

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, June 4, 1971

Opening Prayer by Mr. Speaker.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 44 students, Grade 5 standing, of the Assiniboine School. These students are under the direction of Mr. Zamzow, Miss Lowton and Miss Taylor. This school is located in the constituency of the Honourable Member for Arthur.

We also have 20 students, Grade 11 standing, of the Miles Macdonell Collegiate. These students are under the direction of Mr. Wiebe. This school is located in my own constituency.

And there are 25 students, Grade 9 to 11 standing, of the Charleswood Collegiate. These students are under the direction of Mr. Posaluko and Mr. Otto. This school is located in the constituency of the Honourable Member for Charleswood.

On behalf of all honourable members, I welcome you here today.

Orders of the Day.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Before the Orders of the Day, I'd like to direct a question to the Honourable the First Minister. I wonder if he could confirm or deny that the phone calls requesting information that are phoned in to the number given on the Autopac pamphlet are being taped.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, I really couldn't answer that. I'll have to take that as notice.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, members in recent days have posed a number of questions as to Manitoba Government's position on Bill C-244. I want to lay on the table a copy of a submission which was made to the Standing Committee of the House of Commons yesterday afternoon. The MLAs will get their copies in a day or two.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Minister of Industry and Commerce. I would like to know, or would he be able to advise the House, when did he become aware that Mr. Ault was being paid \$125,000 a year of the public funds loaned to Western Flyer Coach?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, I didn't hear the question because of some other speaker. I couldn't hear the question.

MR. PATRICK: I'll repeat the question again for the Minister. When did the Minister become aware that Mr. Ault of Western Flyer Coach was receiving \$125,000 a year salary from public funds?

MR. EVANS: Mr. Speaker, I don't know whether the honourable member has his facts straight, but the allegations that were made by Mr. Kennedy were brought to me in October and, as I reported to the House, we had an immediate investigation ordered to be taken.

MR. PATRICK: Perhaps the Minister would answer a supplementary. Well, when was the salary reduced to \$60,000? Was it after he received the confidential report from Mr. Kennedy?

MR. EVANS: Mr. Speaker, I don't even know whether some of these questions are relevant. I'll be prepared to debate this at any length during my Estimates. Again, some of these figures are not correct.

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

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I just saw — (Interjection) -- Well, I believe I have a right to the floor too. Mr. Speaker, I just want honourable members to note the notices on their desks. We've made a change in what was thought to be the day for Public Utilities and it's on Monday

(MR. GREEN, cont'd.) . . . . instead of on Tuesday; Monday at 10:00 o'clock.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a supplementary question for the Honourable Minister of Industry and Commerce. In the report, the confidential report that was prepared by Mr. Kennedy, was it Kennedy's report alone or was it also endorsed by all senior staff of Flyer Coach?

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL MCKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. Some time ago he mentioned that letters were going out to the agents for application to the Automobile Insurance Corporation. When will those letters be going out?

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Speaker, it is true, as the honourable member indicates, that I had indicated some time ago that these letters would be going out. We've had meetings with the Executive of the Insurance Agents Association of Manitoba in which we've been discussing some of the basic terms, and it was at their request that the letter was not forwarded out some week to ten days ago. I expect that the letter will be going out the early part of next week after some further discussion.

MR. MCKELLAR: When will the supplementary coverages be announced by the Corporation?

MR. PAWLEY: Obviously, Mr. Speaker, when we're prepared and able to table them in the House.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: Mr. Speaker, I'd like to direct another question to the Honourable the First Minister. In view of the dissension of the census forms, and especially voiced by the people of Ukrainian origin in Manitoba, I wonder if the government did communicate its dissatisfaction to the Federal Government in that particular matter.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, Ya ne znayu, (I don't know).

MR. SPEAKER: Orders of the Day. The Honourable Member for Emerson.

MR. GIRARD: Diaku yu wam, (Thank you very much).

MR. SPEAKER: Na zdrowia wam! (Good Health!) The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the First Minister. Was the position for the Chairman of Manitoba Development Corporation advertised in the papers for that position, or how was the appointment made?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I apologize to the Honourable Member for Assiniboia. I understood he had directed the question to the Minister of Industry. The answer is that we undertook an executive search in the way that is quite normal when searching for executives.

#### ORDERS OF THE DAY

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call the Honourable Minister of Finance.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNJACK, Q. C. (Minister of Finance)(St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Ways and Means with the Honourable Member for Logan in the Chair.

#### COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNJACK: Mr. Chairman, these would be the resolutions dealing with the supplementary supply that was discussed last night. It would only be a question of going through the ways and means, reporting the resolutions out, and that would leave the matter stand for today until or unless we receive the printed bills on supplementary.

MR. CHAIRMAN: Resolved that towards making good certain sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of

(MR. CHAIRMAN, cont'd.) . . . . . March, 1972, the sum of \$2, 900, 000 be granted out of the Consolidated Fund.

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

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

IN SESSION - SUPPLEMENTARY SUPPLY

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I'd like to move, seconded by the Honourable Member for Winnipeg Centre, that the report of the Committee be received.

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Youth and Education, that the resolution as reported from the Committee of Ways and Means be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Clerk.

MR. CLERK: Resolved that towards making good certain further sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1972, the sum of \$2, 900, 000 be granted out of Consolidated Fund.

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

MR. SPEAKER: The Honourable the House Leader.

MR. GREEN: Would you call Bill No. 36, Mr. Speaker.

GOVERNMENT BILLS

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I ask the indulgence of the House to have this matter stand. If anybody else wishes to speak they may do so. (Agreed)

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Call Bill No. 27.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): . . . have this matter stand. (Agreed)

MR. GREEN: 26, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Health and Social Development. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I've had an opportunity to review this bill and find that it's pretty much the usual sort of bill that is brought forward for non-professional groups. There is a rather large discretion for the director and the amounts of bonds to be posted, and this might lead to some problems. Although there is provision for appeal, a judge would probably intervene only if the director has acted in a very arbitrary or unreasonable manner. It's possible that it would be an improvement in the bill if a minimum and a maximum bond was actually included in the Act. Apart from that, I think that the appeal procedure is perhaps even a little more liberal than usual.

I'm a little concerned about the amount of freedom that is granted to the director to enter premises and examine books and generally go into the whole private operation, and this would seem to give some opportunity for a possible harassment of an individual dealer, and in order to protect such a person from that type of abuse it might be a better idea if an application was filed in Queen's Bench or in County Court in order to gain entry. At the moment, I believe we have nothing else to suggest on this bill. It may be that when it comes before Law Amendments Committee we'll have some suggestions to make.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 38, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General. The Honourable Minister.

HON. AL. MACKLING, Q. C. (Attorney-General)(St. James) presented Bill No. 38; an Act to amend The Wives' and Children's Maintenance Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable the Attorney-General

MR. MACKLING: Well, Mr. Speaker, the bill before the House is a very small one but deals with a very important matter as it affects the position of parties before the Family Court. Under the provisions of the present Wives' and Children's Maintenance Act, a judge of the Family Court may make an order of separation and, once having done so, if the parties resume cohabitation it is open to one of the parties - particularly it's most frequently the husband, of course, that makes application for a discharge of that order. We are advised that it would be advantageous if, for the purposes of an attempt at reconciliation, it be open to the wife to permit or to resume cohabitation during a period of time, however, when it was the intent of both the wife and the husband that such resumption of cohabitation is purely for the purpose of attempting to reconcile and save the marriage. This does happen, Mr. Speaker, on an extensive number of occasions, and it's considered to be important that the wife not lose her rights that have been accorded to her by the court simply because of her concern to try and restore the marriage. This is particularly important where there are young children involved and the husband was indicated a real willingness to reconcile his differences and the wife has accepted his suggestions and his demonstrated concern; and short of permission in this matter, it is always open to the husband, who has broken faith with his spouse on the resumption of cohabitation, to, through legal process, have the order which was otherwise maintainable against him discharged.

The provisions of the Act provide for a fixed period of not more than 90 days, and obviously it may, from time to time, be a problem to determine what the intention of the parties were when they resumed cohabitation, but it is open to the wife to demonstrate, by her argument and the evidence she may adduce, that that was her sole purpose in permitting or allowing a resumption of cohabitation to take place.

The principle of the bill is a good one. Its operation will give one more opportunity for restoration of the family without depriving the wife who has attained rights, without depriving her of those rights because she has dared to try again or risk again the possibility of maintaining a family unit. It's so important, Mr. Speaker, in our day that when so many challenges face the retention of families, that every opportunity be given, to the wife particularly, who in most instances is left with infant children to raise on her own, that every opportunity be given of resumption of the family unity without depriving the wife of her rights.

I think that that clearly indicates the principles of the bill, Mr. Speaker.

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

MRS. TRUEMAN: Mr. Speaker, I move, seconded by the Member from Morris, that the debate be adjourned.

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

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

#### COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution No. 68, and an amendment thereto by the Leader of the Opposition. On the amendment, are you ready for the question? The Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I would like to make a few comments on this particular department before we pass the Minister's salary.

MR. GREEN: The vote that was called was not on my salary but on the reduction.

MR. FROESE: Well, anyway, I would like to still make some remarks in connection with the department as such.

I know that on past occasions and during this session that I have made several requests in connection with drainage and water works and so on; I've had questions in connection with the ARDA agreements and the whole program under that agreement with this department. I've also been interested in the meetings that have been carried on in connection with Hydro and as it is related to this particular department and the Minister's supervision of natural resources in this province, so that I have several questions that I would like to bring forth and also make some comments on.

(MR. FROESE, cont'd.) . . . . .

In connection with Hydro, which has been under considerable discussion and a lot of the discussion I have missed because of some other engagements and I was called out of the House several times, so that I've missed some of the discussions that did go on in respect to that matter. However, it is of interest to me why the government will not give any consideration to the matter of South Indian Lake and probably bringing it up to not as high a level as was originally suggested by the former government but, as Mr. Campbell points out, a much lesser amount and still that we could have probably sooner than we will have now increased power, and also that it would lend itself to -- (Interjection) -- Not sooner? Well, maybe the Minister can tell us just what the score is on that point, whether it cannot be brought about sooner or not. And the other point is that it would lend itself to increasing power at later dates and adding more plants in connection with the Kettle Rapids project.

