

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, March 1st, 1965.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam Speaker, I wish to present the petition of Mr. Justice Samuel Freedman and others praying for the passing of an Act to incorporate the Manitoba Law School Foundation.

MR. W. G. MARTIN (St. Matthews): Madam Speaker, I beg to present the petition of Raymond Lloyd Orris and others praying for the passing of an Act to incorporate Strathcona Curling Club.

MADAM SPEAKER: Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

HON. ROBERT G. SMELLIE, Q. C. (Minister of Municipal Affairs) (Birtle-Russell) introduced Bill No. 8, an Act to amend The Local Government Districts Act.

HON. STEWART E. McLEAN, Q. C. (Attorney-General)(Dauphin) introduced Bill No. 53, an Act to amend The Small Debts Recovery Act.

MR. McLEAN introduced Bill No. 29, an Act to amend The Garnishment Act.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville) introduced Bill No. 34, an Act to amend The Livestock and Livestock Products Act.

MR. HUTTON introduced Bill No. 33, an Act to amend The Horticultural Society Act.

MR. D. M. STANES (St. James) introduced Bill No. 9, an Act to authorize The City of St. James to issue Certain Debentures.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains) introduced Bill No. 10, an Act to authorize The Rural Municipality of Mossey River and the Village of Winnipegosis to make grants to the Sisters of the Order of St. Benedict.

MR. FRED GROVES (St. Vital) introduced Bill No. 55, an Act to amend an Act to incorporate the Ice Club of Greater Winnipeg.

MR. SMELLIE: Madam Speaker, I move, seconded by the Honourable the Minister of Labour, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following resolution standing in my name.

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

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: The resolution before the Committee is: Resolved that it is expedient to bring in a measure respecting the provision of public housing accommodation and the rehabilitation and renewal of urban areas in the province and providing, among other matters, for payments from and out of the Consolidated Fund of part of the capital cost of public housing projects . .

MR. DOUGLAS L. CAMPBELL (Lakeside): Mr. Chairman, I refuse to listen to the resolution until the Honourable Minister has told us whether His Honour approves of it.

MR. SMELLIE: Mr. Chairman, His Honour the Lieutenant-Governor having been informed of the subject matter of this resolution recommends it to the House.

MR. CHAIRMAN: The resolution to be considered is: Resolved that it is expedient to bring in a measure respecting the provision of public housing accommodation and the rehabilitation and renewal of urban areas in the province and providing, among other matters for payments from and out of the Consolidated Fund of part of the capital cost of public housing projects and urban renewal projects and other expenditures made under the Act.

MR. SMELLIE: Mr. Chairman, it was a little over a year ago now that I received a communication from the late John Garland, the Honourable John Garland, who was then the Minister of the Federal Government responsible for housing and urban renewal. In that communication he asked us if we would meet with him to consider the legislation of both the federal government and the provincial government dealing with such matters as housing and urban renewal. We did have a meeting in February of last year where these important matters were discussed and where we made some suggestions to the Honourable Mr. Garland and to members of

(MR. SMELLIE cont'd) . . . Central Mortgage and Housing Corporation concerning what we thought would be desirable in this field.

Among these were suggestions that under the existing legislation it seemed to contemplate the clearance of land in areas designated for urban renewal and that it really didn't contemplate the preservation of buildings in those areas which, although the area may be blighted, individual buildings might still be of great value to the community. The late Mr. Garland agreed with us, and during 1964 he introduced into the House legislation which provided, among other things, for the rehabilitation of buildings within an urban renewal area.

After the federal legislation had been revised, then it became necessary for us to consider revisions in our own Act dealing with the related problems so that we could dovetail the programs. We are now introducing this legislation which we hope will enable us to save those buildings in areas designated for urban renewal which are worthwhile and which will complement the federal legislation making all of this possible. By this method we believe that we can achieve the same overall results with perhaps lesser capital expenditure both for the federal government, the provincial government, and also for the municipalities involved in urban renewal schemes.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I thank the Minister for his explanation and we will be looking forward to receiving the Bill on this. I wonder if he could give us some more details at this time however. Does this provide for any change in the cost sharing structure between the various levels of government involved? I gather from his comments that the one change that this brings about by comparison to what we have been doing to date is strictly the retention of certain buildings that -- if an area is declared to be one in which we will be doing an urban renewal project, certain buildings will be exempted from this. Now what happens to those buildings then? Who determines which buildings will be exempted -- the municipal authority, the provincial authority, or the federal authority? What happens to those buildings? Are they purchased, and whose property are they once this is done, or do they remain in the hands of the present owners and the balance of the land in the area then becomes urban renewal?

MR. MORRIS GRAY (Inkster): Chairman, I thank the Leader of the Opposition for asking the same question I intended to ask, but I'll put it in very plain language. As we cannot complete this program in a year or two or five, it's very commendable, the suggestion of who are the ones that could determine which building is to be remodelled or rebuilt tomorrow, for instance, if the Bill passes?

MR. J. M. FROESE (Rhineland): Mr. Chairman, will the provisions of this measure apply mainly to Greater Winnipeg or will the rural areas also be able to benefit?

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Chairman, I think the question of the Honourable Member for Rhineland is a valid one. In this House from time to time, and also in the Federal House, we have dealt primarily with the question of rural rehabilitation and renewal insofar as housing is concerned, and I think that -- or urban -- and I think, Mr. Chairman, that more emphasis should now be placed on the need for the question of a broader definition of the word "urban" than I think we're using at the present time.

I think the term "urban" is used in altogether too narrow a concept. We're dealing -- for instance here in the Province of Manitoba one of the problems that seems to be arising in many districts in the province is that of somewhat a trend of decentralization of industry. I would suggest that in some of these areas in which this is taking place there may not be the provision under present legislation both here in the province and also that at the federal level for participation in this scheme.

The government announces, as indeed, Mr. Chairman, I suggest that all governments, particularly Western Canada, announce that they wish to retain life back in the rural areas and in the farming communities, to go back over the trend of the last fifteen or twenty years with a concentration in the larger community centres in Manitoba. I think this can be substantiated, Mr. Chairman, by the relative high rate of growth, if indeed there's any high growth in Manitoba, but the relative high growth in Manitoba in our urban areas as against that in rural areas, and in this concept I'm using the word "rural" as generally speaking meaning those outside of the Greater Winnipeg area.

So I would like to ask the Minister what consideration has the government of Manitoba given to extending the provisions under the present urban renewal legislation which it has

(MR. PAULLEY cont'd) jointly with Ottawa insofar as those communities which may not come under the strict definition of urban communities at the present time, and whether or not the Province of Manitoba have undertaken consultations with the Government of Canada to have a broadening of the Act so that if some of our smaller communities which may be designated as rural at the present time wish to revitalize their community, that they will be entitled to the same provisions as are made under the present legislation.

MR. SMELLIE: Mr. Chairman, the legislation that's being introduced here now does not contemplate any changing of the present arrangements for cost sharing between the three levels of government. This has been a partnership arrangement between the three different levels of government. In some aspects of the work the partnership has been 50-25-25, and in other aspects it's been 75-12 1/2 and 12 1/2, and this will be continued under the revised Act.

At the present time, the determination of what happens to any property in the area is determined by the partnership, and this will continue to be the case. Previously, the whole project both contemplated clearing and then rebuilding. Now of course under the new legislation there is the possibility that you can clear some of the buildings and rehabilitate other buildings. In cases where the partnership agreed to rehabilitate any given building, then that building will be acquired by the partnership and will be rehabilitated by the partnership and will be owned by the partnership, and it can be used for public housing under the new provisions of the federal Act.

The federal Act goes farther than this. It also provides for assistance to the owners of homes for loans to them for rehabilitation of their own properties. Formerly, the National Housing Act contemplated only loans on new houses, but in urban renewal areas they will now make loans to individuals who wish to rehabilitate their own properties.

The suggestion has been made that our existing legislation is applicable to Winnipeg only, but this is not really the case. Under our present arrangement the municipalities make the initial move. They request a study for urban renewal and any municipality of an urban nature, that is towns or cities not limited to the metropolitan area are entitled to make application for consideration of an area for an urban renewal scheme.

At the moment we have given no consideration to extending this beyond the urban communities, that is towns or cities outside of the metropolitan area. There are communities outside of Metro that are now considering urban renewal schemes, but they are urban communities and I don't know how you could really extend this type of legislation into a rural municipality, for example, if you're talking about farm loans. It might possibly apply in some unincorporated village or hamlet if the municipality determined that this was necessary and advisable, but until the municipality itself made a request for such a study I don't think that the province would be prepared at this time to initiate a study without their request and their co-operation.

MR. PAULLEY: I take it then from the remarks of the Minister of Municipal Affairs that any community now designated as a city, suburban municipality, town or village -- and by the use of the words "town and village" I don't mean unincorporated -- but towns or villages are entitled to the provisions as contained in the present legislation respecting urban renewal and development. Is that correct?

MR. SMELLIE: Mr. Chairman, I didn't mention villages. I said towns or cities, and in each case where an application is made, and coming from that municipality either a town or a village, then the proposal that they make would be considered on its merits.

MR. PAULLEY: I think my honourable friend and I don't quite understand each other or there's a mix-up around the merry-go-round somewhere. I think my question, Mr. Chairman, to the Honourable Minister of Municipal Affairs is simple enough. I merely want to know from him whether or not under the provisions which establishes a ratio of expense respecting urban renewal is broad enough to include, under the federal legislation and agreed upon by this province, is it broad enough to include any village, incorporated village or incorporated town in the Province of Manitoba? The answer is either "yes" or "no". What is it?

MR. SMELLIE: Mr. Chairman, I don't believe that the legislation ever contemplated communities as small as villages and didn't suggest to the honourable member at any time that villages were included in the existing legislation. But any town or city that desires to undertake an urban renewal scheme may apply for a study to be done and each application will be considered on its merits, and the federal government and the provincial government, if they believe that there is any merit in this study, will share in the cost of conducting this study to determine whether or not it is in fact a blighted area and whether or not we should consider a scheme of urban renewal. I have not suggested that this was extended to villages and I do not

(MR. SMELLIE cont'd) . . . believe that it does so at the present time.

MR. PAULLEY: The Minister is very fortunate that I am not learned in the law so that I might evade a direct answer in such phraseology.

MR. SMELLIE: You got a direct answer. You just didn't understand it.

MR. CHAIRMAN: Resolution passed? Committee rise and report. Call in the Speaker. Madam Speaker, the Committee of the Whole has adopted a certain resolution and directed me to report the same.

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I move, seconded by the Honourable Member for St. Vital, that the Report of the Committee be received.

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

IN SESSION

MR. SMELLIE introduced Bill No. 21, an Act respecting the provision of public housing accommodation and the rehabilitation and renewal of urban areas.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the Gallery where there are seated some 33 Grade 11 students from Ste. Agathe School under the direction of their teacher, Mr. Aime Delaquis. This school is situated in the constituency of the Honourable the Member for La Verendrye, and some 44 Grade 11 students from Elie School under the direction of their teacher, Mr. Regush. This school is situated in the constituency of the Honourable the Member for Morris.

Au nom de tous les députés de cette Chambre, je vous souhaite la bienvenue.

On behalf of all members of this House I welcome you.

MR. LAURENT DESJARDINS (St. Boniface): Madam Speaker, before the Orders of the Day, I would like to move, seconded by the Honourable Member from Selkirk, that the House do now adjourn for the purpose of discussing a definite matter of urgent public importance, namely, the ruinous and misleading statement made by the Premier over Television Station CBWT on the free time political broadcast program Public Affairs on Wednesday, February 24th, and repeated over Radio Station CBW on Friday, February 26th, at 7:45 p. m., after this matter had been brought to his attention in this House Friday afternoon by the Leader of the Opposition.

HON. DUFF ROBLIN (Premier) (Wolseley): Madam Speaker, before you read the resolution that's been placed before you, I certainly have no objection to the matter being debated, but I do submit that it is not a matter of urgency within the meaning of the rule on urgency which refers not so much to the subject of matter but to urgency of debate. This matter can be debated at a number of occasions during our proceedings. It can be debated this afternoon I suppose, on the Throne Speech debate when we come to it. It can certainly be debated on moving into Supply or many other different occasions, and I submit that it is not a matter of urgency within the meaning of the rules and should not be put at the moment.

MR. HILLHOUSE: Madam Speaker, I would like to support the Honourable Member for St. Boniface in his motion. I submit that it is a matter of urgency. It's a matter of the gravest urgency. The mere fact that the people of Manitoba have been misled and a correction was made in this House, in my opinion calls for an immediate dealing with the matter by this House. It is important. It is important and urgent that the people of Manitoba be not misled in matters of taxation or any other thing that pertains to the Provincial Government.

MR. DESJARDINS: Madam Speaker, on a point of order, I think that you would rule -- you didn't rule but you advised that technically this is something that has been allowed, but technically these things could not be brought in in the Throne Speech, and this is something that has to be. The First Minister was made aware of this -- if there was any mistake -- the First Minister was made aware of this on Friday and a few short hours after we had the same thing repeated, over a radio station this time, and I think that the people of Manitoba are entitled to know the truth about this. I can't see if the Minister has no objection, as he said, in letting us discuss it, I can't see why this can't be done now. It has to be done now. It will be too late after this. This is the first occasion that we have had to do so.

MR. ROBLIN: Madam Speaker, if you peruse the terms of the amendment and the sub-amendment to the Throne Speech I think they are amply wide to include any debate on this topic that members wish, and I submit it can be dealt with then.

MR. DESJARDINS: Madam Speaker, the sub-amendment has been voted on last Friday for the information of my honourable friend. In the sub-amendment there were certain things

(MR. DESJARDINS cont'd) . . . brought in before and it was felt that this was not contained in the amendment. Mind you, as I say, it's been allowed before but technically this is not right, and this is the correct time to bring it. This is something that is not right and I think this should be discussed right now.

MR. MOLGAT: Madam Speaker, on the point of order, it seems to me that there is a matter of urgency here because of the fact that the privileges of the House are involved in this matter, and that this is indeed a very serious matter. The people of this province must have confidence in the statements made, and when a correction was made here on Friday last week by my colleague the member for Selkirk, the same statements were repeated by the First Minister within a very few hours, and I submit that this is an urgent matter.

