credit standings influenced merely by the social and personal conduct of a prominent official of a company. I've seen it influenced both ways. I've seen the credit of corporations favourably affected merely by the personal character and standing of the officials, quite apart from the financial figures that were behind the loan or any security that was offered for a loan. And so, while I have given serious consideration, and I do assure the House it has been serious consideration, to the request for revealing information, I cannot change my opinion that to expose the names in the first place would provide information about those who have borrowed of such a vital character and of such potential influence on the credit standing, that I cannot recommend to the House that that be adopted. Furthermore, the absence of a name from a list of borrowers could be a fatal fact to the credit standing of a given corporation, because particularly in the smaller communities where a pretty fair proportion of the loan according to the reports have been issued, the private affairs of a corporation become better known there than in some of the larger centres. It would be a surprise to me if a proprietor in one of the smaller centres who has made an application to the Manitoba Development Fund and has had the inspectors from the Development Fund out there to see his operation and is known to have discussed it with him, I'll be very surprised if the friends and neighbours, the competitors, the bankers, the creditors of all types do not know that that loan has been applied for. It seems certain to me that competitors particularly, following the affairs of their competitors, would be in many instances, if not a large majority of instances, well aware of the intending borrower has come to the Manitoba Development Fund, then the absence of the name from that list becomes a very damaging piece of credit information which could well prove fatal to a younger and struggling corporation, or to any corporation for that matter--one that may have had need for a loan and in circumstances where a loan would have saved the corporation or would have enabled it to go on to be prosperous.

Furthermore, the very announcement of a loan might inform competitors of proposed plans of expansion. The very nature of these operations requires that financial arrangements be made well ahead of time before arrangements are made to expand a factory, to add new lines, to improve facilities, to extend the territory in which they are selling, and the very fact that a public announcement is made of a loan or the fact that a loan has been granted, would be a signal for every competitor to begin to enquire, "Why does this corporation require a substantial sum of money now," when they may well know that their current needs are being met, that their finances are well in hand. There could then in those circumstances be only one explanation and that is a proposed plan of expansion. This would be a tip-off on the private plans and the private operations and hopes of the corporation. And so from the extremely damaging fact of the mere announcement that a loan had been granted, or the even more damaging announcement--and this is what it would be in effect--that a loan had been refused, we could do irreparable harm to corporations.

Several of the honourable gentlemen have referred to the fact--my friend from Ethelbert Plains and I think one or two others--that how can the legislature be sure that the loan has been granted within the terms that were intended, the terms that are set out in the Act. Of course this is one of the matters that the chartered accountant firm is responsible for. A chartered accountant does not merely add up the figures in the book and see that they come to the correct total and that all the money is in the bank. A chartered accountant examines first of all the terms of the letters patent of a corporation to see what powers they have. The letters patent in this particular case are the Act creating the Manitoba Development Fund. Any terms or conditions or limitations that are placed upon the fund in any way become the subject for examination by the chartered accountant firm. As I recall it, the chartered accountant firm that is in charge in this case--I haven't my report with me but I think I'm right in saying McDonald, Currie and Company. Certainly if my honourable friends can correct me in that I'd be glad if



(Mr. Evans, cont'd.) . . . . they would. I think it is the firm. Well now, those who know the business world will realize that you can have no greater guarantee of competence, of intelligence in their job, and no certificate by a chartered accountant firm could carry greater assurance to the public that operations of the Board are within their terms of reference and have been carried out according to the limitations laid down, in this case, by the Act. It is the duty of a chartered accountant to examine the minute books, to examine the transactions to satisfy himself that all the business transactions conducted by the corporation have been proper within their limitations. And so I think my honourable friends can rest assured that these transactions have been examined by an authority that, in my view, cannot be questioned and by professional auditors whose business it is to enquire into the propriety of the acts as well as to the accuracy of the accounting that has been done.

Now my honourable friend from Brokenhead refers to Sweden. Well, Sweden is a social-ist country. Sweden extends the long arm of the state into a very great many operations that we do not contemplate here. My honourable friend's party believes in that. It's up to him. He's entirely entitled to advocate this course of action. It's consistent with his beliefs and he may do so if he wants. I believe it would be fatal to the free enterprise system to allow this kind of state interference with the private enterprise system. I think I'll not refer again to the rather enjoyable outburst we had the other day when we began to compare some of the successes obtained under one system versus another, and I don't care to pull the trigger on that particular debate again. I doubt very much if we could recapture the pleasure and the joy of that particular debate. I do invite my honourable friend's attention to the fact, however, that our socialist province next door also refuses any information concerning individual loans.--(interjection)-- Well my honourable friend should turn his attention there; he has a clear line of communication right to that government and I shall take--(interjection)---Yes, I shall take his views a great deal more seriously when he has been able to persuade his friends of the validity and logic of his views and his arguments. I think there's no need to repeat again the list of organizations which refuse all information. I point out to my honourable Liberal friends over there that the Industrial Development Bank--I'm not sure whether it was established by a Liberal government but certainly it was administered by them for many years--the Industrial Development Bank refuses all information concerning individual borrowers and I'm sure that the considerations that I have recited were those prominent in their minds. There are two administrations in Canada, as I understand it Newfoundland and New Brunswick, which do permit the publication of some information concerning borrowers. It is my own opinion that in New Brunswick the fund is not successful. I attribute a very large part of that fact to the very situation we are discussing, that information is made available about intending borrowers and, consequently, anyone with any credit standing at all will not apply to that and have their private affairs, their intimate vital matters published by act of the legislature itself.