Certainly if this can be done, I see no reason why we shouldn't change, or the government shouldn't change its mind on this and accommodate this matter. Surely it can't be just because they were more or less elected on the point that they would not flood South Indian Lake to the extent that was proposed by the previous government. Certainly I don't think it should be a matter of justification of an election promise if that promise were made. I can't recall, but I know that after the election this government at least took off the pressure immediately by just saying that they would not proceed with it for the current time, and I give them credit for this because I think that was -- (Interjection) -- Yes.

MR. CHAIRMAN: The First Minister.

MR. SCHREYER: Just to clear up any possible misunderstanding, may I ask the honourable member if he is aware that the government party at the time of the election of 1969 - let me put it this way: Is the honourable member aware that this party, during the election of 1969, at no time said that it would not under any circumstances follow one course of action or another. The honourable member is probably thinking of the Leader of the Liberal Party in that campaign, who said: absolutely no high level flooding.

MR. FROESE: . . . the Minister's word for that because I haven't seen any of their election material; I never get any of it. It's never sent out to me so I don't know, as far as that is concerned, what was put out by them at that time. I just remember the discussions that we did have when the previous government was still in office and when this program was discussed. I know too, vividly, the debate that took place at that particular time and the results that followed. But surely enough, when we have people in the area of Lake Winnipeg who will be directly affected by raising the level, and here again it is not necessarily, we can't necessarily speak in terms of that it will definitely be increased. I know in previous years when there was flooding, even without the regulation that is to be brought in. -- (Interjection) -- Well, I remember in some years, but certainly this doesn't happen every year, but I recall the situations that have risen even late in fall in some years. But still, I feel that we should have a lake, construct that dam and provide the storage of waters up on the South Indian Lake so that if we can increase power and increase it at a very low cost, surely we should be considering this in conjunction with what the government is proposing doing at the present time with installing the regulation on Lake Winnipeg.

I would like to know from the Minister in connection with the various ARDA agreements whether he cannot outline a proposal as to what will be done under that whole program during the current year. We have these ARDA agreements covering various departments and it seems as though, when we want to discuss it under one department, the Minister can't completely answer and therefore this whole thing seems to be so disjointed. I feel that this particular program, at least one of the Ministers should be in charge and maybe the Mines Minister is in charge of the over-all agreement so that he can give us a clear outline of what will be done during the course of the current year, what developments will take place as a result of these moneys that will be spent in this regard and, too, I would like to have an outline from him in connection with waterworks and drainage.

In past years we have had an outline, at least by the previous Minister - and I hope he's listening - in past years we've had an outline, at least, by the previous Minister of the drainage work that will be done in a given year because this is of great importance to the people in rural Manitoba. Just the other night, I recall at Pea Soup Night, when we met so many of the people out there, I met people from other parts of the province and also people of the department who are also very concerned about the progress of this type of work, and I don't think we are putting

(MR. FROESE, cont'd.) . . . . enough into this program.

I think too much attention is being given to Health and Welfare at the expense of departments such as Mines and Resources, and probably one or two others, where we have programs such as drainage and natural resources' protection, because if we don't look after the drainage problems, we lose the top soil as a result and this is forever lost. And I've seen too much damage occur in the last 20 years or so, that we could have saved actually many million dollars' worth of subsoil, of topsoil, to the farmers of this province had action been taken earlier. Certainly I can't blame this government for what took place five, ten, fifteen years ago, and I don't do that, but I feel that in the latter years more has been done - and even by the previous government, in the latter years, they did take the matter more into hand and more money was spent on this and I give them credit for it. I hope that this government will recognize this and put more money into this area of development. It's too bad to let so many acres be ruined, acres that have fertile soil, and especially in southern Manitoba, the area that I represent, where people are hurt badly as a result. Farm land that sold probably for \$200, \$250 an acre, and when you have it scoured by the heavy flooding the way it has happened the last few years, it just ruins it and some farmers are experiencing great heavy losses individually because of this, and there is no way of them being compensated; there's no way of them regaining this loss; and I feel that we have to take action, that we have to do something about this.

I think I should mention the problem that exists, and of which the Minister is fully aware, next to the U.S. Border or at the U.S. Border, of the flooding that takes place annually there, whether we cannot get this thing corrected. I think there is an easy solution to it; I don't think it's so expensive. Certainly his department has done some work on it as to the assessment of the problem and what would be needed to bring about a solution to it, and I hope that they give more than just consideration, that they provide action as well, because the way things go now, more of the water is actually diverted into Canada at some of those points and this is hurting our farmers out there, and by themselves they actually have no way of taking action. It would have to be the Provincial Government.

There are one or two other things that I should like to bring into the discussion. I know the bill in connection with the Mineral Exploration Company hasn't been brought out yet. -- (Interjection) -- There will be no bill?

MR. GREEN: The honourable member should know there will be no bill so I give him advance notice that he should discuss it under this part.

MR. FROESE: Oh, fine. I certainly would like to hear from him on this exploration company that is to be set up and where the province will develop our mineral resources in Northern Manitoba, I take it. I'm interested in this because I believe in development of our natural resources to the fullest extent possible and also that the people of this province benefit from such development. I feel that our revenue is not as high as it could be as a result, because we find other provinces are getting much more revenue from their natural resources each year and that we are lagging away behind. Is it just because of the agreements that we are not getting more benefit at the present time? We have a large nickel development, we have other developments up in the north, we have new developments coming about. What is the situation here? Are we following the same old lines by having new development; are the same principles being employed by this government? What changes are being made in this connection? How much are we to gain from this company that will be set up; what type of minerals are they thinking of at the present time as to developing, whether it's nickel, whether it's some other mineral? Certainly I would love to hear from the Minister on some of these points that I have raised, and when we get to other items later on I will have some further comments. Thank you.

MR. CHAIRMAN: The Member for Swan River.

MR. BILTON: Mr. Chairman, I only want to take a moment or two on this particular item. I'm sure with the weekend coming on the Minister would like the assurance that his salary will stay not at 50 cents but at its proper level and I would hope that probably we could move toward getting that done this morning. It's not my purpose to delay the proceedings but rather to get off my mind a few things that concern me and maybe the Minister in his reply could let me know what the intentions are.

Drainage, of course, is quite a problem with me throughout the entire constituency and I appreciate that the department are making an effort here and there but I don't think they are making a big enough effort; the runoff from the hills are still creating damage and I would prevail upon the Minister to use his good offices that some scheme could be brought about to

(MR. BILTON, cont'd.) . . . . encourage the farming population to set up a plan of tree planting in order to retain the moisture and help in this very important problem.

It has been brought to my attention that there is a problem in the village of Duck Bay. I have taken it up with the Department of Indian Affairs and apparently it's a provincial problem and I believe it has been brought to the attention of the Department that each spring, or any wet season they experience that the community does suffer by it and I wonder if the Minister would have it examined with a view to correcting this problem.

I also wonder, too, Mr. Chairman, with regard to affairs in the three reserves that we have - the reserves seem to be getting the attention from the Federal Government but the Indian Metis people surrounding them do have their problems, and as the Minister pointed out yesterday, that under the moneys we approved, that there was nothing for the fishermen who are suffering because of lack of markets and what have you.

The Indian-Metis people in my area are having problems and being a member of the Task Force they have been brought to the attention of the Department from time to time and I would hope that this would continue. The drainage problem in the Cowan area still is with us. I brought it to the attention of the Minister on several occasions and I would hope that he would see to it that the effort that is being made will be increased in order to satisfy the farming population in that area.

I have spoken before with regard to the abolishing of the trophy season and it's at this point that the Member for Assiniboia and I are divided. I may be considered a conservationist to some degree but I have said that the slaughter of our wildlife, particularly on the hoof, is something that might be controlled to a better advantage.

I have spoken before in this session with regard to the putting back of the elk season, that is the special elk season in order that the animals that are wounded can be followed and dispatched in the proper manner. I have also brought to the attention of the Minister a problem with regard to the farmers in the foothills of the valley who are put to some considerable expense with regard to damage brought about by elk herds. I have one particular man in mind who was in touch with me and I related it to the Minister but nothing could be done. He found himself with his hay destroyed, a late spring and he had some 28 head of cattle. He appealed to the municipality, the municipality could do nothing for him and he appealed through me to the Minister and, of course, here again there is no legislation to take care of such a situation. I appeal to the Minister to give this serious consideration. I know that the matter has been brought to the attention of the House year by year, by year and it seems unfair that by law that the farmer cannot take the matter into his own hands and deal with the animals. There should be some recompense for what he has to suffer by the maintenance of these herds.

I also wonder, too, Mr. Chairman, if the Minister has any advice for the House as to what preparations are being made by the department with regard to the oncoming elms disease that we hear of and I have been hearing of during my sojourn in the House for some nine years, and it seems to be getting closer. It's a favourite tree in the province and is grown in abundance and if there is anything possible that can be done at this particular stage to prepare to arrest the situation before it crosses our borders, I think an awful lot of people will be happy about it.

With those few remarks, Mr. Chairman, I would wish the Minister well and hope that his salary is restored and that he does have a good weekend and that we get on with the business of this particular department in order to get along with other departments that are waiting in the wings. Thank you.

MR. CHAIRMAN: The Member for Gladstone.

MR. J. R. FERGUSON (Gladstone): Thank you, Mr. Chairman. I haven't a great deal to add to the Minister's salary. I think it's kind of a drastic reduction that he's going to receive if it goes through but he's probably worth a bit more money than that. I've always enjoyed when he gets wound up in his debating and it kind of reminds me of the story that the Member from Portage told last year, that if he was caught coming out of a bank with the money in one hand and the gun in the other hand after robbing it, that he would like to have the Honourable Minister of Mines and Natural Resources handle his case.

However, I think that possibly he has quite a little bit more of a case here to handle in the control of our water resources in Manitoba. We are very fortunate in the fact that we do have I think possibly the best water system in the Dominion of Canada and all of this heading for Hudson Bay; how it can be tapped and utilized to the benefit of our people is going to be the decision that this government will have to make. It would be hoped that political expedience

(MR. FERGUSON, cont's.) . . . . will not overrule common sense and that the decisions when they are made will be the right ones that will bring the income of the province up, develop our resources as quickly as possible. Water is one of the things that it's a renewable resource and we are fortunate in the fact that there is no pollution from hydro power as compared to the other.