MADAM SPEAKER: In my opinion I believe that there is ample opportunity for discussion of the matter in the ordinary course of events.

MR. DESJARDINS: Madam Speaker, may I ask on what occasion? Where?

MR. ROBLIN: Madam Speaker is not obliged to answer questions.

MR. DESJARDINS: I asked the question of Madam Speaker, not the Premier, the Leader of this House.

MADAM SPEAKER: Order please.

MR. DESJARDINS: This is not a dictatorship, it's a democracy.

MADAM SPEAKER: Orders of the Day.

MR. DESJARDINS: Nobody can speak for themselves now with that Dictator around.

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary)(River Heights): Madam Speaker, before the Orders of the Day, I would like to lay on the table of the House the Annual Report of the Manitoba Telephone System for the fiscal year ending March 31st, 1964, and the 46th Annual Report of the Manitoba Civil Service Commission.

HON. WALTER WEIR (Minister of Public Works) (Minnedosa): Madam Speaker, before the Orders of the Day I would like to lay on the table the Annual Report of the Department of Public Works for the period ending March 31st, 1964. Copies of the report have been previously mailed to members, Madam Speaker.

MR. FROESE: Madam Speaker, I would like to address a question to the First Minister. I'm sorry I didn't give him notice of this but if he is not prepared to answer at the moment would he kindly take this as notice. The question is, what powers were given or handed over to the Federal Government during World War II that have not been transferred back to the province?

MR. ROBLIN: Madam Speaker, I would ask my honourable friend if he would submit an Order for Return on that matter because obviously it is something that cannot be answered off-hand.

MR. MOLGAT: Madam Speaker, before the Orders of the Day, I would like to address a question to the First Minister. When does he intend that the government will reply to the charges that I made regarding the Bain estate purchase?

MR. ROBLIN: Madam Speaker, I think if my honourable friend will find a little patience that we may be getting to that matter very soon.

MR. HILLHOUSE: Madam Speaker, before the Orders of the Day, I would like to address a question to the Minister of Health, but with leave of the House I would like to make a slight explanation of the question before I ask it.

I have furnished the Honourable Minister with a copy of an article which appeared in the last issue of MacLean's Magazine entitled "A Safer Start for 50,000 Newborn Babies". The article in part reads: "Within the next two years 50,000 new mothers on leaving Montreal hospitals will be given a plastic kit which medical researchers hope will prove to be an invaluable new weapon against a dozen rare hereditary diseases. The kit is to be used for conducting a simple blood test which can reveal whether the baby suffers from any of the twelve serious abnormalities that can cause mental retardation, convulsions, blindness and, in some instances, death. Until recently a child had to be several weeks old or, in cases of mental retardation, even several years old before doctors could detect the abnormalities responsible for certain diseases and for each disease there was a separate test. Now medical researchers at Montreal's Children's Hospital have developed a single blood test by which babies can be screened for a dozen hereditary diseases a few days after birth."

My question is, is the Provincial Department of Health aware of this test and does the Provincial Department of Health intend to introduce it into the Province of Manitoba?

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Madam Speaker, with

(MR. WITNEY cont'd) respect to the article itself, I am not sure whether the Provincial Department of Health is aware of it. I would imagine that the provincial department would be aware of the plastic kits that are available, for we have in our own provincial laboratories during the past year been developing a test ourselves for phenylketonuria, and that test involves taking the pinprick from a baby's heel and from it they are able to determine the various genetic causes that cause mental retardation and other types of disease. I cannot at this moment just tell you how many, because basically they are searching for phenylketonuria but at the same time that this is taken it does provide the opportunity to locate the other types of diseases and also to provide for family counselling of the parents.

This has been instituted now in the Metropolitan area within the past while, and I stand to be corrected, but I think it has been in operation here since about January 1st of this year and we are now in the process of expanding it into the rural parts of the province. However, I think I should point out to the House that the test for phenylketonuria at least has been conducted in the health units through an older method of diaper testing, and I believe that it's correct for me to say, and these remarks can be checked by the department later, that where the health units were operating, where hospitals are operating, that the diaper test has been taken to reveal phenylketonuria.

However, I will show the article to the department and ask that they be assured that what we are doing here in Manitoba is up-to-date, and that if there is a more up-to-date method that we will embrace it.

MR. PAULLEY: Madam Speaker, before the Orders of the Day, I would like to direct a question to the Honourable the Provincial Secretary, or to the First Minister. Following last year's session, regular session, I understand a committee of citizens were set up to investigate into the question of consumer credit in the Province of Manitoba and to make recommendations to the Provincial Government. My question is, has such a committee made a report to the government and, if so, will members of the Assembly be given the courtesy of receiving copies of the recommendations or of the report itself?

MR. STEINKOPF: Madam Speaker, I would like to thank the honourable member for having given me notice of this question, and the answer is that a report is now in the process of being put together. As you will recall, there were five sub-committees of the committee and these separate reports are being put together into one. We expect to have them soon and it is our intention to table them and to have each member of the House receive a copy as soon as I get them.

MR. MOLGAT: Madam Speaker, before the Orders of the Day, I would like to direct a question to the First Minister. Have any of the three Ministers involved in the Bain purchase tendered their resignation to the First Minister?

MR. ROBLIN: No, they have not and I should think it was unlikely, though I expect after a short interval of time my honourable friend might consider his own position.

MR. MOLGAT: A subsequent question to the First Minister. Is it his intention to ask for the resignation of any of these Ministers?

MR. ROBLIN: It is not, but I'll have good grounds for asking for my honourable friend's resignation before long.

MR. DESJARDINS: Madam Speaker, if that is the case, would the Honourable First Minister agree on going to the people and let them decide the question if he's so sure.

MR. ROBLIN: I think that the people have confidence in the present administration.

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, I'd like to address a question to the Provincial Treasurer. It's regarding the question I asked last week, and the Minister has had five days. Could he tell us whether or not the \$20,000 referred to in the public accounts paid to an Octave Enterprises is the same firm that sold the Bain Estate at Delta to the government; and also, if he could tell us the date the payment was made.

MR. ROBLIN: Madam Speaker, that information will be forthcoming shortly.

MR. ALBERT VIELFAURE (La Verendrye): Madam Speaker, I'd like to address a question to the Minister of Agriculture. Could the Minister tell us if any freight movement assistance is being rendered in the province at this time on the movement of feed?

MR. HUTTON: Yes, in those areas north of Township 18.

MR. VIELFAURE: A subsequent question, Madam Speaker. Does the Minister intend to grant the same assistance in other areas?

MR. HUTTON: No.

MR. VIELFAURE: A subsequent question, Madam Speaker. Under what rules are certain areas qualified for assistance?

MR. HUTTON: Madam Speaker, when the drought hit the northern townships this past summer of 1964 we entered into an agreement with the federal government to share the cost of transporting forage into these areas. No such provision was made for the balance of the province because at that time there was ample opportunity for the livestock people to put up adequate supplies of forage. Any change in this policy at the present time, any extension of freight assistance into the southern areas of the province would be of little benefit. There is a general shortage developing because of the extremely cold winter and the prices of forage are extremely high, and it has been the policy of the Department of Agriculture to encourage farmers to use substitutes for forage, namely in the coarse grains, because of the relative prices of coarse grains and available forage supplies in Manitoba it is much more economical to use oats rather than to buy the forage at current prices.

MR. LEONARD A. BARKMAN (Carillon): Madam Speaker, I'd like to direct another question to the Minister of Agriculture and Conservation concerning soil tests to determine the type of fertilizer a farmer is recommended to use. How many farmers have taken advantage of this opportunity or how many samples have been tested?

MR. HUTTON: Madam Speaker, I would rather take that as notice.

MR. CAMPBELL: Madam Speaker, I would like to address a question to the Honourable the Attorney-General. Has the Honourable the Attorney-General been requested to give an opinion with regard to the point that I raised a few days ago about the legality of the expropriation in the Pine Ridge area?

MR. McLEAN: No.

MR. CAMPBELL: Madam Speaker, a subsequent question. Might I ask the Honourable the Attorney-General to consider the question that I raised. If no one else has made the request, then I make it now. Madam Speaker, would the Attorney-General, as a favour to me, check on this matter and decide -- if no one else is going to ask him I shall ask him -- whether that expropriation was or was not legal. Please.

MR. MOLGAT: Madam Speaker, I'd like to address a question to the First Minister. I believe it was last year that a change was made in the procedures regarding the budget debate. Is it the intention this year to follow last year's procedure or that of previous years?

MR. ROBLIN: The intention today is to follow last year's procedure and I expect budget day will probably be Thursday, and if not, Friday.

MR. MARK G. SMERCHANSKI (Burrows): I'd like to ask a question of the Honourable Minister of Agriculture. In reference to the pasture lands that have been acquired by the Provincial Government in the Interlake area, what percentage of ARDA funds, if any, were used to purchase these?

MR. HUTTON: Madam Speaker, if the Honourable Member for Burrows is referring to lands purchased for community pasture purposes, no funds were available from ARDA in these projects because we have continued to follow the policy of the province providing the land and PFRA constructing and managing the pastures.

MR. STENKOPF: Madam Speaker, before the Orders of the Day, I would like to reply to a question that was asked of me by the Honourable the Leader of the Opposition the other day. The question was: "I would like to ask a subsequent question of the Provincial Secretary. Is it correct that the government has asked the municipalities to borrow on a 30 year basis" -- the answer to that, Madam Speaker, is no -- "and transfer the money back to the government for the purposes of the Centennial Centre?" The answer to that also is no.

ORDERS OF THE DAY

MADAM SPEAKER: The second reading of Bill No. 3. The Honourable the Minister of Health.

MR. WITNEY presented Bill No. 3, an Act respecting Public Health.

MADAM SPEAKER presented the motion.

MR. WITNEY: Madam Speaker, The Public Health Act is an Act that I understand to be the oldest act in the Manitoba Legislature and it was passed in the year 1883, even before there was a Department of Health. It was administered at that time by the Board of Health of the province which was a body that still functions on a regular basis in Manitoba through government employees and lay citizens of the province who have done a service to the Province of Manitoba that can never be estimated.

(MR. WITNEY cont'd) . . .

The principle of the Act is to provide the administrative mechanism for the supervision of all matters relating to the preservation of life and the health of the people of the province and of all matters relating to the prevention of injury to life and limb not specifically dealt with under some other Act of the Legislature. The Act provides the administrative mechanism through the re-establishment of the Board of Health of the province in essentially the same manner as before, and also through the provision of medical officers of health, public health inspectors -- we no longer will be calling them sanitary inspectors -- and public health nurses. The principle has also been followed in this Act before you of detailing in the Act itself the powers of the Minister, the Board, the medical officers of health, the public health inspectors, and the public health nurses. In the present Act many of these powers are to be found in the regulations and in wording that is not too clear.

The previous obligation -- and I think this is an important principle contained in Bill No. 3 -- the previous obligation for the Board to approve regulations is deleted, and now all of the regulations will need to be passed by the Lieutenant-Governor-in-Council. The duties of the Minister have been expanded to include the prevention of injury to life and limb, for safety measures, since we have embodied safety provisions in our bathing regulations and regulations for such hazards as discarded refrigerators. It is interesting, I think, to note that in the Act now all compulsory provisions are spelled out, whereas previously they have been in the regulations under the present Public Health Act.

In keeping with the over-all principle of the Act, the supervision of all matters relating to the preservation of life and the health of the people of the province, there are some specific sections of the Act to which I feel I should draw the attention of this House. The first one is section 2 (b). We are no longer listing specific communicable diseases since the list of reportable communicable diseases varies from time to time. And further, since diseases can cross boundaries so easily, it is essential that we have uniformity between provinces and the declaration of communicable diseases by regulation provides for the necessary flexibility of action.

The House, Madam Speaker, may be interested in noting the progress of medicine since The Public Health Act was first written. In the list of communicable diseases in the present Act are diseases that have in the past been responsible for untold suffering but are now well under control, and those diseases are such as anterior poliomyelitis, now known as infantile paralysis, cholera, leprosy, plague, scarlet fever, smallpox, tuberculosis, typhoid fever, typhus fever, and undulant fever, to mention some of them.

Section 2 (e) is a section which defines insanitary conditions. The definition "insanitary condition" replaces the definition "nuisance" in the present Act, and it includes in the new Act before you sub definitions that are presently contained in the regulations. Over the years the word "nuisance" has proven to be a nuisance itself, and in attempting to meet the responsibilities bestowed under the Act the definition has not been too satisfactory. The Board of Health debated the definition of nuisance for over a year and the definition of insanitary condition while researching the method of other jurisdictions and the definition proposed, that of insanitary condition, has been the result of these deliberations. It may be noted that the definition does not include the pollution of soil. The pollution of soil in such matters or by such matters as herbicides comes under the Department of Agriculture and I believe The Pesticides Act.

Section 4 states that the Minister and the Deputy Minister may exercise any power or perform any duty or function of a medical officer of health, but in this manner the specific power of the Minister to enter and go upon premises contained in the present legislation has been deleted. The authority is now in the same manner as the medical officer of health. And further, the specific powers to exercise and enforce any powers that are not exercised by a medical officer of health have been deleted by the present legislation. Power of the Minister to make regulations has also been deleted since that power now rests with the Lieutenant-Governor-in-Council, and any regulations are to be referred to the Board for their comment and recommendation before submission to the Lieutenant-Governor-in-Council.

Section 20 of the present Act has been deleted in its entirety. The question of evidence of regulations is now dealt with under The Regulations Act, and that Act requires all regulations to be published in the Manitoba Gazette. The proposed Act will facilitate the preservation of life and the health of the people in the province through basically the same administrative machinery as before but with more clarification, and clarification of terms of reference of power. I think that the Act is quite detailed and when we are before Committee and the people from the Board of Health the department will be there to help with the various sections.

MR. PAULLEY: Madam Speaker, I would just like to say a word or two in connection with the Bill that we now have before us and I might say it is a very interesting Bill. When we were at the resolution stage I asked the Minister of Health whether or not there might be some provision in this Bill to set up a comprehensive medicare scheme for the Province of Manitoba. The answer of my honourable friend was that this was a most complete Bill insofar as the Department of Health is concerned. In glancing over the Bill I find much to commend. Indeed, as the Minister said, it is more or less a consolidation of the Acts and amendments to the Health Bills which have been passed over the years by this Assembly.