I have recited four or five main reasons why I cannot agree with this amendment. It would, in fact, break an agreement that we have with present borrowers. It would deter future borrowers to such an extent as to render this development fund impotent in my view, more particularly so in the rural areas where the private affairs of a businessman can become better known and known in greater detail because of the smaller nature of the community, and it is, I think, quite correct to say that affairs in the smaller towns are more of common knowledge than they are in some of the larger areas.

Perhaps the final point that I would make is the most far-reaching of all, and it's this: that we would be renegeing on our pledge to the public before we introduced this bill to the Legislature during the passage of the Business Development Fund Act, that this fund would be held entirely at arms' length; would be administered by an independent board of businessmen of leading standing and experience, on business lines and no other. And to permit the revelation of information of this kind would violate those pledges and I am not prepared to do that. The inevitable result of permitting the government and the Legislature to reach into the administration of this fund and to begin to debate, for example, individual loans upon the floor of this House, to discuss intimate matters of the credit standing of these borrowers, would lose us the services of the present board beyond question, and I can assure my honourable friends of that; would not permit us to secure the services on the board of any other businessman of experience and standing, and the inevitable result would be to move the administration of the fund

(Mr. Evans, cont'd) . . . . . itself within the government and directly under the department and under the influence of the Minister in charge of the department at the time. And if my honourable friends want to see political administration of loan funds, let them press for that policy, because step by step and inevitably, that fund would be drawn within the orbit of the political administration, of the administration in power at that time. And this is a thing that we must defend against.

I'm sure my honourable friends across there will agree with this principle, that we must keep from this fund all thought that it is being influenced and the loans being made and administered by the Minister. I have stated and I state again that I have never discussed with any intending borrower the terms of a loan, or whether he shall have a loan or whether he shall not. Anyone who has enquired of me has been directed to the fund, to the board of the fund, without recommendation from me, without recommendation from any other member of the government, and that is the cornerstone of the administration of this in an independent way. And I go farther and tell you this, that after the decision of the board has been made, I have never asked the board to vary a decision in any particular. I state those as facts. I state them categorically. And if my honourable friends wish to break that businesslike administration of this fund, they're going about -- perhaps unintentionally -- going about in the best way to do that. I think I should discuss this purely in business terms. I think the principle that my honourable friends put forward of "public money, public information", is wrong. I don't believe the previous administration followed the principle of public money, public information. I don't recall that previous administrations here published the names of the borrowers from the Manitoba Farm Loans. I don't believe that they would call for the publication of the names of all the farmers who are borrowers. I don't believe that they would call for the publication as they did in their first amendment and in their first return, for the amount of those loans. I don't believe that they would call for the farmers in arrears to have their names published and discussed upon the floor of the House. I would be very surprised if my Honourable Friend the Leader of the Opposition would return to Ste. Rose with a policy which would call for the names of every borrower in his constituency to be published whenever the loan was secured, or failed to be published after it had been known that an inspector from the Agricultural Credit Act had been out there and looked at the farm and the name was found absent from the list of borrowers, publishing to the world therefore that that man was not credit-worthy in the opinion of the authorities of these particular funds. And so I cannot in any sense agree with the amendment put before the committee, Mr. Chairman, and I must vote against it.

MR. PAULLEY: Mr. Chairman, I followed with great interest the remarks of the Honourable the Provincial Secretary and the Minister of Industry and Commerce. May I first of all say to my colleague, the member for Inkster, that as far as I am concerned he has the full right of voting in this particular matter according to the dictates of his conscience, so he doesn't need to worry about, or hesitate to support the government in this if he feels so inclined.

Now, Mr. Chairman, I think we should consider why the amendment has been proposed. It has been proposed because of the fact that periodically, and sometimes a little more frequent than others, that the present government of Manitoba has used for political purposes the announcement at the opening of firms and factories that they received monies from the Development Fund. Now I know my Honourable Friend, the Minister of Industry and Commerce, is going to tell me, or tell us in this House, that this information was only disclosed after the parties concerned -- or who had obtained the loan -- after they had given permission that they may announce this. The argument here today and in the other days was the presumption that this particular loan fund was loaned to those corporations that were unable to obtain money elsewhere -- at reasonable terms -- yes, that's the way the Act states it. Now then, Mr. Chairman, some fear has been raised that this would be detrimental to these organizations if it was published that they had to come to the likes of the Manitoba Development Fund for their loans. Now isn't that a rather empty sort of a bit of reasoning, when we do have, as we've had on numerous occasions in the past, public pronouncements from gentlemen opposite that this organization or that organization was brought into being because of the fact that the board of the Manitoba Development Fund had loaned them money? Does not this scuttle . . . .

MR. EVANS: . . . . my honourable friend -- unless he can quote an instance in which

(Mr. Evans, cont'd.) . . . that has happened, I think he should not say that.

MR. PAULLEY: How what has happened?

MR. EVANS: That this government took the initiative in announcing that a loan had been made and that that was the reason that a corporation came into being.

MR. PAULLEY: I didn't say that, Mr. Chairman. What I did say was -- and possibly the Honourable the Minister didn't hear me when I said that the companies have given the permission to the authorities to do this. Now then what has been attempted to be established is people won't borrow if their names are published because this shows that they are second-class risks insofar as loans are concerned. I don't think this holds water in view of the fact of these announcements that have been made, because if it is valid for all borrowers surely it's valid -- this argument -- for those who have already obtained money through the Development Fund and announced the fact that they were second-class borrowers, and I'm sure that none of these companies who have obtained money from the Industrial Development Fund of Manitoba consider themselves second-class borrowers, because, Mr. Chairman, let's look at this realistically. If this was the case -- if this was the case and these corporations that have been listed as receiving monies from the Industrial Development Fund wanted to obtain additional funds from outside sources, their case would be prejudiced before they started if the reasoning of my honourable friends can be substantiated. They would be behind the eight ball to start with because they were second-class borrowers. So I say that that is the reason, or the main reason that the proposal of the Leader of the LP is before this committee this afternoon.

