

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, March 2nd, 1965

MADAM SPEAKER: The Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, last Friday evening after a week of government silence on my charges re the Bain Estate, I said at that time that it was an amazing performance. Now after listening to the Minister of Mines and Natural Resources yesterday giving us a two-hour travelogue and lecture, I can only say that it's an alarming performance. One expected that after a week of preparation, after using all of the staff that the government has at its disposal, that the government would have been able to come up with a solid argument if it had one.

After hearing the First Minister reply to my questions and say that after the Minister spoke he'll be asking for my resignation, I really expected something big. Possibly I had overlooked a key document, I said to myself. Possibly I didn't have all the information. But that certainly didn't turn out to be the case, Madam Speaker, because after listening to this so-called reply from the government, I can only say that the government not only is guilty of mismanagement of its affairs and our affairs, but in addition that the Minister who replied either doesn't understand the serious nature of the charges and the serious situation which this government has created, or he's deliberately trying to mislead the people of Manitoba.

The argument advanced by the Minister may give false courage to his backbenchers over there. They may be tapping hard on their desks as they were yesterday in the hopes that people would forget what really happened, but let me warn them the people of Manitoba are not convinced, the people of Manitoba are not satisfied by the replies that have been given by this government. The people of this province are not stupid. They're not going to be taken in by a two-hour speech to excuse four years of delay. The people of this province are deeply concerned about the actions of this government in its land acquisition. We have been telling the government this for some time now but they just won't listen. They tried to pretend last summer that the way in which they bought the Arts Centre was good business. Now they are trying to say that they saved money in the same purchase.

Now, Madam Speaker, we are not the only ones who are concerned about the government's actions. Here's what one of the Winnipeg dailies has to say about it. I'm quoting from the Winnipeg Tribune, an article entitled "Government Land Dealing". Here's what it says: "Premier Duff Roblin chose the medium of the Speech from the Throne to indicate to the members of the Legislature that the government plans to bring in legislation relating to land purchases. This was not sufficient for the Opposition in the House. The attack launched by Opposition Leader Molgat in a speech in the House on Tuesday has now been supported by the Leader of the NDP, Russ Paulley. Regardless of the outcome of this debate, the mere fact that such a concentrated attack has been mounted from both Opposition parties suggests that the government will not be acting a moment too soon. If now it comes under fire, whether the excuse for such an attack can be substantiated or not, it is an indication that the government has lost time in attending to this matter. Even before a new system can be adopted much land has already been acquired by the government under the old methods. All the land for the Red River diversion canal has been purchased. Parcels of land in various places in the province where water control is contemplated have accrued to the Crown by methods which appear to vary from case to case. It is also arguable that last summer's controversy over land acquisition for the Centennial Arts Centre might never have arisen had well defined procedures been a matter of law. As the sphere of government activity increases, and increase it will regardless of the political or economic philosophy of those in office, more and more land will come under government ownership. There is no way to legislate entrance into Heaven but there are ways of making the rules the same for everybody. The only way the government can remain on the side of the Angels is to make sure that the requisite rules are enacted, and that once on the statute books they are followed."

Madam Speaker, I want to get back now specifically to the Bain estate and the speech that we heard yesterday, and here I will try and cover the points on the speech as they appeared. After the Minister had gone through his 50-odd pages, there is one point that remains, and that is the point that the Minister himself made, and I quote, "the facts speak for themselves".

Madam, in this case, the facts do speak for themselves. The government has paid \$245,000 for land which the Court of Queen's Bench had authorized the executors of the Bain

(MR. MOLGAT cont'd) . . . estate to sell to Octave Enterprises Ltd. for less than \$110,000.00. Those are the facts: \$110,000 purchased by Octave; \$245,000 the purchase price by this government. Regardless of everything else that the Minister said, those are the facts. The Court authorized this on the 27th of January, 1964, on the basis of evidence presented to the Court by Pitblado, Hoskin and Co. who were also the solicitors for the government. The government's purchase was made very soon after that 27th of January date, and the date that the transfers -- it was some matter of three to four weeks on two of the properties, and some seven months on the third property.

Now the Minister suggested yesterday that they were besieged by the executors of the Bain Estate. He says that the government understood that should there be any desire on the part of the estate to dispose of the properties, that Mr. Pitblado would advise the government at once. The Minister said that the executors had, unbeknown to their solicitors, on the 19th of July 1963, entered into an option to purchase agreement with Octave Enterprises. But the option to Octave Enterprises was made under a Will which contained no power of sale. The executors did not have the right to enter into that option. Now if Octave Enterprises acquired the land, it was only because the Court of Queen's Bench approved of the option consideration. Until that time, until the moment that the Court approved of this in January of 1964, Octave Enterprises were not the owners of that land, and the option was not valid. Mr. E. B. Pitblado was acting for the executors in securing the Court approval of the sale. Mr. E. B. Pitblado consented to the sale, as solicitor for the official guardians on behalf of infant beneficiaries of the estate. To suggest, as the Minister did, that the sale by the executor to Octave Enterprises was carried out behind the back of Mr. Pitblado just won't wash. The government makes much of the fact of another matter that this was a package sale of all the estate lands. The Minister says that you can't consider these individually. Well Madam Speaker, I have a copy here of the option. There it is. And the option is very clear. It enumerates piece by piece, section by section, every piece of land, and it is appraised and the values are set out in units, not in blocks, but in separate units. Now to say that it is a package, just isn't correct. The appraisals were made individually by units. The option was granted enumerating these units and the Court was presented with individual unit values for each unit, when it decided whether the values were fair or not.

Going on to another point of the Minister's, the Minister admits that they retained the services of Mr. G.R. Hunter of the Pitblado Hoskin firm, but he gave us no explanation as to why the government chose to hire the same lawyers as were acting for the estate. In any case, this should have been a substantial help to the government, because they should have been in a position to obtain the information which was available. On the 7th of August 1963, according to the Minister, mention is made for the first time of the letter from the government to the executors. Apparently, previous to that it had all been by conversation. The first letter he refers to on the 7th of August. On the 12th of August, 1963, the Minister said that he received the letter from Aronovitch and Leipsic, and that subsequently he dealt with Mr. Meltzer of Octave Enterprises. Now if Pitblado Hoskin and Company were acting for the government at that time, it must have known that the option to purchase was not valid without court approval. How can the government say that it didn't know? Yet on Page 121 we find the Minister saying what, Madam Speaker? Here is what he says. He says, "I want to make it clear that this option was not made known or was not seen by the Department for several months because it was a private arrangement, and did not appear until the Court action was begun, subsequently in December, I think it was of 1963." Well Madam Speaker, what was the government doing? It hired a solicitor from the same office as is listed for the executors. The solicitor for the executors must have known that the option existed, and the government says that it didn't know. In any case, the government proceeds to deal with Octave Enterprises in September of 1961. Now from the time of Mr. Bain's death in August of 1962 until the 7th of August 1963, all the government did apparently, according to its own admission, was to have a few conversations. There was no action. There was no real attempt to act. Why? Why is it that the ministers didn't proceed to attempt to buy the property? Why is it that if other people, namely Octave Enterprises were able to get an option to purchase from the executors, even if it was invalid, if they were able to get such an option, why wasn't the government able to purchase? What real attempt was made by the government to purchase? According to the Minister's own admission, conversation -- and I presume pretty weak conversation, I presume no written offer. My friend certainly didn't indicate one yesterday. The first thing he indicates is the letter on

(MR. MOLGAT cont'd) . . . . . the 7th of August. Well I ask this government what was it doing from the month of August 1962 when Mr. Bain died until the summer of 1963 when someone else obtained an option?

Madam Speaker, the Minister spent an hour yesterday telling how valuable this land was, telling us how crucial it was to the Government of Manitoba and to the people of Manitoba to obtain this land. He built a great case as how important it was, oh for the diversion, for the control of the marsh. Well if it was so important, what was he doing? Why was he dilly-dallying? Why wasn't he proceeding to buy? What was the matter with him? Either he doesn't believe it was important, or he wasn't telling the truth yesterday.