I am more than intrigued by one section -- if I may refer to a section that the Minister did, Madam Speaker, which is, namely, Section 3, subsection (1), wherein it is stated that the Minister shall have supervision over all matters pertaining to the preservation of life and the health of the people of the province. Can I take this as meaning that under this provision that the Minister of Health might have supervision over the Manitoba Medical Society or MMS? I don't mean the Manitoba Medical Society, I mean the -- the word just escapes me -- Manitoba Medical Service that has our medical coverage in the Province of Manitoba.

You may recall, Madam Speaker, a couple of years or so under the former Minister of Health a discussion took place as to whether or not Manitoba Medical Service had the right, on their own initiative, just simply to change premium rates being charged to those who are covered under MMS. At that time we got the assurance in this House, or at least I understand it was an assurance, that in the future there would be very close consultation between MMS and the government before any premiums were increased or any changes made in the basic rates.

We all recall the struggle that took place recently when MMS attempted -- no, I shouldn't say attempted -- announced that some of the rates would be changed and also that deterrent fees may be imposed on some of the people under whom they are being covered. I would like to hear from the Minister when he winds up the debate as to whether or not one can take from this that the Department of Health, and in particular the Minister, is going to review this particular situation, because surely, surely, Madam Speaker, that if the Minister of Health in administering a Public Health Act has the supervision over all matters relating to the preservation of life and health of the people of this province, he should have some say with any organization which conducts a business in the Province of Manitoba and invites, as a result of conducting that business, people to take out premiums. He should have supervision over premiums charged. He should have supervision, I respectfully suggest, under coverage and no premiums for no coverage should be changed unless through the agreement or connivance of the Minister of Health.

I also note that there is coverage in the proposed Act for inspection of all public and private institutions dealing with proper sanitary conditions. I would like the Minister, if he will at some time during the stage of passing of this Bill, to fully explain the intent of that section.

Also, Madam Speaker, if I may refer to another section, it's dealing with the fact that each municipality, according to this bill each municipality of which any portion is not part of a health unit must appoint a duly qualified medical practitioner as medical officer of health. Now I'm not just positive at the present time, Madam Speaker, whether this is a new deal or a new provision in the Act or whether it's a carry-over from the other one. I know, if memory serves me correctly, in the previous Act municipal councils, municipalities could appoint a medical health officer. I don't think, however, that it was absolutely essential that they do.

And also in this particular field, Madam Speaker, of the appointment of medical officers of health in the municipalities, may I again appeal to the government to take its full responsibility insofar as the health of the people of Manitoba is concerned by not imposing on the local taxpayer the costs of the provision of a medical officer of health within the municipality on the taxpayer, but for the province itself to assume its rightful responsibility of the provision of the necessary costs of such an officer.

Also, it is spelled very, very vividly to me, Madam Speaker, that this government does recognize -- this government does recognize that it is not facing up to its responsibility in the matter of health if you refer to section 12, subsection (b) where in the Act itself it makes provision for the municipality to ask some person -- "a municipality may enter into an agreement in writing with a medical officer for the providing of medical attention on persons who, in the opinion of some person," -- it doesn't matter who -- "who in the opinion of some person designated by the council of the municipality for the purpose are unable through poverty

(MR. PAULLEY cont'd) . . . to pay for such medical attention and care."

In other words, Madam Speaker, may I suggest that in this sentence here within this new Health Act, the government itself recognizes its lack of responsibility by calling upon our municipal councils to designate some other person as their representative to get the medical practitioner to provide medical service to those unable to take care of themselves, when at the same time, Madam Speaker, the Minister of Welfare has made numerous statements throughout the province that no one in this province as the result of our forward-looking program, need lack medical provision.

So I suggest, Madam Speaker, that the Minister might look at this and consider these few points which I raise at this time. Basically, the Act of course is needed and can perform a valuable service to the people of Manitoba. I question it more for its omissions than for its inclusions.

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, I, like the Honourable Leader of the NDP, would be very interested indeed to hear what provision if any is being made to effect certain controls over MMS. You will recall at the Special Session last August I had a personal interest in this particular aspect of it, and I suggested that it appeared to me that MMS had altogether too wide powers given to them at the time that they made application for incorporation. It seems to me that they have greater powers than, certainly much greater powers than does have any insurance industry for instance, or any other industry that has to do with setting of rates to the public.

Now I know that part of -- I haven't the Bill before me, Madam Speaker, but there is written into their contract somewhere this section, that having paid your last premium you have consented automatically to all of the amendments that have taken place since the last time you paid a premium. That is, they didn't ask you whether it would be all right; they didn't ask anybody if it would be all right to do it. They made application to no one. The minute you paid the premium you agreed that it was fine and dandy, and it seems to me that it should be necessary that they should make application to someone if they're going to drastically change the contract or drastically increase the rates. If a town is only supplying water to its residents they have to make application don't they, I think, to increase the price of water, milk, and a lot of other things that touch on our everyday lives. So I hope that my honourable friend will be able to tell us that they are going to effect a little more control over MMS than they presently do.

Another thing that concerns me, Madam Speaker, regarding the Bill, does it extend, or will it extend the provisions of the Lab and X-Ray or the medical officer to all residents of the province? I believe that presently not all areas of the province are served by medical officers of health or Lab and X-Ray units.

I had a little experience of my own just two or three months ago to point up what I refer to. As the Honourable Minister knows, both the former one and the present one, we have a very good unit at Neepawa and we can get an X-Ray, I think a dollar for the first one and two bits for every one thereafter, and that isn't much of a hardship on anybody. But, but my wife had to come into the clinic here a couple of months ago and subsequently I got a bill for \$37.00, \$5.00 for medical services rendered; \$20.00 for an X-Ray; and \$12.00 for Lab; \$37.00 -- \$20.00, \$12.00 and \$5.00 -- \$37.00.

Now I sent my cheque for \$37.00 and said, in effect, "I have no quarrel with the \$5.00 but I do object to paying \$32.00 for something that I could have obtained in Neepawa for a dollar." Why a dollar you say? Well it's a dollar for one X-Ray and Lab Services are for free, and I must admit that I got a nice letter back from the clinic saying that in future they would attempt to co-operate to the degree that probably we could have the X-Ray and lab work done the day before in Neepawa and bring them with us into Winnipeg. But this is probably only one of thousands and thousands of cases that go on every day in the province, and I think that if we're going to have services of this kind that they should be extended -- provision should be extended to every resident of the province and I wonder whether they are.

Incidentally, without naming any names, the one clinic, or a member of a clinic told me, in effect, well how in the world do you think we're going to pay for the Lab and X-Ray and the radiologists and so on that we have down in the basements of our buildings? Well I don't care how they pay for them, Madam Speaker, as long as I don't have to pay for them. I mean to me this looks like a fringe benefit deal, and if I can get the work done for \$1.25 in Neepawa, or \$1.00, I don't like paying \$32.00. I'm not quite that well off yet.

Now another matter and no doubt everyone in this House has heard about it from their

(MR. SHOEMAKER cont'd) . . . doctor, and I refer to all of the frozen blood samples, or samples of blood that were frozen this winter. I know, Madam Speaker, like you do and everyone else that this was an unusual winter and no doubt will establish some kind of a record for continuous cold weather, but there was an article on this in the Free Press, on the editorial page I think, headed "Wasted Blood" or something of this kind. About two or three days after this article appeared in the Free Press I got letters from no less than three doctors saying, "Well, they're right this time", and this one doctor told me that he had just received word that eight samples were frozen solid and rendered useless. "Now", he said -- I haven't got the letter with me, Madam Speaker, I have it I can get it -- but he said, "it's bad enough to have a patient drive in 20 miles to have a sample taken but I've got to charge him another \$5.00." So it's not only the inconvenience of everyone concerned, it's an additional \$5.00 that the doctor makes, I suppose you could put it that way, but the fact that I have received these complaints from the doctors points up that they're not interested in making another \$5.00, they're interested in the convenience of the public.

I hope, Madam Speaker, that my honourable friend the Minister of Health, if he hasn't taken care of that situation in this Bill, that he'll take care of it in some other bill.

MR. FROESE: Madam Speaker, I beg to move, seconded by the Honourable Member for Fisher, that the debate be adjourned.

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

MADAM SPEAKER: The second reading

MR. ROBLIN: As we are now on government business, I would like to ask you to call the amendment to the Throne Speech debate standing in the name of the Honourable Member for Hamiota.

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the Member for Lac du Bonnet and the proposed amendment thereto by the Honourable the Leader of the Opposition. The Honourable the Member for Hamiota.

MR. B. F. STRICKLAND (Hamiota): Madam Speaker, I adjourned this debate on behalf of

MADAM SPEAKER: May I ask you to repeat what you said?

MR. STRICKLAND: Madam Speaker, I adjourned this debate on behalf of the Minister of Mines and Natural Resources.

MADAM SPEAKER: The Honourable the Minister of Mines and Natural Resources.

HON. STERLING R. LYON, Q. C. (Minister of Mines and Natural Resources) (Fort Garry): Madam Speaker, I rise to participate in this debate with a great deal of pleasure, and before embarking upon the text of what I have to say today I should like, Madam to pay not only the customary, but indeed the very sincere tribute to you, Madam Chairman, for the gracious way in which you are presiding again over the deliberations of this House. I think we are fortunate indeed in having a person of your calibre to hold the highest office which this House can bestow upon one of its members, and I want to add my small tribute to those that have gone before with respect to the excellent way in which you are carrying out your most important function.

I should like to say as well, Madam Speaker, that I was proud to hear my colleagues, the mover and the seconder, the Honourable Member from Lac du Bonnet and the Honourable Member from Fisher, proud to hear their participation in the debate in moving the Address in Reply to the Speech from His Honour. Both of these are estimable gentlemen in their own communities. They have won the support of their people, and when we hear their love for their constituencies, their obvious interest in every aspect of life within those constituencies, we know well why they are here among us and why indeed we can predict with some degree of certainty that they will probably be here for many many years to come.

I listened of course with a great deal of interest to the participation in this debate by the Honourable Leader of the Opposition last Tuesday, and one would not be surprised if I intend to dwell for a few moments at least upon some of the remarks that he made on that occasion. For some reason or another he has been rather anxious to have somebody pay some attention to what he says, and I suppose somebody on this side of the House occasionally does have to pay some attention to the Leader of the Opposition even though the quality of his remarks very seldom warrant it.

Madam Speaker, I want to talk about what he had to say with respect to land acquisitions from the Bain Estate and I want to give the facts of the situation as they are. I want him to pay particular attention to what these facts are because I think he will need some educating in this regard. And I want as well to say that on this occasion I am speaking on behalf of the government in the Throne Speech so I may well go beyond the usual time limit that is given us under the rule.

Let me start first of all then, Madam, with a description generally of what we are talking about. What was this property that the Honourable Leader of the Opposition referred to so flippantly as a "goose preserve" that was bought by the government of Manitoba during the past year. Let's look with some degree of particularity into this so-called goose preserve and find out just exactly what we are talking about.

The Delta Marshes of Manitoba, Madam Speaker, constitute one of the finest water fowl assets in North America. As a wildlife resource Delta has attracted the Delta Waterfowl Research Station which has made significant contributions to waterfowl research and management recognized internationally. Delta has become the recognized mecca for waterfowl biologists of all nations. Situated as close as it is to the population centres of Manitoba, it is of special significance to Manitobans in the maintenance of public hunting grounds in addition to maintenance of the waterfowl resort.

The Bain holdings in the Delta Marsh, roughly two miles wide and three miles deep -- that is the Bain holdings themselves -- constitute approximately 2,800 acres of farm, excellent Portage farmland, marshland and excellent lakeshore land, and this property represents an extremely important core area for the whole Delta Marsh complex. During his lifetime the

(MR. LYON cont'd.) late Donald H. Bain maintained his holdings as a private hunting area. It became in later years in effect a bird sanctuary since very little hunting took place on the property.

Over a good number of years the Wildlife Branch has been of firm opinion that this wildlife resource, operated as it was by the late Mr. Bain, was a great asset to the total Marsh area. However, they were equally of the opinion that should the Bain property ever be acquired by private interests with a view to exploitation of the waterfowl resource this would be most prejudicial to the long term future of the whole Delta Marsh. From time to time intermittent contacts were made by members of the Department of Mines and Natural Resources with Mr. Bain, both during the time of the present government and indeed in the time of the government which was led by my honourable friend the Member for Lakeside. The intention of these infrequent contacts was to determine what ultimate disposition would be made of this property. It proved, however, impossible to arrive at any firm agreement with him during his lifetime as to what the ultimate disposition of the property would be.

When the decision was made to construct the Assiniboine River diversion north from Portage la Prairie to Lake Manitoba, the Wildlife Branch felt that this opened up dynamic possibilities of making the diversion work for the wildlife resource within the Delta Marsh. It had long been their conviction that there should be a management plan for the entire marsh area south of Lake Manitoba. The main stumbling block to a full management plan lay in the lack of facilities for manipulating of water levels and the very high cost of introducing water manipulation through other means. The diversion was the answer to this problem. Through it water could be introduced into the marsh on a controlled basis. Furthermore, the diversion made the acquisition of the Bain property one of the keys to these possibilities. Continued ownership by private interests would have defeated any management plan as water must be passed through the property to reach the main portion of the marsh. The lack of such a management plan would also have serious effect on the whole marsh, particularly if, in addition to the lack of the plan, exploitation of the wildlife resource was occurring on the Bain property. There was and is no doubt on the part of the Wildlife Branch that this property had key importance to the whole future of the Delta Marsh and that its importance will increase steadily as our population and as our hunting pressures grow. At all times the Wildlife Branch thought in terms of acquiring the total property since it ran from south to north directly through the marsh area. In addition, the so-called Inkster Farm on the south end of the property provided additional values altogether from the obvious values of the marsh to the north. The direct feeding of waterfowl in the Portage Plains area has proved to be very costly. This feeding was undertaken by the previous government in response to complaints by farmers about the depredation to their crops caused by ducks on the Delta Marsh. Since the program was initiated, that is the duck feeding program in the Delta Marsh area, in 1957 -- and in that year alone \$35,000 was spent on this program -- almost \$100,000 of public funds have been expended on the feeding program to mitigate against the depredation of the surrounding farms and crop lands in the constituency of my honourable friend from Lakeside.