Now then, the Honourable the Minister mentions the fact that they cannot obtain information or use pressure on the board. I want to refer to the Act itself, that in section 4 of the Act, sub-section 1 (iv): "subject to the approval of the Lieutenant-Governor-in-Council the operators of such other businesses as the board may designate from time to time." In other words, Mr. Chairman, this particular section while as originally the Fund was set up as in the Act to promote expansion in manufacturing plants that are established or that may be established, and persons who are engaged in the tourist industry and community development corporations. And then -- I think possibly this is something that slipped by us previously but now the matter is before us I think we should consider it -- because then the Lieutenant-Governor-in-Council can expand the scope -- or the Board, with the approval of the Lieutenant-Governor-in-Council can expand the scope of the uses of the monies within this Fund. Now then surely to goodness, Mr. Chairman, I don't see anything that requires that the Lieutenant-Governor-in-Council has to report at the present time to the Legislature whether or not they have expanded the basic principles, which we adopted, of the Fund, to other operators. The only way we would be able to obtain this is if we found out who the monies were loaned to.

And then on another point, insofar as political aspects of the Fund is concerned, we find that in section 24 of the Act which deals with the annual report, and this clause 2 of this section -- "The Lieutenant-Governor-in-Council may at such times and as often as he deems it necessary, require the Board to furnish him such reports or information respecting the business and operations of the corporation, or of any designated part of that business or those operations as he may direct, and the Board shall comply with the requisition." Now then, we talk about-- the government mentions that we should not receive information as to just the names of the borrowers, as suggested by the Leader of the LP, but here on their side of the House, far from this corporation being so far divorced from governmental knowledge or pressure, here in the Act itself is where the Lieutenant-Governor-in-Council can have all of the information that is being requested by this amendment. I say this to the government: If you want to adhere to the basic principle, if you are opposed, as you have indicated that you are going to do, that we members of this Legislature shall not have disclosed to us the names of any borrower at all because they may be embarrassed because of that, I suggest then in all fairness an equality for all. If we want to--as my friend the Honourable the Minister of Industry and Commerce says--we want to keep this completely on a free enterprise basis without anybody's prying into the business or the names of those who borrow, then we should take another look at this Act so that even the Lieutenant-Governor-in-Council is not in a position where he may obtain the information that is sought by way of this amendment.

So I say, Mr. Chairman, while I listened with great interest to the Honourable the Minister of Industry and Commerce, the very fact of past performances -- and I have before me here something in connection with a mushroom plant under way at Portage La Prairie, an

(Mr. Pauley, cont'd.) . . . announcement that the money was forthcoming -- or some of it -- through the Manitoba Development Fund -- the very fact --(Interjection)-- Pardon? Well, Mr. Chairman, the Honourable Member for Lakeside has asked me, "Was this made?" I refer to the Winnipeg Tribune of Saturday, March 17th, of the year 1962, in the column headed "Business World" by Clarence Fairbairn, and I will quote from this news article. "Construction of Manitoba's newest industry. A \$500,000 western mushroom grower plant at Portage La Prairie was officially launched Friday at a sod-turning ceremony with Industry and Commerce Minister Gurney Evans officiating. Located four miles southwest of Portage the new plant will be in operation by the summer with eventual production expected to reach 800,000 pounds of mushrooms per year. The plant is another in the series of new industries made possible by government and private enterprise co-operation. It is being financed by the Manitoba Development Fund Assistance and private capital, much of it raised in Greater Winnipeg." That brings me again back to the point of the lack of substantiation that the revealing of the source of the funds by way of loans is prejudicial to the borrower. So I say, Mr. Chairman, as far as I'm personally concerned, I think that, for two reasons -- first of all this information is in the hands of the Lieutenant-Governor-in-Council. There is no restriction on them that they shall not reveal any of this information to anybody. They have the right to do it and it's been indicated in many instances they have used it to show what good fellows we are -- that we should accept this. The other is the fact that under the Act as it stands at the present time the Lieutenant-Governor-in-Council can expand the area to which these loans can be made without us here in the House having any information about it at all, so for these reasons, Mr. Chairman, I'm going to support the proposition of the Leader of the LP.

MR. EVANS: I would like to comment on what my honourable friend has said. I think it would be perfectly proper to require the government to report upon any further fields of business that the Development Fund is authorized to make loans in. This is an action of the government and one on which it would be quite proper to make a report. I will undertake to see that the annual report contains an item to say either that additional fields have been authorized or, if they have, what those fields are. That is quite proper.

With respect to the mushroom plants, no announcement was made by the government. Where Mr. Fairbairn got his information I am not aware. This was no action upon the part of the government to reveal the information. In the second place it is entirely up to the individual borrower to decide for himself what use he cares to make of information concerning his own private credit matters. If they have decided to reveal the information, that is their business. Now there's a very distinct difference between the power of the Lieutenant-Governor to enquire into the administration of money that has been placed in their charge and satisfying himself that the administration is being carried on satisfactorily, and to make the information public, to publish it by an overt act on the part of the government or the legislature, this is a vastly different thing. One is to enable those with responsibility to discharge their responsibilities and certainly no publication of the information will be made. The point we are dealing with here is publication of information and it cannot, in any way, be reported to the House without being an actual publication or bringing before the entire public the information that is called for. And so I offer that as my interpretation of the arguments that he has raised.