In my own particular constituency the fact is that our Whitemud Watershed is quite uncontrollable. We have people that are subject every spring to moving out of their homes, moving their cattle and the rest of it. I see nothing in the estimates that is going to do anything toward alleviating this situation. I don't think it would be this expensive a deal if we, rather than, if we are not going to go into a dam system on it, if this is too expensive, which apparently it is, I think that possibly a government policy whereby they would purchase the land that has been - the erosion has taken its toll on it, and it's going to happen every year, there is no point in repairing it and there are a few individuals that are being victimized every year. I think if this land was taken out of production, bought and possibly sown down and left it would go a long way towards cutting off the basic complaints that we have in the spring, because there is no protection for these people, they can't get to higher ground and unfortunately they just have to sit and take it.

We talk of the Colley dams in the north but I think that this is something we tend to forget that in central Manitoba and in the Rhineland area, and the Pembina area, that erosion and silting and this sort of thing is causing an awful lot of damage here too.

Another thing I would like to find out from the Minister is what their program is on land purchased along the east side of the Riding Mountain. I understand there is a program in effect. If he would answer that for me I would appreciate it very much. Another thing that is affecting my constituency considerably is the night-lighting, predominately by the Indian people. I know that this is under federal jurisdiction -- (Interjection) -- Pardon? There was night-lighting by the Indian people, predominately by the Indian people. Now I know that this is under federal jurisdiction, that the law reads that an Indian can take game anywhere, any time on unoccupied Crown land, but in my own particular area we have a considerable number of community pastures. When the cattle are moved out, these people are moving in and there is quite a difference between when this law was made and today where we have cars and telescope rifles, it's a slaughter. This is not being done for personal consumption; in many cases it's been done for resale.

Another thing that I brought up last year to the Minister was the fact of party licences for elk hunters. I think that this is something that -- party licences for elk hunters -- the same as in existence in the deer hunting season. You could keep this down to say three in a party but in many cases you drive 30 or 40 miles, the hunters are driving 30 or 40 miles in unfamiliar territory, then when one of them are fortunate enough to get an elk they have to stay home and eventually you will find yourself out alone. I think that this is something that would not affect anything greatly but it would be a convenience to those who are buying the licences to hunt the elk.

I think, Mr. Chairman, that's about all I have to say. Thank you.

#### INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed I would direct the attention of the honourable members to the gallery on my right where we have 20 students of Grade 9 standing from Sandy Lake school. These students are under the direction of Mr. Crawley. This school is located in the constituency of the Honourable Member from Minnedosa. On behalf of all honourable members I would like to welcome you to your Legislative Assembly. The Member for Assiniboia,

#### COMMITTEE OF SUPPLY (Cont'd.)

MR. PATRICK: Mr. Chairman, I have already had the opportunity to speak on the Department. I covered a wide area of topics, but I did forget one and I wish to ask the Minister, perhaps he can supply me with the answers and I will not make a speech, I will just ask him a few questions, and that's in respect to Air Services.

I understand the government owns - and if the government doesn't own the planes I would like the Minister to tell the House - but I understand the government does own some ten planes. If this is correct or not, I'm not certain. If the government does have that many planes I would like to know where they are serviced and who does the repair work on these planes at the



(MR. PATRICK, cont'd.) . . . . present time. If the government is farming this type of work out I cannot understand why we cannot show the leadership and perhaps have one of the plants that are laying off men daily do it. I'm referring, of course, to CAE aircraft industry in the City of St. James-Assiniboia. I know there is a considerable figure here for Air Services which is \$1,658,000.

The other point that I wish to raise, I wonder what is the necessity for the government to have as many as ten planes? It seems like an awful lot - to me I think it's a pretty large number and a fairly large expense. For the small use that the government ministers and the government has the opportunity to use the planes I'm sure that you would be able to use, you know, charters or the small charters of some of the other small companies. I believe it's under Air Services, Mr. Chairman, I think it's a very important item and I would hope that the Minister would give us a breakdown of expenses and tell us what the government uses these planes for; to what extent are they used and how many aircrafts does the government really own?

MR. CHAIRMAN: The Member for Souris-Killarney.

MR. MCKELLAR: Mr. Chairman, I would just like to say a word on the amendment on the Minister's salary. This year in the area which I represent we are experiencing one of the better years in the fishing and this is going to increase our tourist trade we are hoping. Pelican Lake, Assiniboine River and Souris River - the people are able to get out their fishing rods and come up with some real good fish. I think this is one of the more important things in our part of the province because we are dependent solely on tourist trade in the summer months to assist the businessmen and I would want to thank the department for the stocking of the fish during the past few years because it now is beginning to produce results to the effect where people become aware of this for many hundreds of miles around.

Now our area hasn't been one of the better fishing areas for about six or seven years because of the extreme winterkill that we have. Excessive snowfall one winter caused practically destruction of the fish in Pelican Lake, and I think the same in Rock Lake. The high waters the last three years and the stocking of the fish in these particular areas have made it so now that these communities like Killarney, Ninette, Boissevain and other areas where there's numerous lakes, that these towns are prospering now to some extent from the tourist trade that are coming on the weekends and it's to be hoped they'll be coming from now on, now that school's closed in the American states. Now I would hope that the department will continue -- I hope they will continue to stock these lakes in southern Manitoba because we do need tourists. There's no sense sending all the people from the United States up to Northern Manitoba. We need a few of them to stop.

One of the problems has always been that these people have come over with all their food supplies and gasoline, and have left; and if we could only keep these people a couple of days longer, I know they're going to sell them a lot more supplies.

One other change I notice in the department this year is the Clean Environment Commission. I think, I know from past experience, I think this used to be in the Minister of Health's Department. Now it's been put under the Department of Mines and Resources and a man named Dr. Warner who now, I understand, is the Chairman. I would like to know who the other members of this commission are, if the Minister could reply on this, and also I would like to have a copy of the terms of reference or something to the effect of the standards that they are going to come under, because many people in the livestock business are going to come under this, have to have the approval of this commission, and I think it's wise for each one of us in the rural areas to know what the standards are so that we can inform the people, and if the Minister could produce a copy of that -- I don't know whether it's in the regulations; maybe it is in the regulations in the Gazette, Manitoba Gazette. If it was, I would like to know what Gazette it was in so that I could have a copy of this, the regulations.

Now one of the programs that was brought in many many years ago, the ARDA program, in which we have experienced many results in the Sprucewoods and I think the same applies to Turtle Mountains now; the development of Turtle Mountains is coming under this program. I'm pretty sure it's under ARDA. If it isn't, I'd like to know if it's under FRED, which program that development of those areas comes under, and I would like to say that while this is under another department, the Minister of Tourism and Recreation, people are appreciative although there's some objection to the -- and I'll mention this objection when the Minister of Tourism's Estimates are before us. But they are looking forward to the results of more tourists in that particular area which in Turtle Mountains is adjoining the International Peace Gardens.

(MR. McKELLAR, cont'd.) . . . . .

One of the things I'd like to say at this time is mentioning that I don't think it's right, and I know the government have a reason for this, but we've had municipal government in three different Ministers' hands. In other words, the Minister of Municipal Affairs handles rural Manitoba; the Minister of Mines and Resources handles Northern Manitoba; and the Minister of Finance has got Greater Winnipeg; and I think if you want confusion this is the way to go about it, and I don't think this is right. I think you have 14 Cabinet Ministers. I think it's only right and proper that you have one Cabinet Minister look after all municipal governments in the Province of Manitoba. How do you expect to coordinate? How do you expect to keep a united policy, or one policy, when you've got policy going off in three directions? I don't think this is right and I would hope the government, during the summer months after the end of the session, and I hope the Premier who's not here in his seat right now, would give serious thought because I think this is a job that one man should do. I think we should have all the municipal affairs, as I mentioned, Northern Affairs, Greater Winnipeg, and all of rural Manitoba under one Minister. And I know there's lots of Ministers over there could do the job real well, whether it'd be the Minister of Finance or the Minister of Northern Affairs or even the Minister -- I'll give the Minister of Municipal Affairs credit. I would like to see automobile insurance taken out of his hands and give him all the other two portfolios. Maybe this wouldn't meet with the approval of the First Minister, but I think we're going to have confusion and I think we're going to have great confusion, because how can one Minister know what the other Minister is doing and how can the people of Greater Winnipeg know what the policies of rural Manitoba are when each Minister is developing policies for his particular area? And I don't think it's fair to the people of Greater Winnipeg; I don't think it's fair for the people of rural Manitoba; I don't think it's fair to people of Northern Manitoba that these responsibilities should have been split in three different portfolios.

Now, I have one more important subject to bring up and this is the last subject matter I'm going to discuss under this amendment to the Minister's salary. That deals with the resource development of our water power in the Province of Manitoba. And I want to go back on this subject because it's since '58 that I've been here. This has been one of the more important problems that have been discussed, the development of our hydro power in the Province of Manitoba. And this has been discussed 30 or 40 years before I came in here. In fact, I would say it's gone back to the early 1900's, or maybe before that. But I think in the development of the Province of Manitoba, what greater resource have we than water? I don't think we have anything that can compare with it, not even agriculture. Not even agriculture.

Up until now, agriculture has been our number one industry. But we can't even compare agriculture, I don't think with what the development of hydro will mean to the people of Manitoba in ten years from now. In ten years from now it will be the greatest, the greatest industry in all of Manitoba. And what are we going to do about this? And what has been done in the past? . . . came along with development on the Winnipeg River, which is one of the greatest hydro developments in years gone by, a development that was well handled both by City Hydro and by the Manitoba Hydro-Electric Board, who in turn sold power to the Manitoba Power Commission. And they handled this job real well and their province developed, and I must say the rural development was created solely by the development of hydro power and the distribution of the same to the many farms and communities in our province. Had it not been for the development of hydro power and the distribution of the same, our farms, many of them would not be the same today.