The large acreage of arable land, typical rich Portage Plains soil, on the Inkster Farm, is so situated that it could be used for the growing of cereal grains to be left standing or swathed and used to attract and to hold waterfowl in the marsh. In years when the crops in the Portage Plains were not subject to waterfowl depredation the Wildlife Branch felt that the crops could still be planted in this area and threshed and stored for future feeding programs.

Other advantages stressed by the department for the acquisition of the Bain holdings at Delta were as follows; first and foremost, a waterfowl sanctuary increased public hunting area and the possibility of a Delta Marsh management plan; secondly, provision for waterfowl research in an area free from too much disturbance by man for the study of nesting, waterfowl behaviour and other research; third, research in and control of waterfowl depredation; fourth, research in blackbird control -- and I'm sure that any farmer in this House can tell us that blackbirds do cause a considerable problem in terms of depredation; fifth, muskrat research. We should never lose sight of the fact that this marsh has a great value in terms of the fur industry and the trapping that goes on in this marsh in the spring; sixth, the possible summer resort development along a 25-acre shore line of Lake Manitoba which was part of the estate; seventh, the utilization of the large Bain Hunting Lodge situated near the shore line for field research headquarters either for the department or for the University of Manitoba; eighth, the provision of additional area for production of grain and the provision of storage in the work of waterfowl control; and ninth, the use of the farm buildings on the south end of the

(MR. LYON cont'd)....property. I want the honourable members here -- many perhaps have not seen this property-- to realize that on the marsh property itself you have arable land, you have hay land, and you have about 2, 100 acres of prime marsh, along with the 25 acres of shore line on the lake, the large Bain lodge which I will describe a little later, and the out-buildings in connection with that lodge, and this farm that I'm talking about on the south end of the property is a complete farm in itself, the Inkster farm --house, granary, farms, and so on, and this is a separate unit although contiguous to the marsh property.

A final word, I think, Madam Speaker, should be said about marsh land and its value to the future of the people of Manitoba. I take the liberty now of quoting from an extensive letter which was written on February 12th, 1960, some five years ago, to Mr. John Christianson, then the MLA for Portage la Prairie, by Dr. H. Albert Hochbaum, the Director of the Delta Waterfowl Research Station, and I take the liberty of quoting it because on the 29th of February of 1960 Dr. Hochbaum wrote to Mr. Elman Guttormson, the MLA, the member for St. George, and he enclosed a copy of his letter to Mr. Christianson in response to some enquiries that Mr. Guttormson had made. As I recall subsequently the Honourable Member for St. George quoted from this letter in the debates of the House that same year on wildlife matters. Now some of Dr. Hochbaum's comments need restating again and again and again if we are going to appreciate, as he does, the value of marsh lands to our future of the province.

These are the words of this internationally renowned wildlife expert, and I quote in part: "Certainly no region of North America has such a grand heritage as does Manitoba in her marsh resources, nor, as history sadly relates, is there any natural feature that may be so quickly and completely lost to a community. It is thus heartening to know of your interest and that of the government in these areas. As Alexander Henry the Younger described in 1806 marsh land still borders much of Manitoba's shore line as far north as the Strait, perhaps the greatest area of marsh remaining in the settled regions of North America. And I repeat those words, perhaps the greatest area of marsh still remaining in the settled regions of North America. The largest units and the areas receiving the greatest use are at the south end of the lake. Here the Delta Marsh extends from St. Mark eighteen miles west to the lakewood club, approximately 36, 000 acres. The Lake Francis Marsh between St. Ambroise and St. Laurent comprises about 18, 000 acres to make a total of some 54, 000 acres of marsh in this area. "Land values" continues Dr. Hochbaum, "give us an idea of the area's agricultural potential. Marsh edge currently sells for \$15.00 to \$20.00 an acre, while the nearby farmland sells for \$75.00 to \$125.00 an acre." And I pause to point out that these are 1960 figures that Dr. Hochbaum is using. This letter was written five years ago.

"Agriculture within the 814 level is always hazardous and uncertain. On the other hand these marshes are exceedingly productive of certain valuable and renewable natural resources. The most important crop is waterfowl. The Delta and Lake Francis marshes are a good breeding area. But more importantly, they are ideal gathering places for ducks in the fall and have been famous wildfowling grounds for many years. "Indeed, " says Dr. Hochbaum, "this was a renowned hunting place for the native Indian long before the coming of the white man. Unfortunately, "he continues, "there is no exact measure of hunting. We know that the marshes are heavily used throughout the fall with a large harvest of ducks. One Portage butcher, " he says in parenthesis, "one Portage butcher shop processed 8, 000 waterfowl in 1958, representing only a fraction of the total kill. In the report of the Lake Winnipeg and Manitoba Board an estimate was given of 40, 000 man days of gunning at the south ends of Lake Winnipeg and Lake Manitoba. Let us guess"says Dr. Hochbaum, "that at least half of these --20, 000 hunter days-- were on the Delta and Lake Francis marshes. In the 1958 bag tally conducted by the Delta Waterfowl Research Station it was estimated that hunters were 50 percent successful in bagging their daily limit of ten ducks; that is, five ducks per day per hunter. Thus in the 20, 000 man days of shooting 100, 000 ducks would have been taken during the season. Again, so little attention has been given this resource in Manitoba, " says Dr. Hochbaum, "that no estimate of the value of the duck is available.

"In 1947 the Illinois Natural History Survey in a carefully prepared study of hunter expenses arrived at the figure of \$9.77 as the actual cost of each duck to the hunter. Using this outdated figure, " says he, "in this, surely conservative in view of the present dollar values, it is clear that a crop of 100, 000 ducks harvested from the Delta Marsh is worth close to \$977, 000. This amounts to a per acre yield of about \$18.00 which is probably not far from the gross acre yield of all areas, including fallow fields, bush lands, roadside, homestead,

(MR. LYON cont'd.) etc. of good Manitoba farmland. "

Continuing, he says, "On the basis of this figuring then, these two units of Lake Manitoba marshland produce an annual crop worth close to a million dollars to the community. The hunter day figure is conservative. If a daily bag of five birds is followed and we correct the 1947 dollar to its 1958 scale, the value of the crop is well above a million dollars, an annual yield of considerably more than \$18.00 an acre. This, of course, is income to the Manitoba community as a whole. Money spent in Winnipeg and Portage la Prairie for gas and food and clothes and guns and ammunition, and money spent in St. Ambrose and St. Marks and Oakland and elsewhere for board and provisions and guides. It must be made clear" he continues, "that much more than a mere exchange of local money is involved. A study of returns from ducks banded by the Delta Waterfowl Research Station indicate that 25 percent of the waterfowl harvest is taken by non-residents, mostly from the United States. About 50 percent of the Delta ducks are shot by Winnipeg hunters, while 25 percent are killed by residents of Portage la Prairie and other localities nearby.

"Nor are our dead ducks the only source of revenue. The Delta Waterfowl Research Station spends an annual operating budget of \$70,000 a year in studies of marsh and waterfowl biology. Most of this money, all of it raised by private subscription"-- and I add the postscript, except this year when we made a grant of \$1,000 to the Delta Waterfowl Station -- "comes from sources outside of Manitoba." By 'we' I mean the Government of Manitoba. "It is a sad commentary," he continues, "on our times that the province which is benefitting from this million dollar income, and this from only one of several productive areas, is plowing back almost nothing to insure that the harvest is perpetuated. It should be noted, too, that the annual per acre yield of marsh is about the same as the present per acre value, suggesting that marshland should be a good public investment. I repeat, it should be noted, too that the annual per acre yield of marsh is about the same as the present per acre value five years ago, suggesting," says Dr. Hochbaum, "that marshlands should be a good public investment. There is considerable evidence," he continues, "that the duck crop is not maintaining itself." And here he was prophetic perhaps beyond what he knew. "That it needs more study and management from provincial as well as Dominion level commensurate with the public value of this resort. Manitoba, which benefits to the tune of a million dollars from only one of its marshes, cannot afford to hire a trained biologist to study measure and plan the management of this resource."

I hesitate again to add as a postscript that that complaint is no longer valid because we have hired a biologist who is out there fulltime, and he's part time member of our staff at the present time while he finishes his doctorate. And we have going now a Delta Marsh Management Committee for the first time in the history of this province composed of representatives of the Delta Waterfowl Research Station, the University of Manitoba, the Department of Mines and Natural Resources, Ducks Unlimited, and chaired by the Canadian Wildlife Service representative in the Province of Manitoba; and this Committee is already embarked upon work. One aspect of which we can talk about later was the exclusion this year for the first time of carp from the east Delta Marsh, and the results look very heartening as to what can be done through these different measures that are being recommended at the present time by this committee which now exists.

Continuing, Dr. Hochbaum says, "So much for waterfowl. There is also the fur production. Fur resources have always suffered cyclic ups and down of abundance and of market values. Presently, both the market and the local numbers of muskrats are at low ebb. But during the period 1943 to 1954, figures published by the Manitoba Game Branch showed that a total of 172,237 pelts were taken on the Delta-Lake Francis Marshes. These had a gross value of \$340,328.00. This is a smaller income than provided by waterfowl but most of this sum was spent locally among the natives who live on or near the marsh border, a major contribution to their livelihood between the close of the winter fishing and the opening of spring work. Besides the muskrat a more limited supply of mink adds importantly to the annual income of a few marsh side residents." Continuing, Dr. Hochbaum says, "These values of dollars and cents are easy enough to measure, and it is hoped that the province eventually will give the situation enough study to provide more accurate figures, but there are values we cannot assess in terms of money. I repeat again: There are values we cannot assess in terms of money -- the health and welfare of the people of Manitoba. While the population increases and each individual's time for recreation expands it becomes ever more important that wild country and adequate supplies of game remain available for the citizens of

(MR. LYON cont'd).the land. Manitoba is the mecca for the residents of Illinois and Minnesota and other states which have lost much of their marshland and waterfowl. Where will Manitobans go if the same mismanagement of resources follows here?" Where, indeed, I ask?

He continues: "I think that our problem is clear cut, John. First there must be a firm decision as to whether or not these Lake Manitoba marshes are worth saving. If so, they must be managed as marshes, not as wasteland. We must think of their value to the entire Manitoba community, not to sub-marginal agriculture with its regular cycles of poor crops and public relief, and if we do our job well we must think not only of Manitoba as it is today but as we wish it to be for our children and for theirs to come. I repeat, if we do our job well," says Dr. Hochbaum, "we must think not only of Manitoba as it is today but as we wish it to be for our children and for theirs to come."

Continuing, he says finally: "It has been said, and so often, to the tourists that to enter Manitoba is to step within the rim of adventure. Careless, thoughtless neglect of marsh lands is at least one measure by which the province is reducing this element of adventure which is of such an important part of outdoor recreation."

Madam Speaker, no further words of mine could enhance this beautiful and moving description of the last great frontier marsh in settled North America.

Having thus considered the desirability of obtaining this marsh from the standpoint of a wildlife resource and for posterity, let us look at other factors which came to bear upon the government's decision. Over and above all of these important resource considerations for the acquisition of the property it became apparent in the preliminary planning of the proposed Portage diversion in 1963 that a large portion of the diversion would probably be routed through the Bain property. It was the opinion of the staff of the Department of Agriculture and Conservation that rather than acquire a strip of land from 1,200 to 1,500 feet wide through this valuable property, it would be more advantageous from their standpoint to acquire the whole property, thereby reducing the cost of acquisition by obviating the necessity of payments for severance and access and all of the other concomitant payments that are necessary when you sever land by taking a strip through it. It therefore became apparent that the purchase of the entire property would have been necessary for the single purpose of the Portage diversion. Therefore, had the property passed to private hands, acquisition of it would have been necessary ultimately in any case for the diversion purpose.

I pause now, Madam Speaker, to give again a description of this property in more detail than I have at the present time. I would ask the pages to come and distribute to the leaders of the parties these brochures showing maps and photographs of the Bain estate so that members can better see what we are talking about. A detailed description of the property at Delta is as follows --this is the goose preserve about which the Leader of the Opposition spoke the other day. First of all, there are 200 acres of Portage soil type cultivated land, extremely valuable agricultural land. There are 150 acres of what is called "go-back" land; that is, land that was once in cultivation but is now in hay production. There are 250 acres of bushland, suitable for development of Portage soil type because that's what's under it when it's cleared, and may I just pause to say that in the bush on this Bain Estate is one of the finest natural herds of deer that we find in the Province of Manitoba. This is indeed a great wildlife preserve, a great deer crop produced each year on this property. There are, in addition, 2,187 acres of marsh land and there are in addition to that approximately 25 acres of lakeshore land suitable for summer home development. Again I say, this is the mere goose preserve that the Leader of the Opposition spoke about the other day.

What about the buildings on this property? The members of the House will have in front of them pictures of the various buildings that are to be found. The main Bain hunting lodge found on the lakeshore, a two-storey structure, 40 by 40 feet; addition of 20 by 40 feet or another 800 square feet of front verandah with glazed windows. It has a full concrete reinforced basement with central heat; a water system; it has sewer by septic tank; it has a full bathroom on the main floor and on the second floor. The main floor includes two screened and glazed verandahs overlooking Lake Manitoba. The living room which is 18 by 40 feet long has an open stone fireplace along one wall. It has a fully modern kitchen, a large entrance hallway and it has two bedrooms in addition on the main floor. And if members will pause to look at the buildings that are shown in the pictures --and these are winter pictures. They don't show perhaps to the best advantage but they give members some idea of the value of this Bain lodge-- the value, may I say again, of this mere goose preserve that the government

(MR. LYON cont'd.) acquired. On the second floor of this Bain lodge there are six bedrooms, five of which are equipped with wash basins, and in addition there is a complete bathroom making up the seventh room.