MR. CAMPBELL: Mr. Chairman, does the Minister say that neither he nor any of his colleagues gave any indication during the ceremony referred to at Portage la Prairie that this plant had secured assistance from the Development Fund?

MR. EVANS: Yes, Mr. Chairman.

MR. PREFONTAINE: Mr. Chairman, I expressed a certain fear a while ago that the people of Manitoba might lose some money in the long run with respect to these advances, and one statement made by the Minister has confirmed me in my fear. He has stated that in certain provinces some firms have divulged certain information and it has let the people who had -- and I might quote, "Firms with credit standing will not apply to the New Brunswick Fund for money," and because apparently, according to him, the firms with credit standing did not apply they dealt with those who have no credit standing and lots of money. That's the inference I got from the statement of the Minister.

MR. EVANS: . . . . . I would say that I don't believe that I made the statement that firms with credit standing will not apply to the fund in New Brunswick.

MR. PREFONTAINE: Well, I'll stand corrected but Hansard came out; I jotted it down, but I'll take your correction. And I have another matter with which I do not 100% agree with the Minister when he states that the government has kept this board at arms length. It has nothing to do with this board at all. This is difficult for me to agree with due to the fact that his own Deputy Minister is the manager of the Fund and his own Deputy Minister, seems to me he's a man appointed by the government, so close to the government that to me it's two in one. It's the same thing as the government when the Deputy Minister is the manager of this fund. There's another question -- the one man who was the president of the corporation for a year or two -- I don't know for how long -- is a man that has been appointed by the government to the Metro commission, a position where he gets a high salary, and certainly he must be thankful to the government for the appointment. There's a very close link there. I might be a suspicious kind of a man but I have lived maybe longer than some of you gentlemen have lived, and I say that this was not the proper way at least to set up this board as a board totally disconnected with the government by having the chairman a man who was in a sense indebted to the government to a certain extent -- believe it or not. That was a nice job, Chairman of the Commission of the Metro Board, and especially the Deputy Minister. Now if the government wanted to divorce itself completely with this fund and the board, it might have, it seems to me, it would be stronger grounds if these two persons had not been appointed right off the bat. It seems to me that we are operating in this province under the party system, one party to which eleven cabinet ministers knows everything about this fund. I do not know if the members of caucus know. Possibly not. Possibly they keep it to themselves, these eleven cabinet ministers, but one party knows everything about it and two other parties know nothing about what is going on, and I think that the compromise suggestion of my leader is a good one and it should be accepted by the government.

MR. MOLGAT: Mr. Chairman, I'll be very brief on this. I don't want to extend the discussion any further. The Minister of Industry and Commerce said, amongst other things, that from a business standpoint this would be harmful, that other people would know. Well, my honourable friend was in business for many years. In fact he was in a business in a sense closely associated with this. He was in the statistical business and I'm sure he knows that there's available very current and very steady information on the financial conditions of all businesses. One need only subscribe to Dun and Bradstreet and you get every week a report from Dun and Bradstreet giving you every chattel mortgage and every mortgage that was registered in the week before that, and all this information is available. One need only refer to Dun and Bradstreet and you get any reports that you want on any corporation giving the background on their whole financial structure, so to say that this would suddenly give a whole flow of information and interfere completely with the business affairs of these corporations is simply incorrect. Anyone who is interested, who is in business, can obtain the information. The whole matter here, Mr. Chairman, is that this government has the information. This government is using that information and in my opinion has been using it for political purposes. And that's the reason, in my opinion, the House should be made acquainted with this information.

MR. EVANS: I think I should straighten out my honourable friend who ought to know that information on the financial condition, the background of -- all the information that appears in the Dun and Bradstreet report, if you're a member of it and get a confidential report from them, is furnished to the Dun and Bradstreet by the corporation itself.

MR. MOLGAT: . . . . . the mortgages, Mr. Chairman. Those are obtained by a search of the records and he knows that that's available.

MR. EVANS: Yes, but my honourable friend can get the same information . . . . .

MR. CHAIRMAN: . . . . . ask that the Leader of the Opposition will read it or else -- This is the amendment moved by the Honourable the Leader of the Opposition that Bill No. 51 be amended by adding a new clause (3) to read as follows: "(3) Section 26 of the Act is amended by adding the following: (c) subsection (a) shall not apply to the name of the borrower," and that Bill No. 51 be further amended by renumbering the present clause (3) to be clause (4). Are you ready for the question?

Mr. Chairman, after a voice vote, declared the motion lost.

MR. MOLGAT: I'd like a standing vote, Mr. Chairman.

MR. CHAIRMAN: Standing vote? Those in favour kindly stand.

MR. CLERK: In favour - 14.

MR. CHAIRMAN: Those opposed please stand.

MR. CLERK: Opposed - 30.

MR. CHAIRMAN: I declare the motion lost. Section 3, passed. Preamble, passed.

Title passed. Bill be reported passed.

Bills No. 53, 88, 89 were read section by section and passed.

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

Mr. Speaker, the Committee of the Whole has considered certain bills and directed me to report as follows: Bills No. 2, 6, 7, 12, 16, 17, 21, 28, 35, 38, 39, 44, 45, 47, 50, 51, 53, 48, 88, 89, reports without amendment, and Bill No. 49 with amendments, and they ask leave to sit again.