MR. LYON: . . . . start imputations of who's telling the truth, or not telling the truth. I think my honourable friend would do well to stick to his shaky case without trying to impute truths to anybody else.

MR. MOLGAT: Madam Speaker, I gave the honourable member a choice. He can pick whichever he likes. It's no concern to me which one he wants. (Interjection) Madam Speaker, if the Minister did anything else during that time he certainly did not acquaint the House of it yesterday. If there were offers made to purchase during that time, he certainly didn't tell the House about them yesterday. There was no indication whatever of any real attempt by this government to purchase the property. The Minister gave us no indication whatever of it. And yet he told us how important it was. And here the government was sitting by with a vital piece of property, according to them, and they allowed it to slip out of their hands. Madam Speaker, he raised the bogey yesterday of this going into American hands and how disastrous this would have been. Well then why didn't the government act? What were they waiting for?

Then, Madam Speaker, the Minister goes on, he says that the excuse for failing to expropriate was that there was no power of expropriation. Here I'll quote from his statement in the House, the Minister says, "It can therefore be seen that the suggestion that the government could have expropriated this property at any time prior to September 1st, 1963, was incorrect." That is your words. And Madam Speaker, that's absolutely untrue. Completely untrue, and the Minister knows it. That's the sort of stuff that he tries to give to this House. That's the sort of stuff he tries to peddle to the people of Manitoba. There's his statement. I'll give you, page 122 in Hansard, second paragraph, I repeat the Minister's statement, "It can therefore be seen that the suggestion that the government could have expropriated this property at any time prior to September 1, 1963, was incorrect." Madam Speaker, that statement is incorrect. The Minister's statement.

Here's the Act, Madam Speaker, Revised Statutes of Manitoba, 1954, Chapter 78, Section 3, Expropriation by the Crown, Power to Enter and Take Land. "The Minister may for and in the name of the Crown purchase or acquire and may without the consent of the owner thereof enter upon, take, use and expropriate any land which he deems necessary for any public work or purpose connected therewith for any public purpose of the government of Manitoba or of any department of the Executive Government of the Province." Madam Speaker, it says here "any public work or purpose connected therewith." The Minister said that yesterday. But it says something more. It says "or any public purpose of the Government of Manitoba or of any department." Madam Speaker, what do you define as a public purpose of the Government of Manitoba, if the purchase of land for government purposes isn't a public purpose. Well, the Minister turned around then and he said that he got a ruling from the Legislative Counsel that this didn't mean this sort of land. Well, (Interjection) -- Well there was no date on it, I don't know when he got his ruling, but it seems to me that the Act is pretty clear. But in any case, he claims it's not. He claims that buying this marsh is not a public purpose of the government or of a department, he has another interpretation and that he didn't have the power.

Well then, if that's the case, and I must confess that I can't see how one gets that interpretation out of this Act, but let's assume that it's the case. Even if that were so Madam Speaker, from the 7th of May on, the Minister could have had the right to expropriate. He could have had that right, this Legislature had granted him that right because the bill, The Wildlife Act which he said he needed, was assented to in this House on the 6th of May 1963. It received assent here then. On the 7th of May, the Minister could have, had he so wanted, proclaimed either all of the Act, or for reasons he couldn't do this, he could have proclaimed that portion of the Act, and he could have had his right to expropriate -- which I still submit he had on the original Act -- but even if he claims he didn't he could have had it under that

(MR. MOLGAT cont'd). . . . other Act. And to say to this House that he could not expropriate prior to September 1st, 1963, is a pure legal technicality. He could have done it if he had wanted to. All he had to do was proclaim the Act. He had the power to do so; this House had granted him that power. Why the government didn't act Madam Speaker, I don't know, but the facts are that from the 7th of May '63 on, the option was not signed until the 19th of July. From the 7th of May until the 19th of July the government could have proceeded but they didn't, and the option was signed.

The Minister then goes on to say, this is on page 123, he says: "thus it is quite wrong for the Leader of the Opposition to say that this property was offered as a gift to the government. While it is true that discussions concerning the matter did take place, no offer of a gift was made, nor did either Mr. Bain or the Estate take any action to follow through on this suggestion." Well Madam Speaker, my authority for this is the present Minister of Health, as I am quoting now from a letter addressed to the Member for Portage la Prairie, Mr. Johnston. It says as follows. It's not a letter from the Minister, it's a letter from Mr. J.H. Bain, and he says, "This is to convey to you details of the government acquisition of some 2600 acres of property at Delta, Manitoba, and 800 acres of property known as Grant's Lake, situated approximately four and a half miles west of Grosse Isle, Manitoba, in the municipality of Rosser. On January 22nd, 1963, I met with Mr. C.H. Witney, who was that time Minister of Mines and Natural Resources and his Deputy, Mr. Stuart Anderson, for lunch at Ellett's Restaurant on Osborne Street on the invitation of Mr. Witney. I was told by Mr. Witney that approximately two years prior to the death of my uncle, Mr. Bain, he expressed his desire to give to the Province of Manitoba, the 800 acres known as Grant's Lake, provided the government purchased the land of a troublesome landowner adjoining this property for the sum of \$3,000.00. Mr. Witney said that they were still interested in this land and also the Delta property for the purpose of game sanctuaries."

Madam Speaker, the Minister says it was quite wrong for me to suggest that Mr. Bain had made that offer.

MR. LYON: Will my honourable friend please table the letter?

MR. MOLGAT: Yes I'll be happy to table it, but I intend to quote some more out of it so I trust that I can keep my quotations and then complete it. But I certainly have no objections at all to tabling it.

But the Minister said it was wrong for me to suggest that this was so. Well my authority is the Minister, and I suggest to him that he contact his colleague and find out what is the truth about the matter. This is the sort of statement, you know Madam Speaker, that my friend makes, which he makes throughout his speech -- and he assumes I presume that if no one challenges him that it will be accepted as fact. This is the basis on which he operates -- make a statement and hope for the best.

Now there's another paragraph here in the letter, Madam Speaker, which is of some interest, because Mr. Bain goes on to say, "I explained that as the government had not acted at the time, the properties indicated would have to be purchased at an adequate price as American buyers were also interested. As I have no authority in the matter although I was a beneficiary, I advised them to get in touch without delay with the executors" and so on. So there's a statement, Madam Speaker, in January of 1963 confirming something that the Minister said that there were other people interested in the property, and he apparently was told that this time there were other people.

The Minister told us yesterday that the Assistant Deputy in the Department had been advised in 1960 by Mr. Smale that the family had turned down fabulous offers from United States. Now the Minister himself, Madam Speaker -- and I'm speaking now of the present Minister of Mines and Natural Resources -- on the television station CBWT, less than a month ago, in fact I think it was two weeks ago, stated that where there are speculative pressures, expropriation is the only fair way to acquire land. This is the Minister's statement -- "Where there are speculative pressures, expropriation is the fair way to buy land." He told us yesterday that there were interested purchasers. The Minister was told in January that there were interested purchasers. The government made a statement in this House in April that they were interested in purchasing the land. Is this what one might describe in the Minister's words as a case where there might be "speculative pressures"? Well, the results certainly show that. \$110,000 and the government pays \$245,000.00. Now if that isn't speculative pressures. Why didn't the government act, Madam Speaker? They didn't. They just

(MR. MOLGAT, cont'd) . . . . . dilly-dallied just the same as they did in the Arts Centre and the speculators did move in and they doubled their money in about two months time. They paid less than the 110,000 for property which they turned around and sold to the government for \$245,000.00.