The outbuildings in connection with the Bain Lodge itself include a machine shed 20 by 74 feet long; a cottage in which the caretaker of the property lives, formerly called the Old Lodge -- you will see it described in the book in front of you; a small power house which was used at one time to provide power for the lodge, and another machine shed of some 20 by 75 feet in diameter. The Inkster farm unit, that is, the farm on the south end of the Bain or hunting lodge property has seven granaries, a machine shed 20 by 63, a bunkhouse, a farmhouse, a barn, a chicken house, a boathouse, an equipment shed, and a steel Quonset type machine shed 33 by 133 feet in dimension. This again I mention, Madam Speaker, is the goose preserve about which my honourable friend the Leader of the Opposition speaks.

MR. PAULLEY: Madam Speaker, in order to orient yourself with the pictures and the property, was the Inkster farm that the Minister refers now to part and parcel of the land that was purchased from Octave? It's all one piece of property even though it's ?

MR. LYON: Yes, we'll come to that, but it's all one. I want to say in addition, Madam Speaker, because like the member from Lakeside I have the good fortune to come from Portage la Prairie and I've got some general knowledge of this area, and I want to say that in addition to all of this you have two roads running through the property, an east-west road running along what we call the back road running along the lake behind the lakeshore and in addition to that you have a drag line road running north and south through the property from the Inkster farm which was constructed by Mr. Bain some years ago at a considerable cost, which has been estimated by some at that time of some \$75,000.00. I can't verify the figure but that is the information that's given, and in appraisals and in expropriations let me point out that just such improvements cost governments money when you come to expropriate roads of this nature, and I am talking now of about four miles of drag line roads. In addition to that there are bridges over the creek, one bridge leading into the main lodge. There is this 25 acres of shoreline which is highly in demand at the present time for lakeshore development.

I turn for a moment to Grants Lake property to give honourable members a better idea of what we are talking about with respect to Grants Lake. Mr. Bain, who as can be seen was a great wildlife enthusiast, purchased a good many years ago some privately-owned property known as Grants Lake in the vicinity of Grosse Isle. The reason for his purchase was to prevent its entire drainage for agricultural purposes and to preserve it for waterfowl, particularly for snow and blue geese, which historically visited the area in large numbers during the spring northward flight. The area in question encompassed about 800 acres made up of approximately 100 acres of good cultivated land, about 150 acres of hay land, and approximately 547 acres of marsh. In his efforts to recreate a favourable area for waterfowl after he purchased the land, Mr. Bain with the co-operation of Ducks Unlimited had certain dykes and dams and ditches constructed to provide and to hold water in the area, and I can say that quickly and all in one sentence, but this work went on over years, the number of drainage projects and so on in this property conducted by Mr. Bain and by Ducks Unlimited to make this into a better sanctuary. One estimate of the expenditure made to preserve and enhance this area for wildlife purposes was \$100,000 that was spent on these various improvements for drainage and so on, and I need only mention that had this land been expropriated these costs would have undoubtedly been an important factor in escalating the price to be paid by the government well beyond what was actually paid.

I turn now for a moment to the Portage la Prairie farm because this was mentioned by the Honourable the Leader of the Opposition as part of the total of the three pieces of property that the government bought, and he casually left the impression that this might be considered as part of the goose preserve that the government bought. This piece of property with which we are concerned, this Portage la Prairie farm, is part of river lot 23 of the Parish of Portage la Prairie, a farm of some 219 acres located less than a mile from the City of Portage la Prairie and having about 4,000 feet of frontage on the Assiniboine River. It is connected by an all-weather road to Portage la Prairie and is serviced by city water, power, and natural gas. It has a complete set of farm buildings and is situated in an area where suburban dwellings have already been located.

MR. PAULLEY: Madam Speaker, may I ask a similar question to the one previously? Is this still a part and parcel of the Bain estate, this Portage farm that you were

MR. LYON: The Portage farm is part of the Bain estate which you will learn was acquired by the Department of Agriculture and Conservation for the inlet structure of the Portage diversion, and also part of it was needed for the south bypass around the City of Portage la Prairie that was being constructed by the Department of Public Works.

MR. PAULLEY: the holdings of the Octave Company, who sold it to you?

MR. LYON: Yes. If my honourable friend will bear with me I think it will all become clear.

MR. PAULLEY: No, I just want to get it as we go along.

MR. MOLGAT: Madam Speaker, I wonder if the member would permit a question while we are.

MR. LYON: I prefer not.

MR. MOLGAT: It's to do with the particular brochure that you have sent around.

MR. LYON: Well I can come back to that.

MR. MOLGAT: Oh, Well, when you are dealing with the brochure.

MR. LYON: Right. Well this then, Madam Speaker, I mention again this farm. It has subdivision development taking place right across the road from it at the present time. It has subdivision potential which real estate, good real estate people such as the Honourable Member for Assiniboia will appreciate. It has an important subdivision potential at the present time because of the development that is moving out west from Portage la Prairie and its values are enhanced, and I don't suppose anybody would want to call this goose preserve but lest there be any concern about this, this is part of what my honourable friend seemed to refer to as the goose preserve that the government bought.

This then, is a general description of the three subject properties referred to in the speech by the Honourable the Leader of the Opposition. The Delta and Grants Lake properties were acquired by the Government of Manitoba through the Department of Mines and Resources effective April 1st, 1964. The Portage la Prairie farm was acquired by the Department of Agriculture and Conservation on November 20th, 1964. The price paid by the Government of Manitoba for the first two properties, that is the Delta and Grants Lake properties, was \$170,000 or an average of \$27.00 per acre including buildings and improvements and roads, shoreline, and all of the things that we have mentioned. This is the average price we paid. And the price paid for the south Portage la Prairie farm was \$75,000 and as will be seen these prices were paid to Octave Enterprises Limited. Now with the description of the properties now before us, let us turn to an examination of the facts surrounding their acquisition and the determination of the price. If at this point my honourable friend the Leader of the Opposition wants some verification on the picture I will try to give it to him.

MR. MOLGAT: I thank you, Madam Speaker, for the privilege. I wonder if the Minister could tell us when these photographs were taken. I notice that a number of them are summer photographs but there are quite a number here, in fact most of them are winter photographs. Could he tell us when these were taken?

MR. LYON: The winter photographs to the best of my knowledge, Madam Speaker, were taken in December of 1963--that is, the photograph of the Delta property. The south farm photographs to the best of my knowledge were taken in the summer of 1964.

Now as I say, Madam Speaker, we turn now to the facts surrounding the acquisition of these properties and the determination of the price that was to be offered for them. I refer first of all now to the Delta Property and the Grants Lake property. Over the years infrequent and in conclusive meetings between the staff of the Department of Mines and Mr. Donald H. Bain were held. This was in the 1950's. These were infrequent meetings. The Honourable C. H. Witney, the then Minister of Mines and Resources, met with Mr. Bain relative to the future of Grants Lake and the Delta property but this meeting was equally inconclusive and I will deal with it a little bit later. That meeting took place in March of 1960. It should be remembered that Mr. Bain was a man of advanced years and any dealings with him were necessarily complicated by that fact.

As early as 1952 the Director of Wildlife has recommended that the Delta property be acquired from Mr. Bain, but no action was taken on this recommendation since it was thought that the cost of acquiring it at that time would be prohibitive. Eventually Donald H. Bain died on August 15th, 1962. Contact by the Department with the Estate was maintained primarily through Mr. E. B. Pitblado, Q. C. who was solicitor for the estate. Mr. Pitblado, an avid and well-known sportsman, an executive officer of Ducks Unlimited, agreed with the Wildlife Branch that the government should have the first opportunity to acquire these desirable wildlife

(MR. LYON cont'd.) properties from the estate. It was understood by the department and by Mr. Pitblado that should there be any desire on the part of the estate to dispose of these properties, Mr. Pitblado would advise the department at once because he knew of the department's wishes and was in accord with them. In addition to this there were other contacts with members of the estate. One was mentioned by the Leader of the Opposition. Mr. James Bain, a beneficiary, was in touch with the Minister and Deputy Minister in January of 1963. At this meeting he indicated that he wanted to see the Grants Lake property go to the government and he confirmed that the government should maintain its already existing contact with Mr. Pitblado, solicitor for the estate.

Later that summer, rumour reached the department that the Delta property was up for sale. When Mr. Pitblado was contacted concerning this rumour, and I want honourable members to note this -- when Mr. Pitblado was contacted concerning this rumour, he advised that he knew of no sale or of attempt to sell that had been made by the executors. In actual fact, as it subsequently turned out, the executors Duncan MacPherson and Albert Smale had, unbeknown to their solicitor, on July 19, 1963, entered into an option to purchase agreement with Octave Enterprises Ltd. The agent for the sale was Aronovitch and Leipsic Limited. The agreement was executed on behalf of Octave Enterprises Limited by Mendel Meltzer, a Winnipeg barrister, as President of the company, and by Earl Essers, also a Winnipeg barrister as Secretary-Treasurer. Those signing on behalf of the Donald H. Bain Estate were Messrs. Smale and MacPherson. I want to make it clear that this option was not made known or was not seen by the department for several months because it was a private arrangement and did not appear until the court action was begun subsequently in December, I think it was, of 1963.

It should be noted that this option related to all of the land owned by the Estate of Donald H. Bain excepting his home on Eastgate in the City of Winnipeg. It was a package deal. These lands included 240 acres in the Rural Municipality of Woodlands, 2144 acres in the Rural Municipality of Rosser, 626 acres in the Rural Municipality of Rosser along with all the lands, buildings and improvements, and inventory of equipment and livestock, the Delta property that we have been describing, the Inkster farm on the south end of the Delta property, as well as the Portage la Prairie farm and an Island at Minaki in Ontario. While the government has no precise knowledge as to why the executors chose to make the package sale of the estate lands for the price that they did, subsequent information would indicate that the estate required immediate cash to meet a large number of debts and obligations including Estate Tax. The estate, it appears, was in financial straits and the cash was needed urgently. Shortly after learning of the existence of this option the department retained the services of G. R. Hunter, Q. C., of the Pitblado, Hoskin and Company firm to act on its behalf.

On August 7th, 1963, the Minister of Mines and Resources wrote to Messrs. Albert Smale and Duncan MacPherson as executors of the Bain Estate, advising them of the Government's interest in the Grants Lake and Delta property, and of the government's desire to preserve both areas for posterity as a wildlife management area, and I mentioned that this letter merely confirmed other conversations that will be mentioned later on that were held earlier that year, in May of 1963. We will refer to those a little later on. The Minister, Mr. Witney, requested a meeting with them. He also requested the opportunity of having the government meet any offer that might be made to the Estate for properties which were up for sale.

In response to this letter, the Minister received a communication on August 12, 1963 from Aronovitch and Leipsic Limited, advising that his letter of August 7th had been handed to M. M. Meltzer, that's Mendel Meltzer, solicitor acting for the optionee of the Grants Lake and Delta properties. It was also indicated that the optionees intended to take up the option within two weeks of the date of the letter; that is, within two weeks of August 12th. Thereafter discussions were held between the agent, the Minister and representatives of the department, and negotiations for the purchase of the Delta and Grants Lake properties were undertaken. On September 6th, 1963, the Minister of Mines and Resources advised Octave Enterprises Limited by letter that the Department, subject to the approval of the Lieutenant-Governor-in-Council would offer \$170,000 for the Grants Lake and Delta properties. Subsequently, by Order-in-Council 1172 of 1963, dated September 11, 1963, the Minister was authorized to purchase the property for a sum not exceeding \$170,000.00. This offer was communicated to Octave Enterprises on September 12th, was open for acceptance until September 17th, and by letter dated September 17th Mendel Meltzer of Meltzer Essers and Gold, Barristers, advised the Minister of Mines and Resources that Octave Enterprises Limited had accepted the offer

(MR. LYON cont'd.).....to purchase.

During this period of negotiation the government was advised by representatives of Aronovitch and Leipsic Limited that Octave Enterprises had had offers made, particularly for the Delta property, and that if the government wished to acquire the said property, urgent action would be required. In particular, the Department was advised -- and I stress this to the honourable members -- the department was advised that American interests were considering purchasing the property. It was realized, of course, that if the property had passed into the hands of outside or foreign or other interests, the long-standing fears of the Wildlife Branch concerning the exploitation of the wildlife resource on the property, would of course be realized. Furthermore, it was apparent that if a sale were made by Octave Enterprises to outside interests, long and costly expropriation procedures might well be involved and the ultimate price to the government might be escalated well beyond the \$170,000 figure.

In this connection, the Leader of the Opposition states that the government should have used its powers of expropriation to acquire the said property, either before or after the option had been taken by Octave Enterprises. It should be remembered, however, that there was no power of expropriation in the old Game and Fisheries Act, and that it was not until the new Wildlife Act was passed by this House that the power of expropriation was given to the government to "purchase, expropriate or otherwise acquire any lands required for a wildlife management area or a public shooting ground." This latter Act which was passed at the 1963 session of the Legislature, was not proclaimed until September 1st, 1963. It can therefore be seen that the suggestion that the government could have expropriated this property at any time prior to September 1st, 1963, was incorrect. Even if expropriation were possible it would still have been incumbent upon the government to make an offer based on the value of the land to the owner, and we're going to deal with that concept in a few moments.

It is also interesting to note, Madam Speaker, the comments of the Official Opposition with respect to the power of expropriation for wildlife management areas or public shooting ground. When the Wildlife Act was before the House in 1963, on page 1732 of Hansard of April 26, 1963, some few months, five months, before this land was purchased, the Honourable Member for Lakeside said as follows and I quote: "I would like to check further on the Section 6, Subsection (4), I believe it is, that deals with expropriation. It seems to me that expropriation is necessary in a good many cases and many public works where very great public interest is involved, but I think it should be used always with great care and I rather doubt if the acquisition of public shooting grounds are important -- though I admit them to be -- are important enough to expropriate lands, but we can look at that in committee."