MR. MARTIN: I beg to move, seconded by the Honourable Member for Swan River that the report of the Committee be received.

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

Bills No. 2, 6, 7, 12, 16, 17, 21, 28 and 35 were each read a third time and passed.

MR. SPEAKER: Can Bill No. 39 be proceeded with?

MR. ROBLIN: I think 38 is next, Mr. Speaker.

Bills No. 38, 39, 44, 45, 46, 47, 49 and 50 were each read a third time and passed.

MR. EVANS presented Bill No. 51 for third reading.

MR. SPEAKER: Are you ready for the question?

MR. PREFONTAINE: Mr. Chairman, I wish to move that the debate be adjourned.

MR. SPEAKER: Who is your seconder?

MR. PREFONTAINE: The Honourable Member for Lakeside.

Bills Nos. 53, 88 and 89 were each read a third time and passed.

MR. ROBLIN: Mr. Speaker, I understand that it is now agreed that we should proceed to government business which will be the Committee of Supply, and that the House will accordingly adjourn at 5:30 this evening. If that understanding is correct, I should like to move, seconded by the Honourable Minister of Mines and Natural Resources, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for St. Matthews in the Chair.

. . . . . Continued on next page.

MR. CHAIRMAN: Department IX, Mines and Natural Resources. Item 4 - Fisheries Branch.

MR. MOLGAT: Mr. Chairman, I think we were still on Games Branch were we not when we left last night?

MR. CHAIRMAN: No, the Fisheries Branch.

MR. PETERS: Under Item 4 of Fisheries, I believe my colleague the member from Logan asked the question of how many of these fish-packaging plants are under government inspection. Could the Minister tell us?

HON. CHARLES H. WITNEY (Minister of Mines and Natural Resources) (Flin Flon): Mr. Chairman, there are 14 processing plants in the province operating in Manitoba and all are subject to government inspection and supervision both by the Department of Fisheries -- or the Branch of Fisheries in the Department, and the Department of Health.

MR. J.M. HAWRYLUK (Burrows): Mr. Chairman, I was interested in some of the questions that I was asking yesterday regarding the compensations for people hurt. Those who volunteer who are not employed by the government, what is done in a case of that sort?

MR. WITNEY: Mr. Chairman, in answering the questions of the honourable member on how many vehicles and guns confiscated during 1961, there were 4 guns confiscated for night-lighting; one gun confiscated at the order of the Juvenile Court; and two cars were confiscated for night-lighting. I made a serious error in replying to him on fatalities yesterday. We had seven. Four of them occurred while hunting in the game seasons, and the others were hurt outside of that. I regret to advise that I still have to get the information on your question about compensation.

The Honourable Member for Lakeside also questioned me about the demand for muskrat, and the reply is that the market demand for muskrat pelts is very good, probably better than at any time during the past five years. The trade has very few muskrat pelts in stock; the American catch of muskrat has been very small; muskrat catch on the prairies will also be small because of drought; and virtually no fresh muskrat pelts are yet on the Winnipeg market. An average price increase of about 20% over last year is anticipated. Early caught pelts will probably average 95¢ to \$1.00.

The Honourable Member for Turtle Mountain asked about the number of deer killed in each region for the purposes of biological research. In the southwestern area of Manitoba, the Turtle Mountain area, in 1960-61 it was 11; in 1961-62, 12. In the southeastern Manitoba area, in the Whiteshell area, 1960-61, 20; 1961-62, 15. In the west central Manitoba or the Duck Mountain area, 1960-61, 8; 1961-62, 9; and the totals are 1960-61, 39; and 1961-62, 36. Besides the reproductive potential, these deer are also collected so that blood samples can be taken which have yielded valuable information on the incidence of brucellosis and other diseases and parasites of deer. The study has shown quite conclusively that white tail deer in Manitoba are not carriers of these diseases or other diseases which might be detrimental to domestic livestock or to man.

The Honourable Member for Transcona questioned me about the Carberry situation. I'm sorry he is not in his seat right now, but the conservation officers at Carberry have always worked very closely with the senior officers at Camp Shilo. A meeting is held at Shilo every spring with the army officials from Shilo and Winnipeg and the forestry officials from the area. The restrictions of all firing during periods of extreme fire hazard is a matter that is discussed at these meetings, and the army have, at all times, co-operated and acknowledged requests that we have made when there has been periods of high fire-fighting. To our knowledge, at any rate, no hay was burned in the neighborhood of the army reserve during 1960, but in October of 1960 a fire south of Douglas destroyed six stacks of hay. The fire was caused by a smoker along the road several miles outside of the army area. The army saw the smoke and sent men and equipment to the fire, but the hay was burned before their arrival and, as no further property was in danger, they refused to take action on the remaining grass and brush fire. Since it was outside their area they had no authority to do any work and the fire was the responsibility of the local municipality.

MR. MOLGAT: Could the Minister tell us what the policy is now with regard to fish dealers' licenses. Is that policy established?

MR. WITNEY: We have a policy with respect to fish dealers' licenses. Amendments will be brought in to The Fish Dealers Act because, when we reorganized the department, we found that there were different interpretations under the present act between different areas. We are now defining, under the amendments to the Act, the various licenses so as to clarify this situation and make them in such a manner that they will all pay the same price. I trust that answers the honourable member's question.

MR. MOLGAT: Well is the government restricting the number of licenses, or is it expanding it? What are they going to do?