I want to say to the honourable members opposite, the credit can go to one man, the former Premier, D. L. Campbell. He was the man responsible for the distribution of power to the farms in Manitoba. It was through his policy and we can thank him; as farmers we can thank him, because I must say the standard of living has gone up to the extent where the standard in our homes is equal to the standard of the homes in the City of Winnipeg, or any other city in Canada. He brought this power in at a price where we could pay for it, and I must say that in 1939 I had the privilege of having electricity on my farm and that's exactly 32 years ago, and those 32 years, I must say that I've enjoyed this immensely along with other people. In 1948, the other farmers -- '47, '48 and '49, the farmers were hooked up in rural Manitoba. I happen to live on the edge of a town and was classed as an urban citizen.

But this is the history of the Province of Manitoba. This is the history of development of our rural area, and now in the last ten years we have seen the development -- or previous

(MR. McKELLAR, cont'd.) . . . . to that, 1956, we have seen the development of the Kelsey Power Project on the Nelson River, the first power project on the Nelson River, also brought in by the former Premier, D. L. Campbell. This was created for the production of nickel in the Thompson area. Well, just about the same time, I guess about '56, the development of the steam plants at Brandon and Selkirk were built and this created a stop-gap in case of a brownout or a blackout in different parts of the province, and they're still used for that emergency. And they have served their purpose well. But the price of coal is going up and this is causing increased costs in hydro, but they are still doing the job they were meant to, stop brownouts or blackouts.

In the early 1960's I can remember so well discussions here, the Member for Rhineland and one or two other members, of all the discussion we had on Grand Rapids. I remember so well -- (Interjection) -- Members are trying to cool me off here. But I'd just like to give them a little history because there's only about four or five members here, in fact there's only about two, I think, that were here in those days -- three. But I remember so well when Grand Rapids was mentioned. What is it going to do? Flood thousands and thousands of acres in that particular area west of the northwest corner of Lake Winnipeg on the Saskatchewan River, flood an area, I forget how many thousands and thousands of square miles in the area between The Pas and Lake Winnipeg. And this was done for a very good reason; because we needed that power and we needed it then, and I can't remember - it was about '63 or '64 - that Grand Rapids power project was officially turned on, and we were getting to the end of our production at that time and this met the needs, the four generators there would meet the needs till 1971. At that time we heard much criticism by some local people up there; this was going to destroy many thousands of acres of land. But once that was built, our criticisms became very few because it was the development that was needed, and needed badly, to meet the requirements. Otherwise our province would go behind. And what did this do? It brought many industries into our Province of Manitoba because we had a guaranteed supply of power in our province that would meet the needs of any kind of an industry that would come in.

Well, here we are in 1971. The Nelson River is the major topic. The Nelson River has been now completed, the first phase, and now I guess it's the big power line and we're using this power, part of it, to meet our requirements. Our demand is going up 12 percent. It used to go up around seven, six to eight percent, now it's up to 12 percent. It means every seven years we're going to double our demand for power. Now where are we today? Where are we today? This is the subject before us. And I remember so well, and here again there's only a handful of people that were here in January and February of '66 when the late Don Stephens, the late Doctor Don Stephens, Chairman of the Board at that time, came before us. The Minister of Finance was here, the Minister of Labour was here, but there is only two on the government side -- the Member for St. Boniface, pardon me. They were the only three that were here at that time. And he explained it and he explained it, and he explained it so clearly, and it was with this explanation that the government of the day accepted his statement and went on with the job, with the development of the Nelson River; and we all know what happened in '69 when all hell broke loose and an election was called. And here we are. Here we are today. Construction has to start next year. Construction has to start on another phase of hydro development on the Nelson River to meet our requirements for 1978.

MR. GREEN: Mr. Chairman, I appreciate the honourable member dealing with the question of hydro power as it relates to water resources, but I believe that he is essentially talking now in the area of what Hydro wants to do and not what Hydro is doing as affecting the resources of the province. I try to make that distinction.

MR. McKELLAR: No, Mr. Chairman, no. I'm dealing with water control. I'm dealing with water control because water is the main asset that you have. That's the only asset you have. It doesn't matter, without water you can't -- and it only comes from one source, comes on Lake Winnipeg eventually after coming through the Saskatchewan and the Red and Winnipeg Rivers. We were told at that time Lake Winnipeg, the regulation of Lake Winnipeg would not be needed before 1990 and the reasons for these regulations -- (Interjection) -- You weren't here, so you wouldn't know.

MR. GREEN: You were here and you don't know.

MR. McKELLAR: I was here and I know. Well I'll test my statement against yours. Well, this is what we are told. Under normal conditions, seven percent growth rate at that time. You could build it earlier if you wanted to, but all you had to do was put the diversion

(MR. McKELLAR, cont'd.) . . . . from Churchill River and build these four or five series of power plants on the Nelson River, with the same water going through each one would develop your supply of water -- I mean the power for the Province of Manitoba and also for export to our American markets or Ontario or Saskatchewan. And this was the decision of the government at that time, that we go ahead on that basis. I'm sorry to say there aren't many members on our side of the House here left either than were here at that time, about four or five of us. The Member for Swan River was here and I can't -- only the Member for Arthur, I guess, about the only ones.

But I would hope, I would hope in hearing the government is prepared to let the contracts for one of the first stages of the regulation of Lake Winnipeg, they carry out those hearings, they carry them out in a manner in which they can hear representation from all parties involved, because if you don't do that, I would like to say too, at this time, that you will be meeting the greatest avalanche of protests. It will come. It will come. And I don't know how you're going to hold up the letting of the contract because I know your time element, your time element you're working against. You have to get either more water in there in another year or so, back up where you're going to start another power plant on the Nelson River to get ready for '78. And this is a decision that I would hope you would make, prepare with the people of the Province of Manitoba. And also, as Mr. Campbell mentioned, that you can produce power at a cost which is equal to what you can export it and make a profit. There's no good producing power if the costs are going to be too high. What you will do, and what I want to tell the Cabinet right now, is you'll scare off all future industry that might be looking at Manitoba. We have the greatest power development in the Province of Manitoba and the people of North America know it, and this is where they'll come, if the price is right, for hydro power and it will be up to you, Mr. Minister, and the members of your government, to say to the people of Manitoba that you are prepared to meet this development, produce this power, at the lowest possible cost so that the people may have the greatest advantage.

It was mentioned by Mr. Campbell the huge amounts of money this would mean to us in export moneys. This is new money that will come into our country and into our province and doesn't cost us very much other than the capital outlay. The cost of maintenance is little or nothing and this is one of the reasons why we have one of the greatest resources in all of North America and all you have to do is travel, all you have to do is travel across this great continent of ours to appreciate this.

MR. CHAIRMAN: The Minister of Mines and Natural Resources.

MR. GREEN: Mr. Chairman, I will try my best to answer most of the questions that were put, I'm encouraged in doing so by the Member for Swan River who says he hopes that I'll get my salary and he hopes that I won't be reduced to 50 cents. I hope that he translates his hopes in votes, because that's what counts. -- (Interjection) -- Well, I appreciate that and I thank you for your sympathy and I hope that, as I say, it will be translated into votes.

I'm not going to go through the whole debate again on the Lake Winnipeg regulations but I do want to indicate to my honourable friend that he can't take the position that because he was here and others of us were not here that we don't know therefore what occurred and what was the program for Lake Winnipeg regulation.

First of all I want to indicate to my honourable friend that the Mauro Commission Report referred to the Nelson River development, the hydro program, as a three-phase program and two of those phases were Lake Winnipeg regulation and the diversion of the Churchill through the Nelson. But even more important than that, the Lake Winnipeg Water Commission was formed in 1967 and the Minister referred three matters to the Commission in 1968. In 1968 - I was here at that time but nevertheless, even though I was here I didn't know about this specific reference which proves that that doesn't matter one way or the other. And the first one was regulation of Lake Winnipeg. "The Commission shall determine and recommend to the Minister what it considers to be the most acceptable and practicable range of regulation within which the levels of Lake Winnipeg might be controlled to best meet the needs of the various interests which are or may be affected by the levels of this lake now and in the foreseeable future."

Now why did the Commission not proceed to complete their study on Lake Winnipeg? Because in a letter dated April 11, 1968 - again while I was here - the Chairman of Manitoba Hydro informed the Commission that Lake Winnipeg regulation would not be required for power purposes prior to 1978 - not 1990. But it was only in 1968 that Hydro thought there could be that much of a delay in Lake Winnipeg regulation and even the delay that he is speaking of is

(MR. GREEN cont'd.) . . . . . 1978. And why did he say that that delay could take place? Because at that time Hydro had decided that if you put another 15 or so feet on the Churchill River, if you add that much flooding, then you could reduce to some extent the need for Lake Winnipeg regulation. But even then, with the 35 feet, they still did not say that they might not need Lake Winnipeg regulation. But surely, if they were thinking that they needed it immediately prior to April of 1968, my honourable friend can't say that when he was here in 1966 that they didn't need Lake Winnipeg regulation. — (Interjection) — Well, they didn't need it till 1990 because it was part and parcel of the Hydro program and I wasn't here but the facts are as I am now giving them. The only reason it appears to me, and this I agree is partly a deduction from events, that they found that if you kept adding water to the Churchill, if you kept increasing the levels of flooding, that you could reduce the need for Lake Winnipeg regulation. That's how they got the 35 feet or 34 feet on the Churchill.

But I'm not going into all of the reasons as to why that was not considered to be acceptable. I do say that I can't attribute everything that happened in Hydro to one man. The honourable member may now find it in his interest to do so. I think that I have just as much respect -- and if one could measure respect it might even not come out that way, it might come out more -- for D. L. Campbell as he has; but I say that just because a man resigned from the Board and took an independent position from the Board, doesn't mean that therefore and for that reason his view should be accepted. Would my view on this question be more important to the honourable member if I resigned from the Ministry and then went to the committee and said, "You must regulate Lake Winnipeg." That would make more sense out of what I'm saying, I suppose. I'm saying that we have to look at the total picture, which we are doing, which we have done, and decide on the Hydro program which the honourable member says has to be proceeded with relatively immediately and I agree with him.