The Minister then went on in his lecture to tell us about value to owner. And there Madam Speaker, he's brazen enough to suggest that in addition to market value of the land that the government would have had to pay additional amounts for, and I think I quote him correctly, forcible taking, moving costs, and disturbance of business. Well, now, Madam Speaker, what nonsense! Surely the Minister can't be serious. What moving costs would Octave Enterprises have had? What disturbance of business would Octave Enterprises have had? What forcible taking would Octave Enterprises have had? They were trying to sell the property. Forcible taking. What moving cost? They had never moved onto the property. What disturbance of business? They had paid \$100.00 for an option to purchase. And the Minister says that there would have been forcible taking, moving costs, and disturbance of business. Well I certainly can't see it, if the Minister had proceeded to expropriate from Octave Enterprises. Well then the Minister is going to reply to that. You have told us that Octave were not the owners, that the ownership remained with the Bain Estate, therefore we would have had to expropriate from Bain Estate. Well I think that's correct. I submit that those are the facts, the government would have had to expropriate from the Bain Estate. But Madam Speaker the situation was the same. Mr. Bain had died. He was not living on the property and to speak about forcible taking and moving costs and disturbance of business, in the case of an estate who wants to sell the property -- what they wanted was money in cash to move these assets -- just doesn't make any sense. In any case the Minister neither expropriated nor made an offer to buy from the Bain Estate.

I might point out to the Minister as well Madam Speaker that it might be interesting to him to know that in the Queen's Bench pocket 1084/63 that there is a letter there from Mr. Meltzer of Octave Enterprises to Mr. Hunter, the government's solicitor, and that letter says that Octave's ability to execute the option was based on its resale to the government. Octave tells the government solicitor the only way we can go ahead with this deal is if the government buys from us. The government should know if it's doing its business. If it's not doing its business properly, if it's mismanaging our affairs, as this case certainly indicates, the government obviously may not have known, but the government should have known, and had they, they would have known the facts of the case. Octave stated that they could not go ahead with the deal unless the government bought the property. And the government talks about added costs of expropriation because of forcible taking. Had the government disregarded the option, which was based on the invalid sale in the first place, and expropriated from Octave or if they had expropriated from Bain before the option, then there was no need Madam Speaker to speculate on what value a court might have given in expropriation proceedings, because the question of value did come before the courts.

The solicitors for the government, Pitblado, Hoskin & Company convinced the court that the Delta property was worth \$60,000.00. Now Madam Speaker, when they did this in the month of December 1963 and January of 1964, these same solicitors are representing the government -- the very same solicitors that represented the Estate were representing the government -- and in this court case it was agreed, the judge was convinced, it was proved to him that those were fair values. The Minister says that the original appraised values obtained by estimates in August of 1962 were obtained for specific purposes of valuing the estate for estate tax purposes; but Madam Speaker that is completely contradicted by the affidavits of the appraisers which were filed in court.

The Minister of Agriculture has some doubts about Mr. Tilley's qualifications apparently. The facts are whether my friends have some doubts about his qualifications or not, that a court of this province accepted them. Now if my honourable friends are above the courts, and I certainly think they think they are a lot of the time, the way they act, this is certainly their mental attitude, but the courts accepted this value. The Minister can sit there and smile all he wants -- those are the facts. The appraisers, Madam Speaker, that had been employed by the executors in August of 1962 appeared and made affidavits. These affidavits were presented to the court, stating clearly that their appraisals had not been taken for estate tax valuation but had been taken for the purpose of establishing a fair market value. Those are their specific affidavits. Madam Speaker the government was represented

(MR. MOLGAT, cont'd) . . . . . at that court. The government solicitors were there. The same solicitors were acting for the government and for the estate. Those values were accepted by that court. Mr. Justice Nitikman authorized the sale of the properties of the Bain Estate to Octave Enterprises for the option values in January of 1964, and in so doing, the courts ruled that these were fair market values, because Madam Speaker the Judge could not have authorized that had it not been so. There were infant beneficiaries involved here. There were people involved in this estate whom the courts had a responsibility to protect and I'm satisfied that our courts would not authorize such a sale if they had not been convinced of the fair value. And yet the Minister says it's not a fair value. He drags out here yesterday reams after reams of appraisals. He's got appraisals coming out of his ears. But he's not prepared Madam Speaker to accept the one appraisal that had court sanction -- (Interjection) -- The one appraisal that had court sanction, Madam Speaker, and the only one that had court sanction. Oh no, that's not good enough for the Minister. He's got to have some others, so that the people of this province pay more money than they needed to to obtain the property.

Madam Speaker, there were a number of other people who made representations at that court. One of the government's lawyers, Mr. E.H. filed his own affidavit at that court case to induce the court to approve of the sale which was about 15% higher than the appraised value, which was the value of the option.

The Minister attempts to justify the price paid by the government on the basis of an appraisal made after the 15th of December 1963 by what he says is experienced senior appraisal staff -- 15th of January 1963 -- that's the appraisal that he wants. The courts were sitting at that very time establishing an appraisal.

But in any case, Madam Speaker, even the government's appraisers, some of their figures are interesting too. Their own appraisal for instance for the Grant's Lake property shows that they established a value of \$15,970 and the government turned around in three months time and paid \$45,000 for it. The government appraiser says December, 1963, \$15,970! The Minister pays in January of 1964 \$45,000.00. Yes, the facts do indeed speak for themselves, Madam Speaker.

The Minister speaks about this appraisal made on the 15th of December, 1963. He doesn't mention however, any appraisals made prior to that date. Now did the government proceed to enter into its agreement the Order-in-Council which was passed in September of 1963 without appraisals? Is that what the Minister is telling us? That they agreed at that time, in September, 1963, to purchase this land for \$170,000 without taking an appraisal? He gave us no indication yesterday of any other appraisal. Or did it have before it at that time the appraisals made by Tilley & Townsend and which had been made at the request of the government solicitors, Pitblado Hoskin? Those appraisals which showed that the Delta property was worth less than \$54,000 and yet the government offered \$125,000.00. Now what appraisals did my friend have? Did he have any? He didn't tell us about any yesterday. September, 1963, he didn't say he had any appraisals. He had access mind you to appraisals. He had access to appraisals that the executors had in view of the fact that he was using the same solicitors, and those appraisals showed \$54,000, or a little less, and he passed an Order-in-Council at that time to spend \$125,000.00.

Well, as far as the south Portage farm was concerned, the Minister speaks there as well of appraisals. Those are later appraisals though. Those start about the 14th August, 1964, at \$73,350.00. He's got quite a number of those, and he has it appearing before courts, oh I shouldn't say courts, but before boards, different people, this many names, and establishes that \$73,350 or thereabouts is fair value. But he makes no mention at all Madam Speaker, of the fact that the President of Octave Enterprises swore on the 6th March, 1964, the 6th of March, 1964, the President of Octave Enterprises, from whom the Minister bought the land, swore that the value of the land was \$32,500.00. Now surely, if the seller of the land swears in the month of March that the land is worth \$32,500 why does the government buy it for \$75,000 in October? Is the government going to pretend that land values there in the Portage area went more than double in the period of seven months? Why didn't the government expropriate it? Surely the Minister can't use the excuse now that he couldn't expropriate. We're in to 1964. Why didn't it expropriate? The sellers of the land swore that it was worth \$32,500.00. The government turns around and pays \$75,000.00. -- (Interjection) -- Well, the Minister then -- well maybe we should cover that point now, as a matter of fact, because that was another point that the Minister made. This was his real clincher,

(MR. MOLGAT cont'd) . . . . Madam Speaker, that you know, it didn't really matter after all. It didn't really matter if the Government of Manitoba had wasted between \$100,000 and \$145,000.00. That was immaterial because really the Federal Government paid half of it. Now, Madam Speaker, would you expect that sort of a statement from a so-called responsible Minister?

MR. LYON: Madam Speaker on a point of privilege, I never made that statement. This is some of my honourable friend's demagoguery, not my statement.

MR. DESJARDINS: Oh yes you did. You thought it was a big joke.

MR. LYON: I made the statement that the Federal Government paid half the cost -- not that it didn't matter.

MR. DESJARDINS: Well you laughed. Said it was a big joke.