MR. WITNEY: We're not anxious to expand any further, Mr. Chairman, and I suppose you would say that we are restricting them. We have it within the power of The Fish Dealers Act to do so, and we only do so when we feel it is in the best interests of the commercial fishermen themselves.

MR. MOLGAT: Mr. Chairman, last April there was a newspaper headline about some of the fishermen complaining that there are not enough buyers. In fact it said: "Fishermen asked for second buyer -- Island Lake resident seeks license." Now, what is the policy? My understanding of it is that the government is restricting licenses and yet here we have fishermen who are actually requesting that there be more licenses.

MR. WITNEY: In that case, the person in question wanted to establish another fish-filleting plant and there is an establishment at Island Lake already that has capital investment of some 3/4 of a million dollars. In the opinion of the department, in the interests of the Indian people at Island Lake themselves, and our opinion was concurred in by the Department of Indian Affairs Branch, we felt that to licence another fish-filleting plant in the area would only result in decreased income to the fishermen of that area and the request on that basis was turned down.

MR. MOLGAT: So the petition of the fishermen in the area was refused, I take it then, from the statement of the Minister?

MR. WITNEY: Yes it was, Mr. Chairman.

MR. MOLGAT: Are there several other areas, Mr. Chairman, where the government is restricting licenses in the same way? Is this the policy on all the lakes?

MR. WITNEY: Yes, Mr. Chairman.

MR. CAMPBELL: Mr. Chairman, I still have some consideration to give to the question of fishing, because I don't think we need to offer any apology for discussing this very important resource. It's another one where the constituency of Lakeside is vitally concerned. I'm sorry to have to report -- in fact the Minister has reported it already -- that fishing on Lake Manitoba was very poor this year, and certainly that obtained at the south end of it. As he mentioned last evening, it's difficult and not impossible to give the reasons for these fluctuations, but it's a real problem to the fishermen of that area.

However, what I wanted to ask the Minister about particularly was the fact that for some years now there has been an important gathering in the city here of the Manitoba Federation of Fishermen. I gather that that federation will be meeting very soon and I was wondering if the Minister was in a position to report on any action that has been taken on the resolutions that they passed a year ago, just about a year ago now because their meeting, I understand, was held on March 30th. Now it may not have been that the meeting was held on March 30th, but I am quoting from one of these Information Bulletins that is dated March 30th, and it refers to a -- oh yes, it was held March 27th and 28th according to this, but they passed a number of resolutions according to this bulletin and three of the most important were -- I'm sure the Minister is acquainted with them and I don't need to read them out to him. The first one dealt with new markets for rough fish. He has mentioned that subject, but I was wondering if there was anything further that could be reported on at the moment. Then, second, for the provincial government to approach the federal Unemployment Insurance Commission to change the Act to allow fishermen to average their earnings and get away from face to face transactions. Then the third one requests the provincial government to inaugurate a levy of 1% on all fish landed and to disperse the levy by yearly grants in order to cover -- and then they give three suggestions -- a special emergency fund for fishermen and their families in distress; setting up of a modest secretariat for the Fishermen's Federation in Winnipeg; and the organization of adult education among fishermen for studying improved economic methods of production in



(Mr. Campbell, cont'd) . . . . .

marketing. Now those are all interesting, and I think that the last one is one that has been talked about for many years. In that connection, I notice that not only this organization but the Metis conference -- Indians and Metis Conference -- has made representations on the same subject and has given a good bit of consideration to a fishermen's co-operative. I would be interested to know if there has been any further development along that line.

Then, Mr. Chairman, I simply can't refrain from quoting briefly from another of these excellent Information Bulletins. Like my honourable friend from Gladstone, I just happened to have this one with me. I don't blame my honourable friend the Minister at all, but I've many times noticed that as I read these bulletines with great interest that it's rarely ever that you reach beyond the second paragraph without the Minister's name being mentioned -- (Interjection) -- oh, I suppose so. But the Ministers, in the days before the advent of this greatly lamented government, was a very, very modest group -- very modest. They didn't indulge in this kind of publicity. It's because this one appears again at the end that I mention this, although it didn't neglect to mention my honourable friend the Minister right at the beginning of the second paragraph -- that's the traditional place for it -- either in the first or second -- that appears to be the rule. This one is outstanding, I think, because it's a long one running to three pages, and I shan't read much of it, but just at the end we come to this question of marketing the rough fish. After a long dissertation on fishing in general, this one appears to ascribe the closing paragraph to my honourable friend the Minister, because the last paragraph of all is: "Mr. Witney concluded by emphasizing that the success and development of a winter rough fish operation depends upon a more expanded market in Manitoba for fresh water cod, sucker and carp." I think that's been generally agreed to, but that's the last paragraph and yet the paragraphs just before that are these -- two short paragraphs -- no, three -- "As a direct result of the Minnesota meeting, John Gunnlagson, of Lake Manitoba's Narrows, set an experimental trap net on February 20th. The trap net was fished under the ice just off the Narrows Point in 11 feet of water. Mr. Gunnlagson was interested to assess the trap net potential for Lake Manitoba's winter season before the ice broke. The net was not set commercially and only a 30-foot lead was used." Now I want my farmer friends to listen to this next part. "Mr. Gunnlagson was well satisfied with the results. In five lifts between February 20th and March 3rd almost a thousand pounds of fish were taken. With the exception of only three tullibee, all the catch landed were Burbot. Mr. Gunnlagson has used his catch for livestock and poultry feed on his farm." Now listen farmers -- "His pigs, for example, have been fed on a straight fish diet over the previous three weeks, and provincial fisheries branch officials were highly delighted with some remarkably healthy piglets in evidence there." Then this paragraph: "Mr. Witney concluded by emphasizing that the success and development of a winter rough fish operation depends upon a more expanded market in Manitoba for fresh water cod, sucker and carp." Now because of the juxtaposition of those paragraphs, I assume that it was Mr. Witney who was reporting on the pig-feeding experiment with fish and, recognizing him as an authority in this field, I was hoping that he would develop it a little further. Are we going to solve our rough fish program by feeding them to the piggies of Manitoba?