I want to go back to the questions that were raised by honourable members earlier and try to deal with them in the order in which they came. First was the questions that were raised by the Honourable Member for Rhineland. I agree that the program of drainage was given not by previous Ministers but by myself last year and will be given this year, so I don't want my honourable friend to think that it's only previous Ministers, that now we've got a new Minister he stops giving this, because I gave it last year and I have every intention of giving the program this year. There has been no change in that connection. The honourable member will get it.

The honourable member says that we are more worried about health than we are about drainage. I wouldn't like to put it in those terms but I would find the difficulty putting it in to reverse terms, that we are more worried about drainage than we are about health. I wouldn't like to say either. I would like to say that the government looks at all of its priorities and tries to decide how much money it's going to allocate in each area; and insofar as drainage is concerned it would appear that we are keeping pace with the rate of acceleration of these programs in past years. We may be slightly over or slightly under - more likely slightly under in terms of the fact that we have taken one program and said, - and this the Honourable Member from Gladstone doesn't recognize or at least doesn't give as much weight to as I hoped that he would - and that is that we said we are going to work out, we're trying to go into a watershed program drainage policy rather than a third order drain policy, and hopefully that policy will solve a lot of problems that are now caused by the fact that the government will pick up a third order drain but the municipal councils will not do the proper work on the first and second to make the third really do the job. So we are going to try to offer each of these areas that want it, a watershed program which will involve a total program whereby the province's commitment is based on the commitment that is made by the local areas as well, to the extent that you won't have one moving in a direction which might be a very good direction but isn't quite as effective if it doesn't have the cooperation of the other areas, so I don't think that the drainage budget is being inhibited and if my honourable friend says he spoke to drainage people in our department who said that they are, too, concerned that we are not moving ahead fast enough, Mr. Chairman, that would not surprise me a little bit . . .

MR. FROESE: I don't think that - these people didn't attach any blame on the government. I don't want that misunderstood.

MR. GREEN: Mr. Chairman, if there were drainage people in my department, if there were drainage people in my department who weren't upset that they weren't getting enough money for drainage, if the head of our Water Control Branch or anybody down the line, was not

(MR. GREEN cont'd.) . . . . upset that cuts were made in his area or that he wasn't getting as much money as he wanted, I would be disappointed in that person as a civil servant. So don't think that it's a criticism of a person in any department that he felt that in the scheme of things he didn't get as much money as he would like to have gotten for the program that he would like to see instituted.

If you'll go to the Health Department and talk to the same people in that area, they will say that they didn't get as much money as they wanted in their department; and if you'll go to the Department of Education and talk to people, they will say that they didn't get enough money. So I would think that it's quite natural for civil servants within a department to say, we're not getting as much as we should be getting, because Ministers say that, and governments say that and people and individuals say it. So I have no criticism of departmental persons who may have said to you that we should be getting more money for drainage because I think that that will be the case throughout every department.

I am pleased, very pleased that the Honourable Member for Rhineland - and I've said this before - recognizes that there is a social responsibility for the people of Manitoba to get together and say that even though drainage is not a problem -- or I may not think it is a problem to me, Sidney Green personally, or somebody who doesn't know that farms are hurt by the fact that there is no spring runoff, or by the fact that drainage is not working properly -- I'm glad that you say that it's not for that individual to correct this problem, that individual farmer; that it's up to all of the people of the Province of Manitoba to gather money from everybody and then to allocate it to those who need it.

I'm glad that he agrees with that in drainage because if he agrees with that in drainage then surely he agrees with it in medicine, surely he should agree with it in many, many areas where people have problems, and if he would only take his drainage philosophy and transfer it to the well-being of human beings generally, then, Mr. Chairman, as the Premier advised him, he could write to 620 Broadway (is that the right number?) 656, enclose \$5.00 and add to the ever-increasing majority that the government has been obtaining in recent months. -- (Interjection) -- As a matter of fact, if you don't have \$7.00 we can make a special deal with you. -- (Interjection) -- People who are more actively now involved in the organization tell me it's five.

The Whitemud Watershed I've dealt with, I've tried to deal with what this concept is, the disputes that we have with south of the border and the "easy solutions". Mr. Chairman, I think the Member for Rhineland is being very optimistic when he says that there are easy solutions to water problems. There are areas where we have spent hundreds of thousands of dollars on drainage and I think that they have done useful things, but we have gotten people - it's not an easy solution - because we get people who say you shouldn't have done that drainage and want you to close it off. I believe that with water there is no easy solution. There will always be people who are in some way helped by the fact that water is permitted to move a little quicker and there will be people who are hurt by it. The Member for Morris last year said some of the problems that he experiences in his area is because of too good drainage further west and I think that that's just something that we have to live with.

The Member for Rhineland also dealt with the Mineral Exploration Company but I really think I dealt with that problem several times. I'll give one sentence on it and try to put my honourable friend in the position that we are in. Last year at the beginning of the session he said that we should increase the royalties of mining companies. He said that we should increase the royalties. He said, "Take more money from them; they're taking our resource, why don't you take more money." We brought in a bill increasing the royalties. The honourable member voted against it. Mr. Chairman, the honourable member got up and supported the amendment to the bill which would have reduced what we are doing. And I noted it at the time. I say, Mr. Chairman, that the honourable member voted against that bill and he voted against it on the basis that it was argued that you're going to chase all the mining companies out of Manitoba. You know, and there is - the question of taxation doesn't have complete freedom. It would be ridiculous if it did. You can tax to a certain extent and you also should have available the option which protects the integrity of your taxation program; and if people can't stand your taxation program and say that they are going to leave, then you can't divorce the fact that you've got a responsibility to make sure that you're using your resources to the best advantage of the people of the province. And it's intended that this Mineral Exploration Company, which will

(MR. GREEN cont'd.) . . . . be in its infancy this year, will be able to provide the people of Manitoba with a capacity to do what the mining companies are doing, that is investing money, exploring, and if there is a realization from it that realization will accrue to the people just as it accrues to the shareholders of a mining company.

The Member for Swan River - perhaps I'll take a chance that he may be back and go to another member so that he'll be in the House when I'm answering his questions.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Under the exploration company will the government accept subscriptions by the public?

MR. GREEN: Well, Mr. Chairman, you know that's a neat way of saying that the public suddenly is given the opportunity to invest. That's the Liberal Government concept of a Canada Development Corporation. Right now the Member for Rhineland and I are equal shareholders in Air Canada, we are equal shareholders in the Polymer Corporation; we are equal shareholders in the Eldorado Mining Exploration Company, all of which are Crown corporations owned by the public of Canada -- (Interjections) -- Well CNR as well, CBC and others.

The honourable members says that somehow the public is put in a better position if they are permitted to subscribe. How so? How so? Only 10 percent of the people of this country - and I think I'm using a high figure - own shares in any company. It's going to be the same 10 percent who will buy the shares in the companies that my honourable friend is talking about. Therefore you are taking 10 percent of the people and giving them increased shareholdings over 90 percent of the people and making us unequal shareholders when we are now equal shareholders. Now how is that to the advantage of the public?

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: If I may interject, I think it's mandatory versus voluntary investment.

MR. GREEN: Mr. Chairman, it is mandatory and voluntary now. I voluntarily, before I was Minister of Mines, and I still voluntarily buy shares in certain companies. I bought shares in several Manitoba mining companies which I dispossessed myself of when I became the Minister. But do you think I voluntarily do that merely because it's my free choice in doing so? No, I voluntarily do it because I've got money and I want to put it some place where it'll earn money. But the fact is that 90 percent of the people of this country don't voluntarily refrain from buying mining shares or other shares in other corporations; they don't not do it because they don't want to do it; they don't do it because they have to buy milk, bread and cheese and after that they haven't got anything left over for mining companies or other corporations. So my honourable friend says that if we permit the public to subscribe we will take these corporations, which now everybody owns, and he'll put them in the hands of the 10 percent who now own the shares in all the other corporations. Well, I don't think that's doing anybody a favour; I think that's dispossessing them and it's intended that this mining exploration corporation, the Member for Rhineland, myself and all members in the House and every other citizen of Manitoba will be an equal shareholder and if there are explorations which cost money and don't realize anything, we will bear the cost of that exploration equally, and I don't call it a loss, but we will bear the cost of it equally and we will bear the benefits, if any, equally.

The Leader of the Liberal party who is the ghost writer for the Member for Portage, he immediately says - when it's announced that there will be a mineral exploration company he immediately says that the losses of this company are not reflected in the budget. I wish he would come into the - well I don't really wish he would come in, but, Mr. Chairman, it would be nice to be able to refute his arguments in his presence. It's like the story of the people who were at a meeting and at the meeting the talk got around to one of the members and somebody said, "throw him out"; everybody looked at him and they kept on discussing, then they said "throw him out". This went on 4 or 5 times and finally one of the other people at the meeting after the last outburst of "throw him out", said but just a minute, "he's not here." They said, "well bring him in and throw him out". I would say, Mr. Chairman, that it would be some satisfaction just to bring him in and throw him out, because I'd like to know, I'd like to know whether that leader advises his clients in the way that he says the people of Manitoba are advised.

When the mining companies spend money for exploration, does he tell them that that should be written off as a loss of the mining company? Because it's not, I've got the statements of the mining companies here and each one of them puts their exploration costs down

(MR. GREEN cont'd.) . . . not as an expense but as an investment which they then amortize as against all of the profits of the mining company. So that Mr. Asper would like us to think that we are losing money, but he knows damn well that when he does it for his clients they are making money, not losing money, and he doesn't want the people of this province to make money, because he wants his clients to continue to make that money. I say my clients are the people of this province and I would like to advise them in the same way that Mr. Asper advises his individual clients. The money that the people of Manitoba are putting up is the same way as put up by any mining company, as an exploration investment cost which will be written off as against the realizations of that company, the same as any other business practice, why should we be different? Unless it's his intention to advise us to lose money and his own clients to make money. Because that's how he advises his own clients.

The Member for Gladstone referred to the watershed, his problems with the Whitemud. I had thought that we are further ahead with regard to that particular problem than we are in most other areas. We certainly agree that we don't have it solved, just as we don't have drainage solved anywhere, but I do believe that the Whitemud Watershed Authority and the municipalities involved in it have had further negotiations towards creating a comprehensive plan than has any other area in the Province of Manitoba and I hope that that will be brought to fruition in the very near distant future because we intend that model to be applied throughout the Province of Manitoba.