MR. MOLGAT: I just regret, Madam Speaker, that Hansard doesn't record the guffaws of my honourable friend's backbenchers. You saw that scene, Madam Speaker, when the Minister came up with this clincher. Now he had us! He had the real answer to us -- his backbenchers virtually collapsed in their seats. Hadn't he really hatched a good one!

MR. LYON: You should have seen your face.

MR. MOLGAT: There's a real answer, Madam Speaker, from a responsible government. How the First Minister can sit there and permit one of his Cabinet Ministers to make a statement like that. How can this government ever expect to be taken seriously by any other government? Don't you people realize that you have a responsibility to represent this province? Don't you realize that you'll be dealing with the Federal Government regardless of what political party is there? And the one that's there is going to stay a lot longer than you think, by the way. Be that as it may. You'll be dealing with them for a long time. You've got a responsibility and it's not by talking the way that you did yesterday that you're going to be respected. -- (Interjection) -- This is certainly going to set up the Federal Government, Madam Speaker, in a fine position to tell the government of this province in the future, "You go and buy your own property". It will put the Federal Government of this country in a perfect position to tell this government, "We want no deals with you. You're prepared to overpay for properties and then you gloat at the fact that you've stuck us for half of it." That's the reasoning of this government.

MR. PAULLEY: By the way do you know that Rivard has escaped from the jail in Quebec? -- (Interjections) --

MR. MOLGAT: Madam Speaker, whether it's the Federal Government or the Provincial Government that paid, they overpaid by far. The Minister then went on making a great point about what happened at Grand Beach. Well, Madam Speaker, if I were a Minister of this government I would blush at the very name of Grand Beach, but we'll leave that for a later debate. We'll have more to say about that.

But doesn't the Minister know that the judge in this particular case said that one of the reasons that his award was so high was that the government had delayed so long in expropriating at Grand Beach? The judge says that Mr. Gurney Evans had by his most remarkable statements made two years before expropriation, that he had accelerated the realization of speculative values of the land. He says that Mr. Evans' premature announcement of plans for Grand Beach had resulted in the government having to pay nearly four times what was originally offered. And that, Madam Speaker, is the very point that we make, that in Grand Beach government dilly-dallying resulted in inflated prices. In the Arts Centre delay and mismanagement allowed Aljac holdings to make a profit of \$137,500 in a very few months, at our expense.

Did I hear someone say can you prove it? Well, Madam Speaker, I have a suggestion to make to this government. Let's prove it and call an inquiry. -- (Interjection) -- Let's prove it. -- (Interjection) -- Let's prove it and call an inquiry.

In Delta and at Grosse Isle and at the Portage farm, the delay there, Madam Speaker, allows Octave Enterprises Limited to double its money. It allows them to double their money. To buy properties for less than \$110,000 and sell them to the government for \$245,000.00. Those, Madam Speaker, are the facts. The Minister didn't try and hide that one, that he paid \$245,000, or that the option price was less than \$110,000, but he tried to cover up everything in between by dragging in appraisals, by refusing to accept court appraisals, by claiming that he couldn't expropriate when really he could have, and all these other factors. Madam Speaker, the case is plain. The option prices were approved by the courts in January of 1964

(MR. MOLGAT cont'd) ..... at somewhat less than \$110,000.00. This government bought those properties in the month of March and in the month of November, October or November of the same year for \$245,000.00. And that is the story. The government can pretend all it wants and talk about everything it wants and give us 50-page speeches as frequently as they want -- those are the facts and they know it. -- (Interjection -- Your facts) -- Those are the facts.

Madam Speaker, I submit that the people of Manitoba are not prepared to continue a system where people purchase at \$110,000 and the government then proceeds to buy at \$245,000.00. The government has the responsibility to take care of the taxpayers' money, and when they go about this sort of transaction they are not living up to that responsibility.

MADAM SPEAKER: The Honourable the Minister of Agriculture.

MR. HUTTON: Madam Speaker, I would like at the outset to extend my very best wishes to you in your position and congratulate you on the distinction you have brought to that position and wish you well in the future.

I'd like also, although I wasn't present in the House at the time, to compliment the mover and seconder of the speech in reply to the Speech from the Throne. Although I wasn't able to hear the enthusiasm and the spirit -- one always misses this when you look over a speech to see what was said, the real meaning the feeling in a way is lost -- but in any event I want to congratulate them.

I have listened with some interest to some of the debates in this House, with some anger, I must admit, and some real concern about the future for good government in this province. The other afternoon I had the dubious pleasure of watching the Leader of the Opposition perform -- I think that's the word -- on television, on a program called "Your Government" in which he said that the most important thing for Manitoba was that the people have confidence in their government. Now I'd just like to examine what the Leader of the Opposition in Manitoba has done to cultivate or foster any confidence in government -- and when I say government, I don't mean just the front benches here but I mean the whole machinery of government, the civil service or anybody else that is brave enough or courageous enough to be associated with government in this province. There's a saying, you know, that a chain is as strong as its weakest link. I have watched the Leader of the Opposition over some period of time try to weld the chain with a large heavy ball on the end of it that he's tried to put around our necks. I've watched him in this session perform in his characteristic way and everybody has come to expect that in every session of the Legislature in Manitoba there's going to be dirt and muck and charges thrown at the government. We all expect it. Why, we even take steps to try and protect ourselves from it; and the Civil Service tries to protect themselves from it; and everybody else that is associated with the government tries to protect themselves from it. The political arena is being debased, service to the public in this province is being debased in a way that has not been seen in many a long time. Well look at this chain of the Honourable Leader of the Opposition -- I think I compliment him when I use the word Honourable -- that he's trying to weld around the neck of this government, the neck of the Civil Service, and the neck of anybody else who has temerity enough to try and serve the people of this province.

Let's look at one of the statements that he made. He made it publicly last night. He said that there were two Ministers who visited the late Donald H. Bain. On what evidence did he premise this statement? When I asked him today to identify these Ministers, he said the Minister of Health and the Minister of Agriculture of course. On what grounds? Although Donald H. Bain owned property within 10, 12 miles of my home, I can't remember what he looked like. I have never met the man personally. Neither out in my own home country nor on Eastgate. Now what kind of evidence did the Leader of the Opposition have for making that statement? None. Not a smitch! Rumour, rumour-monger -- that's all. Rumour-monger! He's made a lot of other statements too. He gets up in this House -- there's a paragraph in Hansard here in which he outlines his case and immediately asks three Ministers to resign. On the basis of what? Mismanagement he says. We should have bought this land before. Why I can destroy his argument and case debate -- farm at Portage -- in one sentence. We didn't know that we needed that farm until January 1964. Now why on earth would the government here go out and expropriate a piece of property when they didn't even know they needed it, because the location .....

MR. MOLGAT: Would the Minister permit a question?

MR. HUTTON: No. The location of the Portage diversion was not finally decided until

(MR. HUTTON cont'd) . . . . . early in 1964. And it was on January 16th, 1964, that the Minister of Public Works and myself, together with members of our staff, went to Portage and met with the city fathers, and with the Rural Municipality to discuss with them the proposed route for the Portage diversion. Now is the Honourable Leader of the Opposition going to try and mislead and misrepresent and deceive the people of Manitoba into believing that it would have been good judgment, good government, for the Department of Agriculture and Conservation to go out and purchase that piece of property? Why on the original route that we were attacked by the same group for we were nowhere near that property. We sawed off one leg, it shouldn't be very hard to saw off another, and I say that chain that you are trying to weld around our neck is as strong as the weakest link.

The government under no condition would have served the welfare of the people of Manitoba by buying that Portage farm from Octave or anybody else, before 1964. January 16th we consulted with the Municipality -- January 1964. Yes. So we would have been real smart to go after this in 1963 when we didn't know the location -- (Interjection) -- I am not digging myself in. No, no. We took a proposal. We took a proposal out to the people of Portage. We took it to the City of Portage, we took it to the Municipality, and it was only after some consultation with the Municipality -- I forget the date now but it was well on into the spring -- that there was any indication from the Municipality of Portage that they would entertain without too much objection, the location of the Portage diversion on its present proposed right-of-way.