MR. WITNEY: Mr. Chairman, we have had several resolutions from the Manitoba Fishermen's Federation and they will be holding, I believe it will be their third convention, this coming March. Some of the resolutions that we have acted on have been rather controversial among the fishermen themselves but nevertheless, the Manitoba Fishermen's Federation is growing in strength and it's growing in strength in all parts of the province; and it's growing in strength in not only having what we might term the white fishermen but also having the Indian and Metis people form locals of the Federation, and they are beginning to exercise their opinion. The Fishermen's representative has been active in travelling around the country to see these various people and to assist them in some of their problems. We have taken, as I say, several actions and some of them, which the Honourable Member from Lakeside perhaps will recall, was the reduction of the fishing licenses on Lake Manitoba and increase in the fishing licenses on Lake Winnipegosis; the 1,000 pound limit of pickerel in a whitefish net on Lake Winnipeg itself; and the closing of what has been known as the pickerel pocket in the north end of Lake Winnipeg which eventually led to the trap net experiment.

With respect to the question on the face to face transaction, that has been in the hands of the fishermen's representative, and I understood from him that the people in Ottawa were con-

(Mr. Witney, cont'd.) . . . . .

sidering this matter in conjunction with the studies or examinations which are being made of The Unemployment Insurance Act at the present time, but I cannot advise him of what has taken place. A levy of one cent per pound, to go to the Federation was considered by the department and we requested a meeting with the executive of the Federation to discuss this matter further. That meeting, I understand, is to be held this Monday because we have been unable to get together, mainly because of the fishing seasons that the fishermen have been on. One of the things that we want to explain to them is that not all commercial fishermen are members of the Manitoba Fishermen's Federation, and if we were to accede to this request it would mean that we were applying this one cent per pound on fishermen who were not members of the Federation and who perhaps would not agree with the matter, but we have recently assigned another \$3,000 to the Manitoba Fishermen's Federation to aid them in carrying on their activities and this secretariat that they wanted to engage in.

On the matter of marketing and on co-operatives, last year we had Professor B. . . . who set up the Quebec school of fishermen and the Quebec Fishermen's Co-operatives and set up the commercial fishing activities for one of the Far Eastern countries. He was taken over there at the request of the country, from Canada. He has been meeting with the commercial fishermen themselves at their various locals last winter in various parts of the province along Lake Winnipeg, Winnipegosis, Lake Manitoba and up into the north country. He made a tentative report to us and he is coming back again some time this March. One of the points that he mentioned was the fact that the Federation should have a secretariat; that also they are badly in need of leadership and that there should be adult education courses for fishermen in order to give them the leadership which they need if they are to successfully operate co-operatives or credit unions.

Now the Fishermen's Federation themselves, with the assistance of the fishermen's representative, have been negotiating with the University of Manitoba for such a course. We have had the fishermen's representative in BC to actually take part in the adult education course that is run there by the University of BC. We have been corresponding with Newfoundland who are just setting up one, because funds are available, we have learned from the Dominion Government for this type of activity. The Fishermen's Federation have been carrying on these negotiations themselves. I have been standing by with interest because I feel that as much work and results that they can accomplish by themselves will be of a great morale booster to them and be of benefit to them in the future.

A fishermen's producer co-operative has established itself now on Lake Winnipegosis and they have expanded their numbers over the past few weeks and have recently decided that they were going to market their own fish. They have been discussing the marketing problem with the BC Fishermen's Co-operative, and the Department of Industry and Commerce are now examining their operation to see what can be done and to give them advice on marketing, and perhaps to help them develop markets where they can sell their fish by themselves and make their co-operative a success. The government also helped to put through a road to them here just recently in order to assist them in taking their fish from the lake.

With respect to new markets for rough fish and the interesting news announcement, I will check these a little more closely in future when they come over. I did write to the Minister of Agriculture after that, who is a pig farmer among his many other accomplishments, and advised him that fish could be used in Manitoba cattle and Manitoba pigs to great advantage and he, in turn, advised me that they knew that and that they were making use of Manitoba fish.

I think it appears now that the basic problem is the new markets for rough fish. I mentioned yesterday that rough fish -- or maria, which is one of the rough fish -- is a very edible fish and the experimentation is going on to actual cooking of the fish and having people in to eat it. But we have other markets that have shown up during this past year or two in the mink ranchers who, if they can get a fresh rough fish -- and it must be fresh -- and process it immediately, it can be used to great advantage on their mink. Now the trap net, and possibly the trawl net which will be in the lake again this winter, are two nets that will produce these fish in quantity and, at the same time, produce them alive so that these fish can then be processed rapidly and retain the necessary ingredients that the mink ranchers need. The mink ranchers have assured me that once you can get the cost down in volume production; and once you can get the quality through the catching of the fish alive; that they will have a substantial

(Mr. Witney, cont'd.) . . . market for rough fish, so I think that we are no longer at the point where we need to develop new markets. I think the markets are there. The problem now is to produce the rough fish at a more economical rate, to the people who would use it, than they can get elsewhere.