He asked about land purchases on the east side of the Riding Mountain. My impression is, Mr. Speaker, that there is a program of land conversion now which has a time period of '70-71 and '71-72 at a total project cost of \$60,000 shared 50-50 with the Federal Government, that the budget for '70-71 \$20,000, the budget for '71-72 \$60,000. The objective of this project is to carry out various land conversion works on land acquired under the land rationalization project. These lands may be converted for pasture forestry, wildlife, recreation, or other uses identified by the resource studies. During 1970 and '71 studies had not progressed to allow for conversion work to be carried out. Funds for the entire project will be expended during '71-72 in a manner consistent with the objective of the project. Emphasis will be upon conversion of land with severe topographic gradients to grass or forest. The Party Licence for elk hunters - my advice is that the elk hunting is different than deer hunting and first of all that it's not fixed up on a draw and that it's not available to numbers of people, that the draw is for an individual person and that most elk hunters who want to be able to say that they bagged this particular animal, that is one of the satisfactions of hunting elk. Thus far there has been no recommendation that we deal with this form of licence the same way as we deal with the deer licence but I'm not closing my mind to the members observations and will certainly look at them.

With regard to the Air Service, the Member for Assiniboia wonders why the government has ten planes and what do they do with these planes. My advice again, Mr. Chairman, is that the air service started as an adjunct to the Department of Mines and Natural Resources essentially for the purposes of fire fighting and that is probably still the biggest use of the air service program. But I also indicated that the government has every intention of using the Government Air Services for the best available use in all forms of transportation in Northern Manitoba and otherwise. I believe that the air services repairs are now being done by the government air services station at Lac du Bonnet. The kinds of airplanes that we are talking about and the ten aircraft are two 10-passenger otters, one 8-passenger Turbo Beaver, six 6-passenger Beavers, one 3-passenger Cessna. They are normally operated on floats or skis and I believe we do our own maintenance of them. So if the honourable member seems to think that, you know, taking the maintenance out of Lac du Bonnet and putting it some place else and firing the civil servants and hiring the others somehow does better for the people of Manitoba, then I say I have to disagree with him. The maintenance that we do, I think for the most part we do our own and if we don't do our own we are doing it in places where somebody is working and earning a living.

I have no objection, I don't share some of the apparent suggestions that have been made in the House that it is somehow unholy to be a civil servant and that civil servants have to be looked down on and have to be considered to be useless people. I think that if a person works as a civil servant for the Government Air Services and works on maintenance of vehicles, I think he, too, is earning a living and would like to keep his job. The question is how is it done best, how is it done most efficient . . .

MR. PATRICK: . . . the Minister's words, I certainly ask him how it's done and where



(MR. PATRICK cont'd.) . . . . it's done and who is doing it, and he's, I think, leading away from really what I've asked.

MR. GREEN: . . . said that we should show leadership and take it from where it is being done now and have it done at CAE. I think those were his words. Well I'm telling the honourable member that the fact is that much of it could be done within the government services, what is not being done within the government service, we are showing leadership in having it done wherever it is being done in Manitoba and people are being employed in doing it and getting paid. I don't think that you show leadership when you take a job away from one person and give it to another person.

We have problems at CAE, we have to deal with those problems but it's not in the manner suggested. What we have to make clear is that we are doing it in the most efficient manner, that we are doing it at the least cost and we hope to look at the air services to make sure that we are getting the most value out of them. Getting the most value out of them may mean using them more rather than using them less, and that's exactly what we are intending to look at. We are now looking at the amount that are being spent on Government Air Services, the amount that are being chartered for by certain people and the amount that we are paying the charter flights and the amounts that are being paid the air services.

Just as an idea as to how the department's breakdown: 384,585 flight miles are used by the Department of Mines and Resources alone. Field administration takes up 163,335 of that. Just as an example of where the heavy use is, the balance of the departments use 147,000, less than half, 125 miles, and that's for travelling from one place to another. For instance, Northern Affairs is a very big user, 64,670 miles. Manitoba Hydro, 3,195 miles. Every time a department uses it it has to pay the Government Air Services for the rate and the Government Air Services rate had traditionally been cheaper than the commercial rate and our intention is to equalize them so that they will be the same. -- (Interjection) -- Well the rates per mile, the Cessna is 35 cents as against commercial rates 50 to 55 cents. The Beaver is 55 cents as against commercial rates of 75 to 80 cents. The Turbo Beaver is 65 cents as against commercial of 90; the Otter is 75 cents as against commercial \$1.10 to \$1.20. Single passenger mile basis are 15 cents per mile for the Government Air Services and 20 cents the commercial rates. Those are the 1970 rates. These planes the honourable member says are used by the Minister. Hardly. They are used from time to time, I have gone to northern Manitoba on Government Air Services but I would say that the amount of these Minister miles would be negligible.

The Member for Souris-Lansdowne referred to Pelican Lake and Rock Lake, the tourist use of these lakes and I certainly think that his suggestions will be noted and be given serious consideration. He said that we should have one department for Municipal Affairs or we shouldn't have various departments. Mr. Chairman, there are opinions both ways. The Member for Churchill says we should have a Department of Northern Affairs which would mean that not only municipal affairs for the local communities would be taken out of Municipal Affairs but health, education and everything else would be taken out. I really don't think there is any simple answer. It's a matter of continuing to proceed by means of employing the most efficient method of administration that comes from time to time.

Yes for the Members of the Clean Environment Commission, the commission is headed by Dr. Peter Warner; the other members of the commission are civil servants, Mr. Mudry of my department; Mr. Sleighthof Industry and Commerce; Mr. McLean, Mr. Cormack of Agriculture and Mr. Gobert of Mines and Natural Resources.

I believe I've dealt with the water power situation with regard to the Member for Swan River. I think that some of those were individual problems with the exception of Dutch Elm disease. I too have been very concerned with what people say about Dutch Elm disease and appear to accept the inevitable. I have been asking the knowledgeable people in the department to tell me if there is anything that can be done; never mind the cost, is there anything that can be done to arrest the disease. If we get an answer to that and the cost appears prohibitive at least we should be able to judge that. I just ask what ways are there of stopping it. Several suggestions have been made. One is building what is analogous to a fire check, that is cutting out all the Dutch Elms in a portion of the land approaching Winnipeg in the hope that the people will then not be able to move from elm to elm. The other is to conduct a constant surveillance of the logs floating down the various streams that enter Canada such as the Red River. There was a meeting at the university this week in which this matter received some airing. I am hopeful that what they say is inevitable is not inevitable; and if something comes up which is even a way out idea on how we can stop this thing we're certainly prepared to give it consideration.

(MR. GREEN cont'd.) . . . .

I'll answer the other questions that the Member for Swan River asked by giving him a note and dealing with them when I have more definitive information.

#### INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before the honourable members proceed, I'd like to direct the attention of the honourable members to the gallery. We have 13 pupils, Grade 4 to 8 from Brochet School. These pupils are under the direction of Mr. Kroeker and these pupils are situated in the constituency of the Honourable Member for Churchill. On behalf of all the honourable members, I bid you welcome. The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): . . . permit a question. Mr. Chairman, I wasn't in favour of reducing his salary to 50 cents. I was going to pay his salary; I don't see why he didn't answer my questions.

MR. GREEN: The honourable member's point is well taken. I had my notes in front of me from the questions that were asked today. I believe the honourable member had started speaking the other day and I very much apologize for not having answered his questions. Some of his questions were rather amusing to me, as to whether I would work harder if they paid me to stay out. Take a chance - I need to get paid one way or the other. If that's the way I can be more effective, if I could be convinced that I could make my greatest contribution by staying out and the people wanted to pay me for that, I'd have to consider it, so I really take that for a suggestion that my honourable friend wishes to make.

With regards to the ducks, wild game and hunters problems, this is an age-old problem that we have attempted to deal with in various ways. I've indicated that we've tried to set up this farmer compensation program which is now in its second year, will be bearing some fruit very soon. It is being used now for the purchase of lure crops, etc., and will be made available for a dollar compensation to farmers who are troubled by hunters.

With regard to flooding and flood compensation, again this is a problem that I repeat the answer that I gave my honourable friend last year. We are holding the line on flood compensation to do exactly what had been done in the past and not do less than was done in the past. This may appear to be a problem but the honourable member started his speech by chastising the Member for Churchill for not considering dollars. The fact is that every single program that we look at has a cost-benefit relationship, and we've looked at the Carman program, we've looked at the Morden program, and the cost-benefit relationship says that you will spend this much money and you will save this much property, and that it would be cheaper to pay out this amount that you are saving each year; and my honourable friend, who says that everything should be measured in that way and that was the thrust of the opening remarks, would then agree that if we come up with a cost-benefit, even though it affects his constituency in such a way that they don't get flood compensation, that he would have to agree that the province shouldn't go into that program, and all of the flood programs that we deal with are dealt with on the basis that my honourable friend says that we should deal with them. It comes out rather harsh when it means that a particular problem in your constituency is not solved, but if you apply it as a general rule that this is the way we should do things, then it fits in very well with my honourable friend's suggestion.

MR. CHAIRMAN: The Member for Pembina.

MR. HENDERSON: Mr. Chairman, I remember reading over your remarks in the Carman paper about the Carman diversion, if you put the water around Carman, and you compared what had happened in the last hundred years. Well, I want to draw your attention that things have changed so much with the bush being cleared off and with the drainage, that to use a hundred years as your average in drawing your conclusion was wrong, because it's changed. In the last few years it's practically flooding every year.

MR. GREEN: That's quite true, and the last year then becomes, then becomes weighted in what occurs in the last hundred years, and then maybe they should take a different period in order to get a proper cost-benefit, and I hope that my honourable friend will apply the same reasoning when he talks about Lake Winnipeg regulation, and what the levels have been in the last three or four years, and how our program will definitely bring them down from the last years to what they have been in the past. We have looked at Lake Winnipeg regulation and said that over the total period it would not be wise to spend money on it, but if Hydro can spend

(MR. GREEN cont'd.) . . . . money and give us a benefit which would otherwise not be justified by cost-benefit relationships, we can do it. If you only wanted to take some of the past few years to determine the benefits of Lake Winnipeg regulation, I'm sure you'd get a much better benefit than what we show for it. And I agree with my honourable friend that eventually if you start getting new trends you have to start using those trends to determine your cost-benefit relationship.