Well, here the Member for Lakeside, Madam Speaker, is suggesting that he doubts the need for power of expropriation, thereby implying that the government should proceed to acquire wildlife management areas and public shooting grounds by negotiation. This, Madam Speaker, is precisely what was done with Octave Enterprises five months later. In the course of his remarks, the Leader of the Opposition also stated, Madam Speaker, that Mr. Bain had set aside 800 acres as a game sanctuary at Grants Lake, and according to the Leader of the Opposition, Mr. Bain was anxious that the people of Manitoba should share for all time the conservation facilities afforded by his properties and he offered to give, says the Leader of the Opposition, or make a gift of a large tract of land to the government for that purpose. According to Mr. Molgat the only thing he asked in return was the sum of \$3,000 to be paid to a neighbouring farmer in settlement of a disputed claim. The Leader of the Opposition charges that the government did nothing and that this gift thereby lapsed. The Leader of the Opposition gives no dates in connection with this alleged offer. On checking our files and on checking the members of the Department who dealt with Mr. Bain from time to time on Grants Lake, both during the time of the present government and the previous government, we find that the Honourable Mr. Witney and the Assistant Deputy Minister of the department, did meet with Mr. Bain in March of 1960. At this time he appeared to be very ill and he was somewhat remote in conversation. The Minister expressed interest in the Grants Lake property and he asked Mr. Bain if he would consider deeding the property to be called the Donald H. Bain Refuge. Mr. Bain hardly participated in the conversation and certainly gave no undertaking that the land would be given to the province. Subsequently no word was heard from Mr. Bain nor any member of the estate concerning this matter.

Later on in April of 1963 a new drainage system had been planned for the Sturgeon Creek watershed which included Grants Lake area. Some meetings were held. There was one

(MR. LYON cont'd) meeting between representatives of the estate, representative of the municipalities and the departmental officials concerned both from the Department of Mines and from the Department of Agriculture and Conservation regarding new possibilities of water use in the Grants Lake area. At this general meeting Mr. Pitblado, the solicitor for the estate, put forward the suggestion that the Bain interests, while retaining ownership might allow the province to develop the area as a refuge if they were given legal protection against claims for flooding. However, as we know, nothing further came from this suggestion from the solicitor and in actual fact the executors of the estate proceeded shortly thereafter, unbeknown to the solicitor, to option the Grants Lake area to Octave Enterprises Limited without advising the government or even their own solicitor or giving the government the first opportunity to make a bid on the land as we had understood the case would be.

Thus it is quite wrong for the Leader of the Opposition to say that this property was offered as a gift to the government. While it is true that discussions concerning the matter did take place, no offer of a gift was made nor did either Mr. Bain or the estate take any action to follow through on this suggestion.

It should also be mentioned that the Deputy Minister of the department spoke to Mr. E. B. Pitblado in the fall of 1962, a few months after the death of Mr. Bain, concerning the interest of the department in acquiring the Delta and Grants Lake property. There was some question at this time as to whether the estate had any power to sell within two years from the date of the death of Mr. Bain, namely, whether the estate had any power to sell prior to August 16th, 1964, because lawyers looking at the will see that there was no power of sale nor expressed power of sale contained in that will. It was felt by Mr. Pitblado that the province would be given ample opportunity by the executors to have first chance at the property if and when it was put up for sale. In actual fact they did not contact the province before they gave their option to Octave even though they knew of the province's interest, and as Mr. Pitblado had foreseen, the executors had to go to court to confirm the right of the estate to sell within the two year period before the transaction with Octave could be completed.

Going back now to the 1960 meeting with Mr. Bain, shortly thereafter the assistant Deputy Minister, Mr. Schortinghuis of the department, contacted Albert Smale, one of the executors, who flatly refused to even discuss the sale of the Delta property with the department. He said the property was definitely not for sale and that a few months before the family had turned down a fabulous offer from Americans. He was asked that if at any time the family wished to sell the property they consider giving the government first chance at it. Mr. Smale in 1960 agreed to do this but subsequently this agreement, or this undertaking was not carried out.

I come now for a moment to Octave Enterprises. Octave Enterprises are a Manitoba company incorporated on the 27th day of May, 1959. The three principal directors and executive officers of this company are Mendel Meltzer, barrister, president and director; Earl Essers, barrister, secretary-treasurer and director; and Paul Gold, barrister, director. These three lawyers also practise their profession under the name of Meltzer, Essers and Gold. Insofar as the government knows, these three gentlemen are the only ones interested as shareholders and executive officers and are the persons who in fact executed the agreement on behalf of Octave Enterprises and who received communications on their behalf.

During the course of this debate, Madam Speaker, there has been innuendo and indirect suggestions that the government for some strange reason was favourably disposed towards this company and that it was for this reason, so the innuendo goes, that the company was able to make the sale to the government that it did for the prices in question. This suggestion I say, Madam Speaker, is absolutely and completely false. The government's only interest in Octave Enterprises arose entirely from the fact that at all times when the negotiations were being conducted in the summer of 1963, Octave Enterprises were the constructive owners of all land in the Bain estate.

The source of this suggestion or innuendo, particularly as made by the Leader of the Opposition, the Member for Lakeside and the Member from Brokenhead, is most surprising, particularly when they know, as do we, that Messrs. Meltzer, Essers and Gold are and have been for many years strong and active supporters of the Liberal Party of Manitoba. At the present time I am told that Paul Gold is the first Vice-President of the Liberal Party of Manitoba, both federal and provincial. Earl Essers is the chairman of the membership committee of the Liberal Party of Manitoba, federal and provincial. There is of course, Madam

(MR. LYON, cont'd.) Speaker, nothing wrong or illegal or suspicious about these three gentlemen being active working Liberals. Their political affiliation is not mentioned to arouse any suspicion. This fact is mentioned however because, for reasons best known to themselves, the Leader of the Opposition and the Member for Lakeside are trying their best to intimate and plant the seed of suspicion in the minds of the public that the government was making some special deal with people for whom it had some special regard either political or otherwise. This of course is absolute nonsense, and I suggest with deference that the Leader of the Opposition and the Member for Lakeside both know that it is nonsense.

Now what about the values of the land obtained by the government? The nub of the charge made by the Leader of the Opposition is that because Octave Enterprises was successful in obtaining an option on all lands within the estate for a total consideration of \$350,350, that the government should therefore have been able to have bought selected individual portions of this total land package for approximately the same price that made up the total consideration for the property package, that is the same price shown for the individual properties. He says in effect that because of the price as shown on the option agreement, which by the way was not public knowledge nor made known to the government until several months after the agreement to purchase from Octave had been concluded, the government by expropriation he says should have been able to acquire individual parcels of these lands at approximately the same value. This argument is of course fallacious. It's misleading and it could only be made by a person totally devoid of knowledge of the principles involved in expropriation and of the values which must be paid under expropriation.

First of all, Madam Speaker, we must remember that the original appraised values obtained by the estate shortly after the death of Mr. Bain in August of 1962 were obtained for the specific purpose immediately of valuing the estate for estate tax or succession duty purposes. The principle in these evaluations is quite clear. The lower the evaluation the lower the estate tax that has to be paid. We of course can advance no precise reason as to why the estate sold to Octave Enterprises for the figure in question. All we do know, as we mentioned before, is that it was apparent from their action that they wished to dispose of all of the land in one package and to obtain a quick turnover of \$350,350 in cash immediately.

They also failed to come to the government as we had understood they might. It is at this stage that the Leader of the Opposition says, on page 18 of Hansard of February 23, "Now you would think that having failed to obtain part of the property by gift as originally proposed by Mr. Bain" - - and we are unaware of the proposal - - "having missed the chance to get the property at the sworn value in January, 1963, when the Minister was speaking about having failed to act in April, 1963, when he was questioned in the House, the government would act promptly when it learned of the option, to file expropriation notices again because the option itself was evidence of the value of the land." As I have mentioned, Madam Speaker, it was not possible to expropriate because there were no powers of expropriation for wildlife purposes until September 1st, 1963.

But in other words, the Leader of the Opposition is saying that if the government expropriated we could have obtained the land for approximately the same price as Octave had paid as part of a much larger deal for all of the land in the estate. What the Leader of the Opposition, Madam Speaker, is conveniently overlooking in his attempt to establish his most shaky case is section 12 of The Expropriation Act which reads as follows: "Section 12, subsection (1) The Minister shall make to the owner of land entered upon, taken or used by him or injuriously affected by the exercise of any of the powers conferred by the Act, due compensation for any damages necessarily resulting from the exercise of those powers beyond any advantage that the owner derives from the contemplated work and any claim for such compensation not mutually agreed upon shall be determined as hereinafter provided."

The important words in that quotation and in that section of The Expropriation Act are "due compensation." Due compensation has been held by the courts to mean "value to the owner." Court decisions over the years confirm that value to the owner means compensation which includes compensation from many items that are in addition -- I've stressed this -- that are in addition to the actual value of the property in the market place, and which reflect his particular interest in his property. I stress again, Madam Speaker, that due compensation means not only the market value of the parcel but such incidental costs as moving, and together with wasted fees or other fringe benefits, which the owner of the property might ultimately lose as a result of expropriation.

The classic definition which has been given by the courts for determining the value to

(MR. LYON cont'd.) the owner is that amount which a prudent man would pay for the property rather than be ejected from it. That is the classic court definition. The Honourable J. D. Cline, Commissioner for the British Columbia Royal Commission on Expropriation, pointed out in his 1964 report to the B. C. Government on page 48 of that report, "the term value to the owner has further significance. Compensation is based on the value of the land to the particular owner, not just to any owner. The Supreme Court of Canada." he continues, "in an early leading case stated that market value ought to be prima facie the basis of valuation in determining compensation and that an additional amount should be added for the value of any special use to the owner."

What then was the market value of this property, the Delta and Grants Lake properties, when the government negotiated their purchase for \$170,000 in August and in September of 1963, and subsequently confirmed it later in 1964? As was previously mentioned, Octave Enterprises and their agents Aronovitch and Leipsic Limited, advised the government that there was a great deal of interest in this land, both domestically and in the United States. It is our understanding that there were a number of inquiries and offers concerning the properties before it was finally sold to the government.

One group that was apparently interested in the Delta property, excluding the 800 acres of the Inkster farm -- that's excluding -- was a group of business men from Portage la Prairie. Discussions took place between this group and Aronovitch and Leipsic in late July around the group's offer of \$125,000 for the 2,100 acres of marsh land and shore property, including the Bain lodge but exclusive of the valuable Inkster farm on the south end of the property. They were negotiating just for the marsh property, the shoreline, the lodge, not the farm on the south end.

Although nothing came of this discussion and negotiation, the interesting fact is that \$125,000 was offered for only a portion of the Delta property which the government ultimately obtained along with Grants Lake for \$170,000.00. This offer is even more interesting, Madam Speaker, because we are told one of the members of this Portage syndicate was the Honourable Member for Portage la Prairie. He was a member of the House at that time. It is certainly strange to hear his leader talking about the low price at which the government should have been able to obtain this property when one of his own backbenchers was engaged in negotiations for its acquisition at a higher price, that is approximately \$60.00 an acre including improvements, than even the government paid, and the government only paid \$47.00 an acre and it got the south farm and Grants Lake in addition.

It's interesting as well to remember that in the House in April of 1963 the Honourable Member for Portage got up, as was mentioned by the Leader of the Opposition, and asked the then Minister of Mines and Resources what the government was doing about the Bain property and whether or not it had any interest in it. Remember that? And the Minister stood up in his place and he said of course we have interest in it; we want to acquire this property. So the member from Portage was on notice as to what the government's interest was in April of 1963. But even more interesting, Madam Speaker, is to note what he was saying about this property to the Portage Game and Fish Association at this time. In a letter that the Honourable Mr. Witney received dated August 23rd, 1963, J. R. (Jim) Collett, the President of the Portage and District Game and Fish Association, wrote to Mr. Witney in part as follows: "Leaving the above matter," and it was a question about deer season, "I was speaking with our local member, Mr. Johnson this week," says Mr. Collett on August 23rd, 1963 -- and remember the other date of July of 1963 when these negotiations were going on. "He was pointing out that some 2,150 acres of land belonging to the Donald H. Bain at Delta had been sold to an investment company who reportedly purchased this land at some \$90,000.00. This land stretches from the lake front back with most of it marsh and sub-marginal land." Now listen to these words: "He intimated your government made no attempt to acquire this land and there is some concern in this area that this property will eventually be purchased by non-resident interests. This situation, if it develops, will not, I am sure, meet with the approval of your department, and therefore I would like to know if any investigation into this matter has been carried on or if you plan to do so in the future, as most people in this area," says Mr. Collett, "would like to see this land turned into a wildlife refuge."

On September 17th, 1963 Mr. Witney replied relative to the Bain estate as follows to Mr. Collett: "The Donald H. Bain property at Delta has been of considerable concern to us ever since it appeared on the market. We are still negotiating for the purchase of this land, but further details on this matter cannot be released at this time. It is incorrect to suggest that

(MR. LYON cont'd) my department has made no attempt to acquire this land," says Mr. Witney. "The record will show that we have worked hard to obtain this acreage as a waterfowl management area. If we fail, I can assure you that it will be for reasons beyond our control."

One can only say, Madam Speaker, that this was indeed an odd statement for a member of the Legislative Assembly to make to a citizen complaining about alleged government inaction in purchasing a waterfowl area which we are told he himself had been attempting to buy in company with others only two or three weeks before he made the statement. We leave it to the honourable member to explain why he was attempting to purchase the property that he knew from a previous question in the House was wanted by the government.

MR. JOHNSTON: Madam Speaker, on a point of privilege can the Honourable Minister produce evidence that I tried to buy this land?

MR. LYON: I'm informed that the honourable member tried to buy the land by

MR. JOHNSTON: Can the Minister produce evidence that I tried to buy this land?

MR. LYON: I'm asking the honourable member, Madam Speaker, if he denies that he tried to buy the land.

MR. JOHNSTON: Madam Speaker, I've asked a question. I would like a reply.

MR. LYON: Is my honourable friend denying that he tried to buy the land? (Interjections)

MR. JOHNSTON: Madam Speaker, I would like a reply.

MR. LYON: Madam Speaker, it will be remembered

MR. JOHNSTON: Madam Speaker, may I first have a reply to my question?

MR. LYON: It will be remembered that the Delta property, Grants Lake property price

MR. MOLGAT: Madam Speaker, a matter of privilege here. The Minister has made his statement, the member has risen in his seat and has objected to the Minister's statement. The Minister owes this House an answer to that question.

MR. LYON: Can the member deny it?