I think I was in error yesterday in saying that they were taking rough fish from Peru. I believe that the rough fish has been coming from Mexico. Nevertheless, it has been coming from a lot further distance than it has in Manitoba, and simply because of the price factor.

MR. CAMPBELL: Mr. Chairman, I think the Minister inadvertently quoted the levy as one cent per pound -- the suggested levy. I don't think the fishermen made any such generous suggestion as that. It was 1%, I believe. Is that not correct?

MR. WITNEY: I believe so -- I'm sorry if I misquoted.

MR. CAMPBELL: I think it is 1%.

MR. WITNEY: Thank you.

MR. CHAIRMAN: Item 5, Field Operations.

MR. MOLGAT: No, I'm sorry, Sir, but there's still some questions on the Fisheries Branch. The government instituted an experimental survey on the trap net fishing and there were some reports in the fall that this might be the end of the small independent fishermen, that the costs of trap nets could only be handled by large fishermen and so on. Is the government proposing to proceed with the use of trap nets? Has anything been done insofar as these small fishermen are concerned in this regard?

MR. WITNEY: Yes, the government is intending to continue with the experimentation of the trap net. We have had it in the lake now for two years. The first year there was a relative success with the trap nets, then we found we would have to make modifications. The modifications that we had this year have proven successful -- more successful than the first year of experimentation. We now have a problem that we must change some of the mesh sizes because, in some of the areas, the trap nets were doing a considerable amount of gilling of the fish. We wish to assess this net again from the production of rough fish and, in the estimates here, we are calling for a crew to operate on that basis alone this year. When we feel that we have these answers, which we trust that we will have by the next year of operation, then it will be necessary for us to provide some sort of a fund in order to provide the small fisherman with the nets so that he can use it and, also, to provide a means of education so that he will understand it.

MR. CHAIRMAN: Item 4 -- passed?

MR. MOLGAT: Mr. Chairman, can we be assured that the small fisherman, who at the moment likely could not afford to buy the trap nets, will be assisted?

MR. WITNEY: They can be assured, Mr. Chairman, that the small fisherman will be given every consideration with this new device. The trap net will, no doubt, cause some dislocation of -- some people will be put out of work, to put it one way, but here we have a method whereby we can start to utilize our rough fish. We will have secondary industry developing from greater utilization of the lakes than we have had up to now. That secondary industry will gradually take up the slack.

MR. CHAIRMAN: Item 4 -- pass?

MR. MOLGAT: Mr. Chairman, is there a catch limit established for every one of the lakes in the province?

MR. WITNEY: I beg your pardon?

MR. MOLGAT: Is there a catch limit established for every one of the lakes in the province?

MR. WITNEY: Yes, there are, Mr. Chairman.

MR. MOLGAT: I wonder if the Minister could, in the future, include that information in the annual report, Mr. Chairman. All the lakes are listed here but there's no catch limit indicated, so I wonder if this could be done. If it's set up and if it's available, I think it might be useful to the committee. I find that there are a number of questions arise during the course of the year from fishermen, complaints that the limits are either set too high or in other cases too low, that there are changes made in the catch limits during the course of the year.

MR. WITNEY: Yes, Mr. Chairman, we could set up the limits. I will ask the officials just what difficulties there are with respect to that. I might advise the honourable member that

(Mr. Witney, cont'd.) . . . we have called for here in the estimates another biologist for the north country in order to help to assess these commercial lakes more efficiently than we have. We have them in the south country here and we are now going to tackle the north country.

MR. MOLGAT: I wonder as well if the Minister could undertake, if that information is available -- the catch limits -- to proceed to give us one more series of information, and that is the number of licenses of the various categories on each lake. Again this is a question which, he knows, this year created a great deal of controversy in certain areas. Fishermen felt that they were being discriminated because there was some reduction in the licenses. If he could undertake to give us that information as well, in the future, I think it would be useful.

MR. WITNEY: That would be taken under consideration and, Mr. Chairman, I would like to say on discrimination, the branch have tried to issue these licenses as fairly as possible, taking all factors into account.

MR. FROESE: Mr. Chairman, there is one question I'd like to ask the Minister. This 1% referred to, how much would that amount to in a given year?

MR. WITNEY: I'm sorry, Mr. Chairman, I haven't got that figure right at the present time. The amount of money involved in commercial fishing is roughly about \$3 million, but I don't think the figures -- when you break down 1% of that, it comes to -- I'll have to do some calculation which I can't do right now. My mind isn't up to it at the moment.

MR. MOLGAT: The Minister doesn't have to give us the information at the moment, but I wonder if the next time the committee meets the Minister could give us the catch limits at God's Lake, Island Lake and South Indian Lake, for this past season and a year ago.

MR. CHAIRMAN: Item 5 -- Field Operations. Pass?

MR. PAULLEY: Mr. Chairman, I just rise on a point of this. Did we not agree that we would cease operations this afternoon at 5:30? I thought that that was the agreement, Mr. Chairman, and I would suggest, if I'm correct in stating this, that we adhere to the agreement that was made between the Whips.

MR. ROBLIN: I think that's so, Mr. Chairman. There's no overtime pay for my honourable friends so I suppose we might just as well call it quits at the moment. I move the Committee rise.

MR. CHAIRMAN: Call in the Speaker.

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

MR. MARTIN: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the Committee be received.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Mines and Natural Resources, that the House do now adjourn.

MR. SPEAKER: May I enquire, do we adjourn until Monday?

MR. ROBLIN: Yes, Mr. Speaker, I think that is the agreement that has been reached.

Mr. Speaker presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 o'clock Monday afternoon.