The honourable member quite extensively - and I would certainly admire his persistence in this area - refers to the provincial position on the Pembina Valley Dam. I want to advise the House that the plan recommended in 1967 would have involved a total cost of \$24 million, \$10 million of which would be the Canadian portion and the balance of 14-odd the American portion. In order to realize the benefits of the program, the Government of Canada and Manitoba, whoever was sharing in it, would have to spend an additional \$4 million, so that the total Canadian cost of it would be \$14 million over a program that would cost about \$28 million.

They worked out cost-benefit ratios for this program and came out to - on a basis of interest at 5 percent - about almost half of the present rate. In other words, they took an interest rate of five percent on the capital money that was expended and they got a benefit of .9, which would mean nine-tenths of a dollar saved for every dollar that you put into it, which showed it less, which showed it to have a negative cost-benefit relationship. However, this negative feature, which wasn't very small, was to be made up by the United States transferring \$3 million to Canada, which would then mean that each country would benefit at a ratio of 1.2 because the big benefit would have been on the American side. They would have had, let us say, a relationship of 1.5, we would have a relationship of .9, but if they transferred money to us we could bring ours up to 1.2 and theirs would come down to 1.2.

Subsequent to having negotiated this general type of suggestion and without it ever being accepted as a program by either the Federal or the Provincial Government, the United States indicated that they did not favour the proposal and were bargaining new cost-share arrangements. At the same time, we were not prepared to say that we could continue to calculate the cost-benefits on the basis of five percent. It just did not make sense. So the program was held up at that stage, and I suppose that the Member for Pembina was continued to be kept satisfied by the government saying, "Well we're looking at it; we're considering it; we're reviewing it; we're negotiating it," and things of that nature. But it appears to be genuinely at a standstill, and this is where we indicated to the people of your constituency and the people of Manitoba, and to you personally, that we are telling you that on the basis of the present facts we are unable to say that this is a high priority government program; that we can't spend \$14 million on this program. We can't spend it because of the cost-ratio benefit; we can't spend it because it doesn't fall into our line of priorities where we get the most value for the most money, which is what my honourable friend says we should be doing.

In the meantime, some of the real benefits of that program, some of the benefits which were calculated "if", dealt with a water supply from Winkler and a fresh-water aquifer was located near Winkler which nullified the immediate need for the water from Pembina for municipal water supply, which was one of the benefits. Alternative plans have been developed to meet the municipal demands at Altona, Winkler and Morden over the next 20 years, at much reduced cost in relation to the Pembina Valley program, and since 1964 the irrigation benefits, which were the major consideration, have also been questioned by the Department of Agriculture. Therefore, before further consideration is given to these projects, we would again have to cost-benefit and even come out to less of a program, less of a feasibility indicator than we have at the present time.

The flood control benefits on the Red River above the Red River Floodway have been reduced by the construction of the community dikes in the valley. That was also part of the program for which moneys have already been spent and therefore reduces the benefits of the project. However -- well, the honourable member shakes his head, and I am telling you that these three features which were included in the cost-benefit study and would have given weight to even a negative cost-benefit result, have now been taken out, which would make it still less feasible. In the meantime, the honourable member says that the United States is going ahead. The United States is not going ahead. The United States is going ahead with studies which have been requested by, certainly, groups exercising pressure in that area and asking that certain things be done, so there is being carried out an economic evaluation of the proposal to build a dam on the Pembina Valley at Walhalla, at the same location as that proposed in the report

(MR. GREEN cont'd.) . . . .that I am referring to, and I have told the members of the House, and our department, and the Federal Government, that if there is any suggestion that structures are going to be built in the States which would have any effect on interfering with our water supply or reducing our benefits that we would have available to us from water that flows through Manitoba, that the matter would be immediately reviewed and we would be prepared to take whatever steps are necessary, provided they prove feasible and viable, to make sure that there is no prejudice to it, but right now I believe that the people of North Dakota are using us as a bargaining position, which is fair game. I mean, they are asking us to get behind the project, which I think is very legitimate for them to do - I think we would do the same thing the other way - in order to try to get the thing built, but there is no definite program that is proceeding in the United States that I am aware of for them to go it alone. They are merely studying whether they should go it alone.

MR. CHAIRMAN: The Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Chairman, I'd like to ask the Minister a couple of questions. No. 1: From the comments that he has just made, is it not a fact that the United States Government have made a deadline for the project that he has just been discussing with the Member for Pembina? That 1973 is the deadline, so far as we in Canada are concerned, as to the time we have to make up our minds whether we're going to do anything or whether we're not? And if by 1973 that nothing, no agreement through the International Joint Commission has been agreed upon, that they will go ahead to build a dam in North Dakota that may mean that a change in the Plan 2 will be made in such a way that the dam will be built 12 feet lower, which would be a loss to the people of Manitoba and to Canada? Because we're talking about a resource that is not expendable but is continually renewable in the flow of water from this country to the United States.

MR. GREEN: Well, Mr. Chairman, I have to repeat that with regard to the existence or non-existence of a deadline as to when they are saying either come in or we're going ahead alone, I am unable to verify at this point. But to me it doesn't make any difference. You say that it is important and I am telling you that if they decide, if they make a decision that they are going to construct works which we feel will affect us, or there is any indication that they are preparing to do so, that at that stage we can look at it and, deadline or no deadline, we can participate in whatever program we want to, and if they don't wish to open up the deadline, then we have the option of doing what they are doing. The suggestion that they have decided that they are going to build the type of control works that you are talking about, is not verified by my information. My information is that the State of North Dakota had been made available to the United States army engineers to carry out an economic evaluation of the proposal to build a dam on the Pembina River at Walhalla at the same location as that proposed in the IJC report; that that is the present state of their position.

MR. CHAIRMAN: The Member for Pembina.

MR. HENDERSON: Mr. Chairman, when you mentioned the cost, you were right, but you gave the impression that the amount that had to be paid by Canada had to be paid by Manitoba - it was about \$14 million. Now there would be a cost-sharing relationship there just like there was in the Saskatchewan Dam, and the cost to Manitoba wouldn't be anything like the \$14 million you quoted.

MR. GREEN: Mr. Chairman, the honourable member is quite right. There would be hopefully a 50-50 cost-sharing arrangement. I thought that that was understood; I apologize if it wasn't. It doesn't change the cost-benefit studies at all. Still you have a certain amount of cost, a certain amount of benefit.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I thank the Minister for his replies that he had to offer. However, I think I would want to mention one or two more things in connection with the drainage. I think I should point out to him that over the past many years that we have had drainage districts in Manitoba and that a lot of the money that was used for drainage purposes was contributed by local taxpayers and, as a result, much of the work that was done, in the earlier years especially, was done from funds of this type. However, in latter years more has been contributed by Provincial and the Federal Government. I think the Federal Government has paid a very considerable proportion of the amount that was spent. I honestly do hope that if they have a new program, that with the watershed that we get organized at a very early date, and that the government provide us with an outline of what they are prepared to do for that

(MR. FROESE cont'd.) . . . . particular area in conjunction with the municipalities concerned. Certainly I don't think we should bring about programs to stymie any projects which might otherwise go forward, and I do hope that the Minister takes this in mind and takes cognizance of this and has his department people arrange for an early meeting so that these matters can be looked at and can be organized.

I had one other matter that I wished to discuss and I'm not sure whether it falls within his department. This has to do with the dissolution of the National Harbours Board and I would like to know from him . . .

MR. CHAIRMAN: . . . does not fall within the purview of the Minister.

MR. FROESE: No, but I would still like to know . . .

MR. CHAIRMAN: I'm sorry. Order. It does not fall within the purview of the Minister -- (Interjection) -- Order, please. It does not fall within the purview of the Minister. -- (Interjection) -- Order, please. I would direct the member's attention to Rule No. 37. Once he is called to order on a particular point, if he wants to debate with the Chair then there's procedures through which he can go. The Member for Rhineland.

MR. FROESE: I don't want to debate the point, I was looking for information. Certainly we know that as far as the water supply for Churchill coming from the Churchill River, this matter has been brought to the attention by the Member for Churchill, but he's also discussed this other matter about the development of the harbour, and if it is not within his purview could he tell us what department is looking after this so that at the proper time I can discuss it?

MR. CHAIRMAN: The Minister.

MR. GREEN: Mr. Chairman, I believe that it comes under the federal Department of Transportation, Mr. Jamieson. I believe that it's his department, the National Harbours Board.

MR. CHAIRMAN: Order, please. If the member has no more remarks to direct to the Minister's portfolio, I would ask if we are ready for the question: that the salary of the Minister of Mines, Natural Resources and Environmental Management, be reduced to 50 cents.

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

Resolution 68 was read and passed. Resolution 69 (a) to (e) was read and passed.

MR. CHAIRMAN: (f)--passed -- The Member for Rhineland.

MR. FROESE: Mr. Chairman, under (f), I asked the Minister for an explanation before under the ARDA program. I didn't get any reply on this. Under (f), ARDA.

MR. CHAIRMAN: The Minister.

MR. GREEN: Mr. Chairman, the ARDA program insofar as the Province of Manitoba is concerned, deals with a land use co-ordinator; a Canada land inventory contract; a fisheries information ARDA contract; land rationalization acquisition and ARDA contract; conversion in southwestern Manitoba and Riding Mountain, Porcupine, eastern Manitoba; a pilot land use planning project contract; a resources rationalization contract; a resources utilization program contract; Wild and paddy rice action research contract.

I also, for the benefit of members' edification, was told, and I am going to make this statement from memory, that more moneys are spent for drainage under the ARDA - FRED programs in the member's constituency than in any other constituency. That's what my recollection is.

MR. FROESE: He named the various projects or contracts. Could he specify the amounts involved?

MR. GREEN: Mr. Chairman, I don't know whether my honourable friend wants me to specify the amounts for each contract here, but the total for the program is listed in allocation 2 (f) (i) and (ii) \$567,100 and the other expenditures of \$1 million.