Now what did we do when we found that we had to buy land to provide right-of-way for the Portage diversion? First of all, in anticipation of the construction of both the Shellmouth Reservoir and the Portage diversion we have established an Assiniboine Advisory Board, which is comprised of representatives of both the federal and provincial governments. They established the certain principles and procedures for the acquisition of land. And we sent out members of the staff of the Department of Agriculture to make a complete survey of all the lands that would be required, the buildings, to establish bench marks, to determine what the fair market value was in the area through which this Portage diversion would be located. We were afraid of the Leader of the Opposition. We were afraid of the Leader of the Opposition. I don't mind telling you that the Liberal Party has created an aura, an atmosphere of fear that makes government very difficult in the Province of Manitoba. And I just want to quote, I want to quote the Member for Brokenhead to demonstrate what I mean. "And finally", he said on Friday evening last, "I accuse the specific departments involved in the Bain acquisition. I accuse the specific departments involved in the Bain acquisition, the Bain property acquisition, of swearing false declarations of value, and let them show otherwise."

Madam Speaker, obviously the Member for Brokenhead has no idea what he is doing, or what he is saying. He is talking about people who have served the Province of Manitoba for 20 years and more, some of them dedicated people; people who served Manitoba under the previous administration; men of integrity. What's he saying about them? That they have no professional integrity. This is what the Leader of the Opposition is doing to people in Manitoba. This is what he is doing. He is creating this aura of suspicion.

MR. SCHREYER: Madam Speaker I could rise on a point of privilege now, but I'll leave it go and deal with it later.

MR. MOLGAT: Madam Speaker, I feel that I should though. The Minister really shouldn't be including my comments when he quotes another member. I think he should make up his mind who he is quoting, and who he is referring to.

MR. CAMPBELL: Madam Speaker, if the Honourable the Minister wants to include the Honourable Member for Brokenhead in our party, I'd accept.

MR. HUTTON: I think he would fit very well. I believe he has a . . . . . heart.

MR. SCHREYER: I don't think that last statement was called for.

MR. HUTTON: Madam Speaker, in order to protect ourselves, to make doubly sure, triply sure, we went to the Montreal Trust Company. We asked them to give leave of absence to the manager of their mortgage department so that he could come and serve the interests of the people of Manitoba. What does the Leader of the Opposition do? What does the Member for Brokenhead do? He says, "swearing false declarations of value" -- (Interjection) -- I don't know when it was. The Honourable Member for Brokenhead accuses members of the department . . . .

MR. SCHREYER: On a point of privilege, I am rising on a point of privilege, the point being that the word "false" has two connotations. It has the connotation of perjury, which I did

(MR. SCHREYER cont'd) . . . . . not mean. It has the connotation of error, which I did mean.

MR. HUTTON: Madam Speaker, we have on this Board of Review the manager, a man who is on leave of absence from the Montreal Trust Company to serve the people of Manitoba. For his trouble, and the trouble of his company, in trying to see that a job is done for this province, their judgment, their professional integrity, their professional competence, is called into question by the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I must rise on a point of privilege. My statements were very clear. I accused three ministers. If the minister can find where I accused anyone else, then I suggest that he brings it out. If he can't find that, let's suggest that he accept the blame where it rests, that is on the shoulders of the ministers.

MR. HUTTON: Madam Speaker, we have the recommendations, signed by Mr. Driver who is on leave of absence from the Montreal Trust Company, saying that the value of this property was \$75,000, recommending that the government should purchase it at that price. We have the recommendation of Mr. Price Rattray.

MR. JOHNSTON: Madam Speaker, would the Honourable Minister permit a question?

MR. HUTTON: I'll answer questions later. We have the recommendation of Mr. Price Rattray. Here is a man who has, well, he says -- and I am quoting Mr. Price Rattray: "For your information Mr. Good, I have been identified in the real estate business principally in the City of Winnipeg since 1927, and I have been active in the appraisal branch of the business since 1935. I was a member of the assessment board of the City of Winnipeg for many years, and am at present Chairman of the Board of Revision for the Metropolitan Corporation of Greater Winnipeg." But this man's professional integrity, his professional competence is not good enough for the Liberal Party. Do you know what kind of a peg they want to hang their hat on, Madam Speaker? A man who isn't even an accredited appraiser. -- (Interjection) -- I'll tell you about the Courts. I'll tell you about the Courts. The application to the Court -- and this is a thing that the Leader of the Opposition does not want to tell the people of Manitoba. It wasn't to determine that the prices weren't right. It wasn't at all. Here it is. The application was that they should be authorized to sell and dispose of certain real property owned by the said deceased for the purpose of paying the debts owed by the said deceased and his estate. And this is what the Leader of the Opposition does not tell the people of Manitoba. All he is interested in creating is an aura of suspicion, of doubt, undermining the whole concept of government in Manitoba. Oh yes, oh yes.

MR. HILLHOUSE: Does the Honourable Minister mean to say the courts of Manitoba are not interested in protecting the welfare of children? -- (Interjection) --

A MEMBER: The sooner you sit down brother the better your case will be.

MR. HUTTON: He ignores the fact that these appraisals were used for estate tax purposes. Well I'm willing to bet that the average man in Manitoba who knows that these appraisals were made for estate tax purposes, knows the difference between that kind of an appraisal and one which is made to establish current market values.

MR. JOHNSTON: Are you suggesting that the courts went along with that?

MR. HUTTON: Well I was interested, Madam Speaker, in another statement that the Leader of the Opposition made. He said that he had it on the authority of the Minister of Health that the Minister had been interested and that he had -- he didn't have it on the authority of the Minister of Health at all. He was reading from a letter written by Mr. J.H. Bain. That was his authority. -- (Interjection) -- Oh yes, in a roundabout way. Oh yes.

Well, and then he made a great deal about this question of the government paying for forcible taking. Now the minute the government expropriated, it didn't matter from whom, they would have to pay for forcible taking. You know, Madam Speaker, and so does the Leader of the Opposition know, we have no idea, if we go out to buy a piece of land, whether the fellow that we're buying from intended to sell it next week or not. -- (Interjection) -- No, but it doesn't make any difference. It doesn't make any difference. The minute we expropriated, the minute that this government expropriated, we would have to pay forcible taking, and anybody who is even remotely familiar with the Expropriation Act knows that. There's been a lot of loose talk about expropriation. Madam Speaker, the minute expropriation -- you go and you file a plan in the Land Titles Office and it transfers the interest rights from the owner to the Crown. What do we have to do immediately? We have to make an offer.

A MEMBER: . . . . . Pine Ridge?

MR. HUTTON: Now we have to do it within a year. There's been a great deal of loose talk by the Member for Lakeside about this, and I just want to point out that under the legislation that he left as an inheritance to the people of Manitoba, you didn't have to make an offer in ten years.

MR. DESJARDINS: Responsible government, that's what he left. And a little bit of money.

MR. HUTTON: You could have let it go for ten years, and the provision that was brought into the Act was put in to protect the landowner, so that the government was under onus to make an offer at least within a year. --(Interjection)-- Oh no we didn't. But we are under onus, the Minister -- in the Department of Agriculture, the Minister, if expropriation is used, is under onus to make an offer. Now what are you going to offer them? How are you going to arrive at an offer? Are you going to take this offer, this appraisal that was made for estate tax purposes, or are you going to get a competent appraiser and arrive at a figure which will be due compensation and which will stand up if you have to go to arbitration?

MR. DESJARDINS: We'll take the judge's word.

MR. HUTTON: Well, I'll tell you what we did. We had staff who have served this province well for many years under more than this government, and then we submitted that to independent appraisers.

A MEMBER: Before or after?