MR. MOLGAT: No, the Minister made a statement. (Interjections)

MR. LYON: Madam Speaker, I am reliably informed that that is the case. If the honourable member wishes to deny it I will accept his word.

MR. JOHNSTON: Madam Speaker, I asked a clear question. Can I have an answer? (Interjections)

MR. LYON: It will be remembered that the Delta property and Grants Lake property was negotiated between

MR. JOHNSTON: I submit, Madam Speaker, that on a question of privilege (Interjections).

MADAM SPEAKER: The Minister of Mines and Natural Resources has the floor.

MR. LYON: It will be remembered, Madam Speaker, that the Delta property and the Grants Lake property price

MR. JOHNSTON: I'm rising on a matter of personal privilege and I insist on an answer.

MR. LYON: If my honourable friend denies the allegation, I will accept it. I am informed that that is the case and I accept that in the absence of his denial.

MR. JOHNSTON: The question is, have you any evidence that I made an offer for land in respect to the Bain Estate? I will make a statement later but I'm asking a question right now.

MR. LYON: I have had verbal reports to that effect, yes.

MR. JOHNSTON: Is that evidence? I'm asking for evidence. I will speak later and answer your innuendo but right now I want a reply to a question.

MR. LYON: Madam Speaker, the Delta property

MR. JOHNSTON: Madam Speaker, am I going to get an answer to my question?

MADAM SPEAKER: The Honourable Minister has the right to answer you or not.

MR. JOHNSTON: The honourable member has made a charge that he has evidence . . . (Interjections)

MADAM SPEAKER: Order, please.

MR. DESJARDINS: Didn't you order me last year to answer a question when I was speaking? Didn't you order me?

MADAM SPEAKER: Order, please.

MR. DESJARDINS: I can find that. I will.

MR. LYON: Madam Speaker, I have made no charge. I said I was reliably informed that that took place. If my honourable friend wishes to deny it I will accept his denial.

MADAM SPEAKER: The Minister of Mines and Natural Resources may continue.

MR. LYON: It will be remembered, Madam Speaker that . . .

MR. MOLGAT: Madam Speaker, if I may, are you ruling that this is not a point of privilege?

MADAM SPEAKER: I have given privilege to the Honourable Minister of Mines and Natural Resources to continue.

MR. MOLGAT: You are ruling then that the member from Portage la Prairie has no question of privilege?

MADAM SPEAKER: No, I am not.

MR. MOLGAT: Well, then, if he has a question of privilege, Madam Speaker, then he has the right to get an answer from the Minister.

MADAM SPEAKER: The Minister has answered him.

MR. MOLGAT: The Minister has not answered, Madam Speaker. He has answered by making further questions.

MR. LYON: Madam, I have answered that I have had verbal information to that effect and that if my honourable friend wishes to deny the validity of that evidence I will accept, I will accept his denial. (Interjections).

MADAM SPEAKER: Order, please.

MR. LYON: Madam Speaker, it will be remembered that the Delta property and the Grant Lake property price was negotiated between the Department of Mines and Octave Enterprises through Octave's representatives, Aronovitch and Leipsic Limited. This was the final negotiated price which was agreed to by the Order-in-Council previously mentioned. Subsequent to December 15th, when the government extended this offer to purchase for this price, the department again reviewed the whole question of price in order to insure that the government was obtaining the land at the best value possible. An appraisal was conducted by experienced senior appraisal staff of the Department of Mines and Resources. The conclusion as to the land values was arrived at by using sales of private land in the area, municipal assessment records, and a further viewing of the property.

In summary, that appraisal showed the total value as follows: The Delta property, including the shoreline, the hunting lodge and the south Inkster farm without equipment or furnishings was appraised at \$141,340.00; the Grants Lake property was appraised at \$15,970.00, for a total value of \$157,310.00. On the basis, Madam Speaker, of this very conservative appraisal, the department then had to consider whether it should proceed with this negotiated settlement of \$170,000 or whether it should expropriate. The consensus of the advice from the department was that the government should proceed with the negotiated purchase at \$170,000 since it was assured that if the government proceeded to expropriate and pay due compensations, other factors involved such as payments for forceful taking and other items under which compensation is paid under expropriation, could raise the price of the two properties in excess of the \$170,000 that had already been negotiated. In this connection remember that approximately -- on the Grants Lake property approximately, we are told, \$100,000 had been spent. Remember as well the road system on the Delta property which had been built at considerable expense to the estate. Remember as well the beach land and so on, and all of these other values that could be added in at much higher values than were appraised.

The Leader of the Opposition says that had we expropriated we could have obtained the Delta property and the Grants Lake property for a price somewhat around that paid as part of the total package deal by Octave Enterprises. The departmental staff, and in particular its appraisers, advised the government quite the contrary. Their advice, which was accepted and which we feel is correct today, was that the government had a good price at \$170,000, a good market price, or \$47.00 an acre including buildings and all improvements -- the roads and beach and so on that we've shown -- for the two properties, and that to expropriate these properties in an attempt to reduce this price could well result in the public treasury being required to pay more than the \$170,000 for the property in question. Madam Speaker, insofar as the South Portage farm is concerned, appraisal of this property was made on August 14th, 1964, by C. R. Bradford, a certified or accredited appraiser, who showed the total market value of the land and buildings at \$73,350.00. This appraisal was reviewed by an outside and independent land expert, S. Price Rattray of C. H. Enderton & Company Limited, who is

(MR. LYON cont'd) the Chairman of the Board of Revision of the Metropolitan Corporation of Greater Winnipeg. Mr. Rattray's report was that this property as a unit had a total value of between \$75,000 and \$80,000.00. This report was made to the government in September of 1964 and, Madam Speaker, a third review, a third review was then made of this appraisal, and this was made by the Committee of Review that was established by the government and it consisted of S. Price Rattray as Chairman, B. E. Driver as a member and accredited appraiser and the Mortgage Manager of the Montreal Trust Company in Winnipeg, and Harvey C. O'Dell who was the lay member, a past president of the Union of Municipalities of the Province of Manitoba, and this Committee has been established as an ad hoc review committee to review all offers and appraisals being made with respect to government land acquisitions. And I read to the members of the House, Madam Speaker, the report that this Committee of Review made re Octave Enterprises Limited and Lot 23 Portage la Prairie, the South farm. The Committee reviewed the appraisal report submitted by C. R. Bradford. All members of the Committee have inspected the subject property and find the value expressed in the report as fair and reasonable, and conclude that the offer of Octave Enterprises Limited to sell the property for the sum of \$75,000 is fair and reasonable and recommend the acceptance of the offer. And that's signed S. Price Rattray, D. E. Driver, member and H. C. O'Dell, member, and that was dated September 24, 1964.

This report was made to the government as I had mentioned, the third report, the Department of Agriculture and Conservation then proceeded, Madam Speaker, to conclude a settlement with Octave Enterprises for the South Portage farm as recommended, at a figure of \$75,000.00. Here again, had the government followed the advice now tendered by the Leader of the Opposition and expropriated the South Portage farm, it is entirely possible that payment for additional items, such as forcible taking, would have raised the price of the farm to the Public Treasury under expropriation to a figure in excess of the \$75,000 that was actually paid. Thus it can be seen, Madam Speaker, that in the case of both the Delta property and the Grants Lake property, the final price offered by the government was based on a competent appraisal of the land in question. To have expropriated this property would have undoubtedly cost the Public Treasury more than \$170,000.

In the case of the South Portage farm, the price paid to Octave Enterprises of \$75,000 was based first of all on an appraisal made by a certified appraiser, which was then doubly checked by an independent outside land expert, S. Price Rattray, who confirmed that the market value of the property was between \$75,000 and \$80,000 and it was checked, Madam Speaker, a third time by a committee of review composed of Messrs. Rattray, Driver and O'Dell and this independent review committee affirmed the price that was offered of \$75,000.00. The view by the government that to have initiated expropriation proceedings would have cost the Public Treasury more than the \$170,000 and the \$75,000 paid respectively for the properties in question was further confirmed, Madam Speaker, by another fact which has come to our knowledge only recently. Members of the House will appreciate that when expropriation proceedings are undertaken by government there is a statutory onus on government to make an offer based on due compensation. And we have gone through that, that is due compensation, value to the owner, market value plus forcible taking and the other items that go into it. If this offer is not ultimately accepted the expropriated landowner then has the right pursuant to statute to insist on arbitration before the Court. In these Court proceedings the most cogent evidence presented is that of market value appraisals made by competent appraisers. The object of the landowner of course is to get the highest price possible from the government. The object of the government on the other hand is to pay the expropriated landowner value to the owner as determined by court decision which includes market value plus payment for forcible taking and other injuries sustained by the expropriation.

We learned subsequently, Madam Speaker, or it came to our attention that Octave Enterprises Limited had apparently had an appraisal conducted of the property in July of 1963, to determine the fair market value as of that month. This appraisal, which was made by an accredited appraiser from Aronovitch & Leipsic Ltd. showed the following values as having been established by their appraiser. Market value -- Parcel One Grants Lake, \$42,500.00; Parcel Two, Grosse Isle Farm, \$229,200.00; Parcel Three, Farm, which was part of the Grosse Isle Complex, \$103,950.00; Parcel Four, the south Portage la Prairie Farm, \$74,500.00; Parcel Five, the Bain Lodge and Marshland at Delta exclusive of the Inkster Farm, \$170,200.00; Parcel Six, the Inkster Farm unit contiguous to the Bain Farm and Marshland, shown as having a market value of \$92,000.00 -- and the total market value

(MR. LYON cont'd) shown by this appraisal was \$712,350.00. In other words, this was the type of individual market value Octave Enterprises were apparently advised these properties had at the time they were purchasing them as a package for \$350,350.00. Had the government expropriated this property as suggested by the Leader of the Opposition, and had the Court seen fit to accept any of the values set by an accredited appraiser employed by Octave Enterprises, the government under expropriation could have ended up paying for the three properties that it acquired ultimately at a total cost of \$245,000, a sum of \$379,200 less equipment and inventory which the government did not acquire and which we understand was valued at roughly \$25,000.00. This appraisal obtained by Octave certainly would have been used in any court proceeding and while it was in excess of those appraisals relied upon by the government, there is no guarantee whatsoever that the court would not have accepted in part at least some of the higher appraisals made for Octave.

If my honourable friend, Madam Speaker, should wish to argue this point, I would remind him of a small expropriation which the department is currently involved in at Grand Beach. In this instance, 63 acres approximately. The first appraisal by the government was about \$7,100.00. An offer of \$15,000.00 was made for the undeveloped land with beach front but was not accepted by the expropriated landowner. He commenced arbitration proceedings pursuant to The Expropriation Act. The independent accredited appraiser appointed by the government appraised the value of the land at \$25,800 if access was guaranteed. The expropriated landowner produced another appraisal report from another accredited appraiser showing a value of \$187,000.00. A third appraisal was asked for by the court and by an independent accredited appraiser and it came in at \$27,070.00. The award of the court for the piece of property for which the government had first offered \$15,000.00 was \$58,242.00. This award is currently under appeal. It can thus be readily seen that the invoking of formal expropriation proceedings is not necessarily the best guarantee that the public treasury will be protected. Not always.

My honourable friend has also advanced another most interesting theory. It goes like this. If "A" can buy from "B" a piece of property for \$100,000, it necessarily follows that if this property is expropriated at once by the government from "B" the government can also acquire it for \$100,000.00. The fatal flaw in this amazing thesis, Madam Speaker, is that he accepts that the price paid for the land has been in all cases the market value of the land. This is obviously and patently false. The price paid by a landowner a few months before expropriation takes place is only one indication and not always a reliable one as to what the market value of the land is and as to what a court would order the government to pay if the land were taken by way of expropriation.

The other evening the Member for Lakeside and the Member for Brokenhead made a number of rash statements about the low values being offered by the government in the current expropriation proceedings for the Bird's Hill Provincial Park. Let me give an example of the foolishness of this premise advanced by the Leader of the Opposition taken from an actual case in the Bird's Hill Park. In November of 1963, landowner "A" acquired approximately 140 acres of undeveloped land in the Bird's Hill area for \$6,000, on the open market. In April of 1964, five months later, 80 acres of this 140 acres was expropriated by the Crown for the purposes of the Bird's Hill Park. It should be remembered that the landowner paid approximately \$43.00 an acre for this property, the previous November. Based on careful land appraisals done in the area by the departmental staff, by independent appraisers hired for this purpose, and by the Review Committee that I previously mentioned, the range of values for the 80 acres indicated that an offer should be made for the property on the basis -- and listen to this -- of \$153.00 an acre. Almost four times what the landowner had purchased it for some five or six months before. This offer was made and it was refused by the landowner. In turn the landowner suggested the government should pay \$1,000 an acre for the property which the landowner had acquired only a few months before for \$43.00 an acre. Remember also that this landowner retained 60 acres, the value of which will be greatly enhanced by the Park development. Now, Madam Speaker, let the Leader of the Opposition or the Member from Lakeside, or the Member for Brokenhead, suggest to this or to any other expropriated landowner that the government should be able by expropriation to acquire their land at the price which they paid for it. This proposition, can I trust, Madam Speaker, be buried without any further formality.

What is clear by this example, by the example of the Bain property itself, by countless other examples that could be detailed before this House, is the following; namely, that the

(MR. LYON cont'd) sale price of a parcel of land, particularly if this price is only part of a package price for several parcels, does not establish its individual value for expropriation. If this is the proposition, Madam Speaker, that my honourable friend intends to hold to then I suggest that he make this very clear to every landowner in Manitoba, because it will involve, should he ever become responsible for public affairs in this province, a complete reversal of all of the laws of compensation which currently apply to expropriation cases in Canada. I repeat, the price paid for land, whether a few months before or not, does not by itself establish the price that must be paid under expropriation. The wisdom of this proposition hardly needs any further amplification. What I say, Madam Speaker, hardly needs further amplification, but in case it's still not clear to my honourable friends I think I'd better give them another example.