MR. CHAIRMAN: (f) (1)--passed. The Member for Rhineland.

MR. FROESE: Mr. Chairman, I would like to know how much will be spent for instance on the Hespeler and the buffalo channels and so on in . . .

MR. GREEN: Mr. Chairman, the land use co-ordinator total project cost \$60,000; the Canada Land inventory contract, the total project cost is \$2,100,000; the fisheries information contract, total project cost \$138,000; the land rationalization, this is the acquisition contract, possibly this is the one that most closely fits what my honourable friend is talking about, total project cost \$608,230. If these figures add up to more than the allocation that's in the estimates, it's because it's over two or three years in some cases. I'm giving you the total

(MR. GREEN cont'd.) . . . . amount in each case.

The Land Conversion, southwestern Manitoba, ARDA contract, total project cost \$75,000; the Riding Mountain ARDA contract, total project cost \$60,000; Porcupine Duck Mountain project, total project cost \$28,000; land conversion eastern Manitoba, total project cost \$29,000; pilot land use planning project, total budget \$250,000; the resources rationalization ARDA contract, total project cost \$625,000; the resource utilization program, total project cost \$308,000, it's 50-50 sharing again. Each one of these is 50-50. The wild and paddy rice action research contract \$75,000.00.

MR. CHAIRMAN: (Sections (f) and (g) of 69 were read and passed) 71 (a) (i) sub (a) . . . . The Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Chairman, I have a couple of remarks I'd like to direct to the Minister with regard to the Shellmouth Reservoir. The depredation control programs interest me very much and with this large reservoir of water that's there now, I'm wondering if the Minister could take a look at the possibility of some experimental lure crops along the sides of the reservoir, because there is going to be a tremendous amount of wildlife attracted to that body of water and with it being prime farm land, I'm sure it would be a good chance for the Minister to experiment with some form of lure programs to attract the wildlife.

While I'm speaking on that, there's a tremendous interest in the Shellmouth reservoir from people from Saskatchewan, no doubt the Minister has had some correspondence possibly with the Minister in Saskatchewan. They have offered their biologists and fish planting programs there and I've directed them when they came to me to the Dauphin office. There's quite a lot of interest between Saskatchewan and Manitoba on that joint body of water.

MR. GREEN: I thank the honourable member for his observations and I'll certainly look into both of those suggestions.

MR. CHAIRMAN: The Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Chairman, just a few remarks. I indicated at the time that I spoke on the Minister's salary that I would be mentioning, or making a few comments on the operations of the water resources, water control department of the Minister and I would assume that this is the proper place to comment and to express some appreciation on behalf of myself and the Member from Gladstone for the work that is being anticipated in the Whitemud Watershed area. It's a program that requires attention and we look forward to seeing some of the perennial drainage programs and conservation problems associated with that area being resolved.

Now in the course of his remarks the Minister left an implication that I would like to correct, at least for the public record, that for some reason or other he felt that this was a new departure, a new step forward in terms of water control planning, the watershed concept, and to some extent this is correct but it would be unfair to leave that impression.

The current operations of the water control department came about as a result of an extensive study, I believe it was called the Michener Royal Commission with respect to municipal responsibilities and municipal operations. It was as a result of that exhaustive report that the third order drain system was established and which by and large has met and solved most of the problems. There were a few specific problem areas where drainage was not the sole factor, where these problems weren't solved. Certainly the Whitemud Watershed area comes into this bracket. The Minister I am sure is well aware that drainage is only one of the problems associated there, the greater problem is one of land use, what's to be done with respect to the kind of farming and development that's taking place on the escarpment, the rapid drop that occurs from the escarpment down to the plains, and really it's a total approach that's required there and for that reason the otherwise satisfactory programs, providing the third order drains throughout the province, which in most instances other than perhaps a few areas that have to be completed, has worked marvelously well.

Mr. Chairman, with those few remarks I just want to put the Minister on order that the past planning in terms of water control or drainage was not haphazard, it was in fact following a very deliberate program, very deliberate plan which in about 80 or 90 percent of the cases worked out extremely well.

We have pockets within our province, because of associated problems and greater problems that require this kind of specific attention that now I think will be given to the Whitemud Watershed area, for which I'm certainly thankful because it comes into the western portion of my constituency. It covers three constituencies probably, Gladstone and further west to even

(MR. ENNS cont'd.) . . . . portions of Ste. Rose and I know the residents in those areas look forward to some eventual long-term solution to the rather serious problems that the government is well aware of, the Premier is well aware of. He flew over the areas of Westbourne and Gladstone I think not so long ago and witnessed some of the ravaging flood waters there. So with those few remarks, Mr. Chairman, I'll let it pass.

MR. CHAIRMAN: The Member for Roblin.

MR. McKENZIE: Mr. Chairman, I just overlooked a couple of points. One was with regard to the releasing of the water in the Shellmouth Dam which I drew to his attention with a question. I don't know who's in charge when they start to release water there now, but there was excessive flooding and the question of course has been asked of me, who's responsible for the damage when. . . Apparently PFRA control the maintenance of the dam structure itself and as I understand it, the water control decides how much water is going to be released but there was a release made here about a month ago and there was a lot of flooding and it took a long time for the local people to find out who was the person to come and press the switch to close the gate.

One other thing, I would like to thank the Minister for the Pleasant Valley project which is in his estimates this year - most grateful for that. I would also like to thank the Minister's staff, especially Mr. Morgan who has done a lot of work for me and for the Minister in the Pine River - Ethelbert area. We are starting to get some semblance of order there with their serious drainage problems there. He's held meetings with me and co-operated most wholeheartedly and I'm most grateful.

MR. CHAIRMAN: The remainder of Section 1 was read and passed. (2) . . .

MR. FROESE: I notice under Resolution 70 that we have the various regions spelt out and the amounts that will be allocated to each of the regions. In adding up the totals for the various regions, I find that the northern region is \$1,078,000, and compared to that the southern region only \$672,000. It's almost twice as much for the northern region as for the southern. The other two are very much alike - \$887,000, \$883,000, for the other two regions.

Has the Minister got a map which would outline the various regions and how does the size compare and why the difference between the various regions?

MR. GREEN: Mr. Chairman, it's not because concentration of staff is being given preference in any region, it merely relates to the nature of the region and the nature of the activities of the department. There would be more Crown lands in northern Manitoba, there would be more distances to travel and things of that nature. I assure you that the level of the service is intended to be equal across the Province of Manitoba, so it's not as a means of giving preference to a region.

MR. CHAIRMAN: (The remainder of Section 2 was read and passed, also sections 3, 4, 5.) (b) (1) sub (a) . . . The Member for Pembina.

MR. HENDERSON: In 70 (b) under Other Expenditures, I would like to know how much was spent on flood control in Manitoba - the Minister isn't listening. How much was spent on flood control in 1970 and of this total how much was spent in salaries and how much was paid out?

MR. GREEN: Mr. Chairman, I'll have to get those answers for my honourable friend. My recollection is that we didn't go beyond the million dollar mark in flood compensation in 1970, because I remember we didn't get any federal sharing and of the first million dollars you don't get any federal sharing, dollar per capita.

MR. CHAIRMAN: (2) sub (a) . . . The Member for Pembina.

MR. HENDERSON: You will give me this fairly soon, because I have different figures on this.

MR. GREEN: I certainly will get those figures for you, I'm asking the staff right now to get the figures.

MR. CHAIRMAN: (2) sub (a) . . . The Member for Riel.

MR. DONALD W. CRAIK (Riel): Just one question. Is the Minister adding any aircraft to the fleet this year in regard to - are you adding any aircraft to the new category; it's not government air service any more, it's radio such and such, that department - are there new aircrafts being added?

MR. GREEN: You know we are beyond the salary, we are now on specific items. We haven't reached Air Services yet.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Under (b) when we talked about flood protection and compensation, how much of this item is earmarked for this purpose?

MR. CHAIRMAN: (b) Water Resources.

MR. GREEN: Mr. Chairman, the amount that would be for flood protection would be again intermingled in each area in terms of its programs. For instance, Canada-Manitoba FRED Program, there may be some moneys there. (b) (2) down to (b), (2) (b), \$3,370,000, that's drainage and flood control. We have (3) (b) (2) (b) that's drainage and flood control \$3,370,000. The flood compensation - and I'm guessing - is usually not contained in the supplementary estimates because it's usually not something that is foreseen and is handled by Federal-Provincial negotiations at the time of the next flood. We don't forecast a figure for flood compensation; at least I don't believe we do.

MR. CHAIRMAN: (Remainder of Resolution 70 was read and passed) 71 (a), (b), (c)--passed; (d) . . . The Member for Assiniboia.

MR. PATRICK: Mr. Chairman, under Environmental Protection, I'm not sure if I should bring it up under the Minister's department or would it come under the Minister of Health and Social Services, but what I'm concerned about is the pollution control at the CFI complex. Last week when we had a tour up there I understand that there is no pollution control. There will be a plant built in the fall or late September sometime at a cost, I don't know between half a million or a million dollars, but what is the situation at the present time?

MR. GREEN: Mr. Chairman, the words "no pollution control" can't be right, because there were certain requirements in the agreement between CFI and the government that were being complied with, but there have been complaints and there have been problems and the Clean Environment Commission has been for the last several months in contact with the Complex and have prepared a plan of action for periods in which they are to deal with the problems that are in the area. I have asked the staff to give me specifics as to how they are dealing with them but I know that there is a program for dealing with the problems at that Complex.

MR. CHAIRMAN: 71--passed. Committee Rise.

MR. WARNER H. JORGENSEN (Morris): Mr. Chairman, I wonder if I might make a suggestion that we don't recognize the clock until these estimates are completed, if we can make this agreement by leave, so that the Minister can phone home and tell his wife that she can go out shopping this afternoon for groceries, that his salary has been passed.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: I could not go along with the suggestion by the Member for Morris. I certainly have . . .

MR. CHAIRMAN: Committee rise.

#### IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for Flin Flon the report of the Committee be received.

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

MR. SPEAKER: The hour being 12:30, I am leaving the Chair to return at 2:30.