MR. HUTTON: Before. We submitted to independent appraisers; we tried to protect ourselves by establishing an independent board of review and getting men who were recognized in the community, men of integrity, men of character, but what does this mean to the Leader of the Opposition and his pack? Nothing. They want to get the government, Madam Speaker, and the fact that some people get in the road means nothing to them. It means absolutely nothing to them, and I'll tell you why it doesn't mean anything to them, Madam Speaker, because the Liberal party is seized of a terrible cynicism, and you know what it is? It's any stick that will do to beat the government. It's an interpretation of "the end justifies the means". It's a vicious anti-social cynicism, and they laugh, you see. Well we're very concerned about another organization in Canada which is extending its tendrils into government, and it has exactly the same philosophy -- the end justifies the means. And there's nothing sacred. I'm talking about the Mafia. It has exactly the same philosophy. It's seized of the same cynicism. Well they laugh; that's fine. I want to tell the people of Manitoba that although some people take the attitude that if you are a politician you should have a thick skin and nothing should bother you -- some people take that attitude -- but I want to say this, if for any political reason whatsoever any man or woman in this Assembly is not safe from the kind of unsavory attacks that are launched by the Liberal Party in this House --

MR. DESJARDINS: Poor fella.

MR. HUTTON: -- for exactly the same political reason nobody outside of this Legislative Assembly is safe, and we have had more than one occasion to witness this; to wit, the attack of the Honourable Member for St. George on Cam Donaldson of Brandon. That was a good example. He wasn't after Donaldson. He was after the Attorney-General; but you see, men and women don't count in a philosophy of this kind because the end justifies the means. -- (Interjection) -- Yes, the end justifies the means. Any stick is good enough to beat the First Minister and the government, and if other people get in the road, if their reputation, if their professional integrity, if their competence is called into question, what's the difference?

MR. GUTTORMSON: . . . . behind the Civil Service . . . . . Pick on the Civil Service . . . . .

MR. HUTTON: Yes, yes, I know.

MR. DESJARDINS: . . . . . if it's too tough get out.

MR. HUTTON: I would if there was any alternative that I wasn't scared of, if there was any alternative that I wasn't afraid of, but I'd hate to live in Manitoba under a philosophy of that kind.

MR. GUTTORMSON: You've chased enough people out of the province yourself already.

MR. HUTTON: Well I want to look at some of the evidence that the Leader of the Opposition has used in bringing charges in Manitoba. I've never spoken about this before, but in 1962, in 1962 the Leader of the Opposition was satisfied, as he was the other night on television --satisfied, you know, that he had the facts, he had the case. It was all sewed up and he got on a platform down at Winkler. It was election time, but you know any stick will do to beat a government; the end justifies the means. He got on and he made this statement. He made this statement. "There has been a denial that there was any political meddling," Mr. Molgat said, "but it is clear that Mr. Hutton, the Minister of Agriculture, has been involved in this affair." Do you know what the source of his information was that time? Do you want to hear it all? Sure I'll read it to you.

"Liberal Leader Gil Molgat has called for a full and impartial investigation into reports that a Warren district farmer had been paid more than his neighbors for land needed for a Manitoba Hydro Transmission line. Speaking at Winkler Monday, Mr. Molgat said it was totally unfair to have anyone in an area receive preferred treatment over others affected, either in terms of price or of area of land taken. He said the public was entitled to know the facts about this affair. Mr. Molgat referred to a report last Friday, which said a Warren farmer in the constituency represented by Agriculture Minister George Hutton had been paid for an 875 ft. wide strip of land for the power line while his neighbors were paid only 275 feet." Well, that part of it was true. But then he goes on: "There has been a denial that there was any political meddling," Mr. Molgat says, "but it is clear that Mr. Hutton, the Minister of Agriculture, has been involved in this affair." Do you want me to go on? I think that's giving you the meat of it.

MR. DESJARDINS: No--go on.

MR. HUTTON: Do you know what the source of the information was? The President of the Local Liberal Association in Rockwood-Iberville, and it was election time, but he, the Leader of the Liberal Party in Manitoba just jumped at the chance. Do you know what the chief attributes, the chief tools of the trade that he brings to his position in Manitoba? A very wide brush and a very large barrel of political muck. Those are his chief attributes. Those are the ones that he relies on in every session, at every opportunity. I say, Madam Speaker, what's wrong when a man --what's wrong with a Party who are so quick to think evil of their fellowmen, who are so quick to speak evil of their fellowmen?

MR. DESJARDINS: . . . . say go ahead, rob the people. Is this where. . . . the job of the Opposition. . . .

MR. HUTTON: We have the support --what is as clear as crystal and the Leader of the Opposition cannot deny this, is that the prices paid by the government for these properties are supported by the evidence endorsed by men whose integrity and competence can't be challenged, and he cannot deny it.

MR. MOLGAT: It's also denied by others.

MR. HUTTON: It isn't denied by others and they are not. Mr. Tilley, if I may say so, is not a qualified appraiser. He's a real estate agent. --(Interjection)-- The fact is he is not an accredited appraiser --(Interjection)-- He is not an accredited appraiser and yet you put him up.

MR. DESJARDINS: Didn't he have more than one accredited appraiser?

MR. HUTTON: Well, Madam Speaker, I think that it is a terrible thing that is going on in this province. I want to tell you how frightened --and if you think we're not frightened, as Ministers, if you think the staff isn't frightened, I'm not kidding. It's no laughing matter, and only the most irresponsible kind of a man could laugh at what he's doing to good government in Manitoba. I want to tell you about a case we've got coming up and I don't know how we're going to handle it. John Christianson, a former member and Minister of this government is part owner of a property that lies in the path of the Portage Diversion. Now what do we do about it? What do we do about it? I want the press here, to understand the dilemma that I am in and I want the people of Manitoba to understand that dilemma. We have had that property appraised. It's been reviewed by a review committee, Mr. Driver, Mr. Rattray, Mr. Odell. The price has been recommended to the government that we should pay, we're scared to make an offer. Madam Speaker, if we expropriate it, and here's the dilemma I'm in, even if we expropriate that property, as Minister I have to make an offer. Now what kind of an offer do I make? Can you imagine what's going to happen in this House, if not this session next session? Can you imagine? Now what do you do? I say, Madam Speaker, that the

(MR. HUTTON, cont'd). . . . .behaviour of the Leader of the Opposition and those who support him in this House, is inhibiting government. He talks about delays. Have you any idea -- (Interjection) . He bought the property before anybody knew that the. . . .

A MEMBER: There it starts.

MR. HUTTON: You see, what I'm afraid of --(Interjection) you see, now you've answered, you've answered to the people of Manitoba.

A MEMBER: That's right.

MR. HUTTON: All right.

A MEMBER: Do you want my advice?

MR. HUTTON: Nothing? --(Interjections)-- All right. That's the answer. I have something to say about that too. I am not afraid of the consequences of doing the right thing. I don't believe that I was elected to office by the people of Manitoba to perpetuate myself and my colleagues here. I think there are times when you have to do things that are hard and the people don't understand but you're supposed to be prepared to take the responsibility. But I was not elected to be abused and charged by a group of men that I have nothing but disdain for, the way they act at the present time and have acted. I was not elected for that, nor was anybody else in this House. I'm not a coward, I don't think, and I well, I just want to underline this fact, if nobody remembers anything else that I've said tonight, that daily, hourly government is difficult to carry out in this province because everything we do is misrepresented, twisted, and if we're going to have good government, if we're going to maintain any kind of efficiency we can't do it with our backs to the wall all the time because we're afraid somebody is going to give it to us between the shoulder blades and this is the case today. I'm not exaggerating.

MADAM SPEAKER: I'd like to remind the Honourable Minister he has three minutes left.