If land valued at \$100,000 is given as a gift from Smith to Jones, a gift for \$1.00 nominal consideration, does the Leader of the Opposition suggest for a moment that the government should be able to come along and expropriate the land for a dollar? Of course not. The basis of compensation that the government would pay in that property would be the value to the owner, just as this was the basis of the compensation that the government paid with respect to all of the properties in the Bain Estate. In each case the government got the land at a price lower than it would have had to pay had expropriation proceedings been invoked. Whose advice should we and the people of Manitoba accept? Should we accept the advice of the Leader of the Opposition, who says on no evidence whatsoever, that the government could have expropriated for estate tax value, or should we accept the advice of competent experts, both inside and outside government service who appraised each parcel and then recommended the course of action that was followed. The question permits of an easy and I think fairly simple and obvious answer. We took the good advice of the appraisers and thereby I think Madam Speaker, saved the taxpayers money that undoubtedly would have been squandered if we had been foolish enough to follow the action recommended by the Leader of the Opposition. The fact that a profit was made

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MR. CAMPBELL: Madam Speaker, may I ask my honourable friend a question? I don't want to interrupt his train of thought, but I would like

MR. LYON: I would really prefer to leave it to the end if I could Madam Speaker.

MR. CAMPBELL: Yes, I'd just as leave do that. So long as my honourable friend will give me the opportunity at the end.

MR. LYON: The fact Madam Speaker, that a profit was made by the landowner has nothing whatsoever to do with expropriation proceedings. Court and governments, provincial, federal and municipal do not undertake land acquisitions by expropriation on the basis of the profit that will accrue to the landowner. The basis is, and always has been, the value that the landowner should receive. Value to the owner, that's the test. For land which is taken from him for some public purpose. The Leader of the Opposition seems to suggest that if a profit accrues to a landowner the land acquisition is an example of gross management. This is indeed a novel and unique theory for the Leader of a supposedly free enterprise party to advance.

And so to recapitulate, Madam Speaker, the Opposition's case is that with respect to each piece of land purchased from the Bain Estate the government paid more than the land is worth. This charge is false; it is not supported by a tittle of evidence. Indeed the factual evidence is all to the contrary. In each case the government paid on the basis of an appraisal as to what the market value of the land was. In each case the government's advice was that if expropriation proceedings had been invoked the price to the government would have been higher than the negotiated price at which it was bought. The second point made by the Leader of the Opposition is that the government could have bought on the basis of the appraisal made for estate tax purposes. This charge is equally false and nonsensical and is not supported by any evidence whatsoever.

During the course of his remarks, Madam Speaker, the Leader of the Opposition charged the government with deliberately misleading the House with respect to an Order for Return from the Member for Portage la Prairie dated February 25th, 1964. Let us look at this charge and see in fact who is misleading the House with respect to it. The journals of the House for the 25th of February, 1964 show a motion by the Honourable Member for Portage that an order of the House No. 16 issue for a return showing quote "the amount of money paid by the province for the Bain Hunting Lodge property at Delta; the amount of money paid by the province for any other property formerly owned by D. H. Bain and the person or firm to whom the money was paid." The journals of the House reveal that the return to this order of the House No. 16 was made on the 28th of February and gave the following answer "The Province of Manitoba has paid no money for the Bain Hunting Lodge property at Delta nor has it purchased any other property formerly owned by D. H. Bain". This was filed with Sessional Paper #61. This answer is absolutely correct since the government had not completed the purchase of the Bain properties and had not paid any monies with respect to it. What the Leader of the Opposition failed to tell the House in making his charge of misleading, Madam Speaker, was that the Honourable Member for Portage filed a second order for return which is revealed by the journals as Order No. 49 in the same session wherein he asked the following questions on April 19th, 1964: Whether or not the province has purchased the property known as the Bain Estate itself; (2) if so, how much was paid for the property; (3) if so, who the property was purchased from. The journals reveal that the returns to this Order was presented to the House by sessional paper No. 114 and it gave the following answers: (1) Whether or not the province has purchased the property known as the Bain Estate at Delta --answer, yes; (2) If so, how much was paid for the property? -- \$170,000 for the properties at the Delta and at Grant Lake; (3) If so, who the property was purchased from-- Octave Enterprises Limited.

As of April 1, '64, the purchase was completed and the first payment was made to Octave Enterprises on the purchase price of \$170,000.00. Somebody mentioned the other night an item in public accounts, \$20,000.00. That was the cheque that was issued on the 31st of March, 1964, as the first payment for the Bain properties and was paid to Octave Enterprises under agreement on April 1, 1964. It appeared in Public Accounts because it was issued on the 31st of March. So as of April 1, '64 the purchase was completed and the first payment was made. Madam Speaker, I feel I need say no more about this contemptuous charge. The facts speak for themselves as to who was attempting to mislead the House and indeed the people of Manitoba.

(MR. LYON, cont'd)..... Madam Speaker, throughout all of his charges, the Leader of the Opposition has made reference to the price paid by the province of \$170,000 for the Bain property at Delta. He has referred to this land acquisition and to the price paid for the property as examples of "wasting money by mismanagement and inefficiency". He further stated "in the acquisition of the property known as the Bain Estate the government has been guilty of grossest mismanagement ever displayed by any government in this province's history". He went on to demand the resignation of three ministers involved in what he described as these "unbelievable purchases". He went on to refer to the purchase as "a sad story of mismanagement, a bad bargain". He asked, "In what way is the government carrying out its stewardship of the people's money? Have you ever heard of a case that called more loudly," says he, "for explanations or resignations?" He went on to charge the provincial government with gross mismanagement, inefficiency and ineffectiveness.

The Leader of the Opposition made a number of other wild statements about this transaction and the price of \$170,000 that was paid for the property. Madam Speaker, I now wish to give him a piece of information his allegedly well-documented and precise charges fail to mention. I now wish to advise him that the net cost of the acquisition of the Bain properties at Delta and at Grants Lake to the people of Manitoba, was \$85,000 or 50 percent of the price that was paid to Octave Enterprises. And how does this come about? Quite simply. I have already related that this was an important land acquisition, important to the long term development of this Wildlife Resource at Delta and Grants Lake, important for the benefit of all the people of Manitoba and, even though my honourable friend opposite attach no such importance to it, and refers to it only as the acquisition of a goose preserve, I want him to know that his Liberal colleagues at Ottawa do not hold his narrow views. For this land acquisition, which he has described in such scurrilous terms, was approved by the present government of Prime Minister Pearson as a cost-sharing program under The Agricultural Rehabilitation and Development Act and the province actually received on February 17th, 1965, a cheque from the Government of Canada payable to the Province of Manitoba in the amount of \$85,000, representing a one-half payment of the acquisition costs of the Delta and Grants Lake properties.

In other words, Madam Speaker, the Province of Manitoba and the Government of Canada are partners in this important piece of land acquisition. I can only presume that the Leader of the Opposition will agree that the abusive description that he has applied to the provincial partner must now apply equally to the Federal. Madam Speaker, if this is gross mismanagement on the part of the Province of Manitoba, then the Government of Canada which has paid half the cost of what he calls a bad deal, must also fall victim to his abusive tongue. Well, Madam Speaker, I want to reassure the people of Manitoba that the Government of Canada does not deserve any blame for sharing the cost of this important land acquisition project. Fortunately among their ranks, there are obviously a few people of vision, of intelligence and responsibility who could see the benefit of this purchase for future generations of Manitobans and of Canadians. One can only regret that these qualities of vision and intelligence and responsibility are so abysmally absent from the character of the Leader of the Liberal Party in Manitoba.

Madam Speaker, with respect to the South Portage farm under the Portage la Prairie Diversion Agreement I am advised by the Minister of Agriculture that the land acquisition for that farm for the diversion purpose will also be shared on a 50 percent basis by the Government of Canada.

Madam Speaker, I would like to conclude by offering a few summaries of what we have heard from the other side, in view of the facts that we have heard today.

The Leader of the Opposition said that Mr. Bain offered the Grants Lake property to the Government as a gift. This isn't so. The Honourable Mr. Witney suggested this approach in 1960 to Mr. Bain but there was no response from Mr. Bain in connection with it. Subsequently, the proposition was advanced in May of 1963 that the estate might consider managing the Grants Lake property as a refuge if the government drainage was put in but nothing came of this and the executors within a matter of two or three months signed the option agreement to Octave Enterprises.

The charge is also made that the government was dilatory in not expropriating or buying before Octave entered the picture. I pointed out, or tried to point out, that the government was in touch with the estate primarily through E. D. Pitblado, Q. C., throughout this period. The Deputy Minister spoke to him in the fall of 1962 inquiring concerning the possibility of purchase;

(MR. LYON, cont'd). . . . he was told that there was probably no power of sale in the estate, that there was probably no hurry, and his feeling with respect to power of sale was proved to be right. The executors were aware of the government's interest. We thought we had the understanding that they would give us the first opportunity but they didn't do it. In any case, Madam Speaker, the Leader of the Opposition also goes on to say that had the government acted in January of 1963 we could have acquired the land at the estate tax valuation or close to it. This I think I have tried to demonstrate as an absolutely false premise. The government would pay at least the market value or the value to the owner at all times. The subsequent appraised value by a competent appraiser supported the purchase value ultimately paid by the government. Expropriation proceedings could well have escalated the values beyond what the government paid.

Madam Speaker, the Leader of the Opposition was pleased the other evening to describe his charges as documented, accurate, precise and clear. Well, you can imagine that after looking at those charges and relating the facts that I have related today, I have a somewhat different view of the charges that he made. And my view is rather less complimentary than he was to himself. I say that it is an example of sloppy demagoguery, calculated to mislead and well-larded with half-truths, vicious innuendo and phony premises.

In summary, then, Madam Speaker, I say that the acquisition of the Delta property and the Grants Lake property, as well as the South Portage farm, were extremely beneficial to the people of Manitoba. The history of the development of North America has been one of man's movements from early pioneer settlements through small and then growing agricultural development, ultimately into an agricultural society and eventually to the growth of industrial centres and the rapid urbanization which we see today. In the United States of America, particularly, we have seen prejudicial effects that this natural development has had upon all of the resource field except in those areas where men, not governments, and I stress this, except in those areas where men, and not government, but men who make up government, have taken a stand and have set aside tracts of land, of forests and water, for the benefit of future generations who would follow after them. Today those men, such as William Cullen Bryant, who was largely responsible for the City of New York establishing Central Park, are looked upon by all of us as men who made a contribution perhaps greater than they knew to their country. In every generation, these men of vision have been faced with opposition by mean, dispirited and visionless people who either could not or would not lift their eyes to the esthetic needs of future generations.

Madam Speaker, I would say that this debate thus far has amply demonstrated that in this generation in Manitoba, the same mean, dispirited and visionless people are still with us. The niggers, the quibblers, the nit-pickers I suppose, will always be with us. But that doesn't mean that the vast majority of the people who support wholeheartedly resource development programs such as we see in the Delta and the Grant Lake areas, and indeed in the Bird's Hill park --that doesn't mean for one minute that the will of the vast majority of our people should or will be frustrated by this small but vocal minority of nay sayers. This province, Madam Speaker, if I may say so, still bears the imprint of the lack of proper development policies which this small minority were able to inflict upon the vast majority when they held the reins of office in Manitoba immediately prior to this government. Their day of do nothing-ism has blessedly faded into the past. This government with the loyal support of an enlightened civil service, whose participation in the building of Manitoba can never be underestimated, or perhaps totally appreciated, and with the support of the vast majority of the people of Manitoba, this government is determined to carry on with the business of Manitoba in resource development and in all other fields. It is true that the nay sayers, the mean spirited ones will still be with us; those who have been described as looking at all problems through the wrong end of the municipal drainpipe. I say today, Madam Speaker, that we mean to press forward despite them. We mean to build of this province insofar as God gives us wisdom to do it, a better and a more complete place in which not only our generation, but the generations of countless thousands who will follow us, will live in decency, and happiness, and proper surroundings. These, Madam Speaker, are simple aims. They are and always have been the aims of the Government of Manitoba, this present Government of Manitoba. They will continue to be our aims. Madam Speaker we intend to carry out these aims.

MR. CAMPBELL: I'm sure that's not for me. Madam Speaker, I would like to ask a question of the Honourable the Minister who has just resumed his seat. I understood the Honourable the Minister to say that in the year 1962, if I got the right year, that the

MR. CAMPBELL, cont'd).....government could not have expropriated this land. Did he say that?

MR. LYON:management area or public hunting ground we did not have the power.

MR. CAMPBELL: That's what I understood him to say. Did he mean to infer from that that the government could not have expropriated this land?

MR. LYON: Unless it was declared to be a public work, as my honourable friend will see. The new section that was put in The Wildlife Act said that when land is acquired by expropriation or acquisition for a wildlife management area or for public hunting ground it shall be deemed then to be a public work within the meaning of The Expropriation Act and that makes it possible for The Expropriation Act to apply.

MR. CAMPBELL: But Madam Speaker, does the Honourable the Minister answer that until that section was put in the Act that the government did not have the power to expropriate this land?

MR. LYON: Not the power to expropriate it for wildlife management purposes. That's my understanding.

MR. CAMPBELL: But does the Minister not know the Expropriation Act well enough to know that it says, in addition to public works, other purposes, other public purposes of the government or of any executive department thereof?

MR. LYON: Madam Speaker, that question I'm told was looked at by the people in the department and they felt they had never used it before for that purpose; they felt they never had the power. That's what I'm told.

MR. CAMPBELL: Of course, Madam Speaker, but I ask my honourable friend, and again I appeal to the Honourable the Attorney-General, will either one of them give me the answer that under the present Expropriation Act and as it has continued for years, before the amendments were put in, was it not possible for the government to expropriate? Will one of them answer that question? I beg your pardon, Mr. First Minister - oh you were speaking though.

Will one of the Ministers please answer that question, because I tell you quite frankly that it was possible to expropriate at that time and all you need to do is read the Expropriation Act and you can see that other public purposes of the government are covered there. My honourable friend tries to pretend it wasn't possible.

MADAM SPEAKER: I leave the Chair until 8:00 o'clock.

MR. SCHREYER: Madam Speaker, may I speak on a point of privilege please? I think that on a point of privilege I think that Minister of Mines and Resources has deliberately misled the House. I would refer members to Section 3 of Part 1 of the Expropriation Act, Revised Statutes of Manitoba 1954, and I'm going to read Hansard very carefully because I think it was a case of deliberately misleading us.