MR. HUTTON: Thank you, Madam Speaker. I'm not exaggerating. What has been the record of the Liberal Opposition since I became a member of this government? There was nasty, nasty scandal --unsubstantiated; there was flagmen charges-- unsubstantiated; there was the Manitoba Hydro --not substantiated; there was the case of Brandon Packers and Cam Donaldson, and one that the Honourable Member for St. George has real reason to remember with great pride; there was that terrible affair this past year in the case of the Arts Centre and the Member for River Heights and the whole thing was made possible by that terrible, cynical attitude that any stick is good enough to beat a government. If you can't get them one way get them another . The end justifies the means. And, Madam Speaker, I'm not exaggerating when I say that men will not commit themselves to public life either as members of this Legislature nor are they going to serve in the Civil Service of this province if they're going to be subjected to this kind of thing, and you can't charge the government with the kind of charges you make without reflecting on the competence and the integrity of the men who serve the people of Manitoba. Nor the boards nor the commissions and when people are willing to serve Manitoba and serve the people of Manitoba like the men who are now serving on this Board of Review, honourable men, respected men, respected by everybody but the Liberal Party as it's represented in this House. You'll destroy the last vestiges of good government in Manitoba. I just wonder how long it's going to be, Madam Speaker, before the Liberal Party of Manitoba wakes up and asks for the resignations of the leaders that they have hung around their neck at the present time.

.....Continued on the next page

MADAM SPEAKER: The Honourable Member for Ethelbert.

MR. HRYHORCZUK: Madam Speaker I want to extend to you my very best wishes. The way this session has started, it appears that you will need a lot of patience and perseverance and a lot of help and I wish you each and every one of them. I want to extend to the Honourable Member of Lac du Bonnet and the Honourable Member of Fisher, my hearty congratulations for two very, very good addresses which I enjoyed very much. I would like to see both of these gentlemen partake in more debates as the session goes on. The Honourable Member for River Heights, the present Provincial Secretary and the Minister of Public Utilities my congratulations and best wishes.

I think, Madam Speaker, that we have lost sight of what is actually before the House, the question that is being debated. Now insofar as the two Honourable Ministers who have spoken on this particular question are concerned, I like them, I really do like them but I can only like them as far as they will let me like them and from the display we have seen yesterday and today you can understand that liking cannot go too far. I was very, very much surprised at the statements made by the Honourable Minister of Agriculture today because I thought that by now we had learned that a Minister is responsible for the acts of any members of his staff no matter who they are and it's only a Minister who does not understand his responsibility or will not accept it that will come out with statements such as the Honourable Minister made today, that the Opposition is creating suspicious atmosphere which is hurting the Civil Service. Of course, Madam Speaker, that is absolute nonsense. We are talking about responsible Ministers of the government who must take responsibility for their departments and I think that the sooner that the Honourable Minister of Agriculture learns this, the better it will be for him, for the House and for the people of this province.

Both of these honourable gentlemen spent a very small percentage of what they had to say on the issue before the House. The Honourable Minister today out of 40 odd minutes, or 40 minutes of talk, I don't think devoted four minutes to the question before the House. To my way of thinking both the gentlemen must have very weak arguments when they cannot talk about the issue that is before them. Insofar as the Honourable Minister of Agriculture is concerned, he only spoke about that particular portion of land which he claims that the government did not know they needed until January of 1964. He made no reference to the other purchases whatsoever. So insofar as his remarks are concerned we will only deal with that one little piece of land. He claims that he did not know, or the government did not know that it needed that land until January of 1964. Then they found out that the Portage Diversion was going to run through it so they up and bought it. That's all he said about it. Are we to assume, Madam Speaker, that the government intends to buy lands, all the lands, owned by people through which this diversion is going to run? Or are they only going to buy those parts of the lands that they need for the diversion? If the Honourable Minister tells us that the only reason they purchased this land is because the diversion is going through it, then I say to him and to the government that there was no reason for paying \$75,000 for the land when they could have expropriated that portion of this land that they required for the diversion at a small percentage of that price.

On the other hand, if the Honourable Minister did not tell us the whole story, if there is anything else connected with the necessity of purchasing this land, then all I'd like to point out, Madam Speaker, is this: that they still could have expropriated the whole of that land. The value given by an affidavit filed in the Court of Queen's Bench on March 6, 1964, sets that value of the land at \$32,500 for which they paid \$75,000 - double. That is all I have to say about that particular part of the land, and the arguments that I shall bring forth in connection with the rest of the purchases, will apply to this particular purchase as well.

I am sorry that the Honourable Minister is not in his seat. But he tells us that he did not need this land until January 4th. I was going to ask him a question. In the information service that comes out of the Department of Industry and Commerce dated March 15, 1963 on Page 2, there is a statement which reads as follows: "Wildlife habitat studies (completed) in the Pembina Channel and Delta area to be used in conjunction with water development projects." Now, I know of no other water development projects in that area, except the Portage diversion. If that is all there is, then the Honourable Minister of Industry and Commerce must have known this long before January 6, 1964, since this bulletin was issued on March 15, 1963.

Now what about the Honourable Minister of Mines and Natural Resources in his statement yesterday? I want to repeat, Madam Speaker, that only a very small portion of what he said yesterday was pertinent to the issue. We have a resolution on the order paper, which is an amendment in connection with the Throne Speech, which states that there was waste and

(MR. HRYHORCZUK cont'd) . . . . mismanagement in the purchasing of land by this government. What it boils down to is simply: did the government pay more for the land it purchased than it should have, or in other words, could they have purchased that land at a lesser amount? If the government can show that they could not have purchased that land at a lesser amount, to save the people of the Province of Manitoba money then the charge falls. But if it is shown that the government could have purchased that land for less than what was paid for it, then the government is guilty as charged. That's how simple it is.

All right, let's look at the facts. Let us forget about these emotions, this vindictiveness, this smear, this language that has been used, especially by the Honourable Minister of Agriculture today -- just let us look at the facts of the matter. The government tells us that the first time they had shown any interest in this land was in 1960. We're not saying that. That is a statement made before the House by Ministers of the Crown. Mr. Bain, deceased, was approached sometime in 1960 with the intent of purchasing these lands. From what the Honourable Minister of Mines and Natural Resources tells us, the government felt its bounden duty to purchase the land, because it was the last marsh frontier in the province, or something to that effect. --(Interjection) -- I am not arguing with the Honourable Minister as to whether this land should have been purchased or not, in fact I'll agree with him that it should have been purchased. But the Minister stressed the fact that this was very, very valuable land. And the government would have been remiss in its duties if it hadn't purchased it. That it was all important that the government do purchase it. The first approach was made in 1960. The Minister gave us some vague reason for not being able to close the deal with Mr. Bain. --(Interjection)-- Pardon? It isn't what? It isn't vague. Well was it reasons of health, I believe, or something similar to that? The Honourable Minister shakes his head in the affirmative. They couldn't have done business with Mr. Bain because of reasons of health. All right, let us say that he was not well. The government could have expropriated that land, between 1960 and 1962, before Mr. Bain died. -- (Interjection) -- The Minister says they didn't have the authority to do it. I say that under The Expropriations Act, he did have the authority. And if he did not have that authority under The Expropriations Act, he had the authority under The Parks Act. And I'd like him to deny that one. It was an Act that was passed in the session of 1960, and under that Act, he could have expropriated. Maybe somebody will say, "well, but Mr. Bain was not well and we didn't want to do this." Madam Speaker, I wonder if this government was worried about the health, the welfare of the people that owned lands in the Winnipeg Floodway or Birds Hill District. Were they concerned about their health and welfare? How many families were rooted out of their homes by these expropriations? The government had a full two years within which either to negotiate a deal with the deceased Mr. Bain, or expropriate. They did nothing, absolutely nothing. And when we in the Opposition point this out, the Honourable Minister of Agriculture tells us that we are vicious. It is our duty to point these things out, that is what we are here for -- not to give the government the nod because they want it. Why an opposition? All right, the government failed to exercise their rights and purchase this valuable piece of property while Mr. Bain was alive. And I say, Madam Speaker, that at this time they could have bought that land for a great deal less than what Octave purchased it for in 1963. So there was a great deal more waste than what my honourable leader claims that the government is responsible for. After Mr. Bain's death the government could have gone ahead and expropriated that land at that time from the estate. They didn't bother doing anything.

One of the executors by the name of Mr. McPherson was looking for a buyer for that land. He went to Portage la Prairie to see if he could find somebody to buy that land from the estate. They were anxious to sell, and these are the words of the Honourable Minister of Mines and Natural Resources, that the executors were anxious to sell the land because they needed cash in the estate. He tells us that himself. And Mr. McPherson, one of the executors, rolls around the country looking for a buyer, and offers to sell property at \$90,000 which this government later buys for \$170,000.00. We're not being vicious. These are the facts. And it is our duty to inform the people of this province as to what is going on. Now everybody seems to have known that these lands were -- the estate was anxious to sell them, because there were other people that I know of that tried to buy them. This was no secret that this estate had those lands for sale, but it seems to have been a secret to our government who was most anxious to buy the place. Now surely you don't expect any reasonable man to take that without a grain of salt. Well it is just simply impossible. Everybody but the government knew that this land was for sale, and only the government at that time was interested in buying it. Doesn't that seem stupid?

(MR. HRYHORCZUK cont'd) . . . .

Do you bear malice for feeling that you were derelict in your duties? How can you? And how can the Minister of Agriculture get up and say what he did this evening? There was no foundation for that attack on this party. I think that the Honourable Minister should have commended us for doing our duty. We know he is not infallible. And if he thinks he is, then I can understand his argument. Anybody who thinks that he is as infallible as the Honourable Minister seems to think, they never make mistakes, and when we draw attention to the mistakes that are being made, then we are vicious; we are undermining the government. The people are getting scared to do business with the government. All a lot of hooey. All right so the government does nothing.

The second opportunity: they could have expropriated; they could have negotiated the deal, because the parties were ready to sell at a figure less than Octave paid for that property. They were ready to sell for months. Where was the government? Where was the government? They admit themselves -- they say we didn't know it was for sale. What nonsense. What nonsense. How could it possibly be that the government being interested in the purchase of this particular property, which they claim they must have, they didn't know it was for sale. Why, you would think that immediately after Mr. Bain died, the will was probated. The first thing that this government would do would be go to the executors and see if that land was available and whether they could make negotiations for sale. No, not a thing. Nine months went by the board before they made a move. Oh yes, August of '63 is when you made your offer. Did you not?

MR. LYON: The Deputy spoke to the solicitor within a matter of . . .

MR. HRYHORCZUK: I am not talking about the solicitor. That's your back door. And you can use it if you want to. You should have gone to the executors, and not come here and tell us that our solicitor didn't do it. You're evading your responsibility in the same matter that the Honourable Minister of Agriculture did this afternoon. "We went to our solicitor. Our solicitor was not informed, therefore we were not informed." That is no excuse. That is no excuse. You knew the executors were there and you could have done business with them, where you should have gone. Octave get an option on this land and when do they get that option? July of 1963. Now this is the point that has been made by my honourable leader, but it bears repeating, because evidently the Honourable Minister has missed the point and we have to repeat it. This Legislature passed an Act giving the government the right to expropriate lands for this particular purpose in the session of 1964. The Act was assented to on May 6th but was not proclaimed. Now this strikes me as funny. I'm not imputing any dishonesty or anything else on the government, but I am saying that they badly mismanaged this whole affair, because they could have proclaimed that Act on May 7th. Then they would have the right to expropriate -- which the Honourable Minister of Mines and Natural Resources says that they did not have -- from May 6th to July, a matter of two and a half months in which this government, had it moved, it could have expropriated that property before Octave got their option; and then, of course, they could have even expropriated after Octave had that option, because it was found that the executors had no legal authority to sell the land, but let us say that that is a doubtful question. But up to July 19th of 1963 they could have expropriated that land under three separate Acts. They took no action; and this strikes me as peculiar that in August, I believe, of 1963, is when the province started to negotiate a deal with Octave. If I'm wrong I'd like to be corrected. I'm not being corrected so I must be right. And doesn't it strike you as peculiar, Madam Speaker, that this particular Act was proclaimed on the first of September, I believe. It may be a coincidence but that isn't the way to do business and don't blame anybody but yourselves if these matters are brought to the attention of the people of the Province of Manitoba.

Again I want to tell you that is our responsibility; that is our sworn duty; and we don't have to take that kind of abusive language from the Honourable Minister of Agriculture that we got this evening.

Now the Honourable Minister of Mines and Natural Resources told us yesterday that if he expropriated then there was the possibility that they'd have to have paid much more for the land than they did pay. Well, it is possible, yes. It is possible but not probable; because if it was probable then all I have to do is point out, Madam Speaker, that this government must have wasted a lot of money in expropriating lands during its seven years of office, because we heard in this House at this session that this government spent around \$19 million in expropriating lands. If there was that danger in expropriation that was told us by the Minister yesterday, then is it possible, Madam Speaker, that they overpaid for all these lands because they expropriated them? I believe the very fact that they used expropriation for these tremendous purchases proves

(MR. HRYHORCZUK cont'd) . . . . beyond a shadow of a doubt that that was the way to do it. The government can't both eat its cake and have it. If they did the right thing in this particular instance, then they did it wrongly during the seven years of their office here. You can have it either way but you can't have it both ways.

So I say, Madam Speaker, if we looked at this matter in a cool collected manner without losing our tempers but following the facts as they are given to us by the government Ministers themselves, not by anybody else, I am sure that the people of the Province of Manitoba can come to no other conclusion but that this government is guilty as charged.

MR. SCHREYER: Madam Speaker, I was not sure earlier if I would participate in the debate at this stage, but I believe that some remarks have been made in the course of yesterday's debate which prompt me to speak at this time.

I listened with interest to the defense that was made yesterday by the Minister of Mines and Resources, and while I at first was of the opinion that there could really be no substantial defense possible on the part of the government, I do conclude at this point that the Minister of Mines did succeed in salvaging the position of the government in this affair to some small extent, but I am not prepared, Madam Speaker, to go beyond that. I believe it is only to some small extent that the government has been able to defend itself with arguments of substance. Now it's true that in the course of his remarks yesterday, lengthy remarks, he made a good case to show why the government of the Province of Manitoba should have acquired this property. In fact, he took the first, I would guess, the first twenty minutes of debate to show us why it was that the government should have acquired this property, but then when he went on to explain the reasons why the government of the Province of Manitoba failed to acquire this land in a manner consistent with its other land acquisition practices, he did not make a convincing case.

He seems to base his case, or the case of the government, on two or three premises, one being that the government did not have power of expropriation for purposes of acquiring a game preserve he claims until the date of proclamation of the new Games Act, new Wildlife Act. I would only be repeating what has already been so clearly put by members on this side, namely that the new Wildlife Act could have been proclaimed earlier and it wasn't; and secondly he has not established to our satisfaction that there was insufficient power for expropriation under Section 3 of the standing Expropriations Act.

Now, I want to digress for a few moments, Madam Speaker, to deal with the Minister of Agriculture. It is unfortunate that he is not in the House, but it hurt me very deeply when he made a suggestion -- and it was not more than a suggestion -- he never really came out and said so, but he implied, cleverly I thought, that I had accused members of the Civil Service, of the particular departments, of committing I think he was trying to say perjury, although he never said so. Now I think this is completely incredible that he should try to pillory me in this way. May I suggest to honourable members as I said before, the word "false" has two complete different connotations, one having to do with perjury, the other having to do with error, and surely honourable members, particularly the Minister of Agriculture, should know that perjury has to do with misstatement, deliberate misstatement of fact, and when you are dealing with land values there is no fact -- it's a matter of judgement. Therefore, how could there be perjury? To make a wrong estimate is therefore error and it can never be -- by logic, it can never be perjury. I'm surprised he would try to pin that on me. --(Interjection) --

Now you see, Madam Speaker, he said I did. I just finished explaining to honourable members that when it comes to making declarations of land value perjury is by definition impossible, or do I have to give my honourable friend -- (Interjection) -- Is the Honourable Minister still trying to suggest that perjury can be possible in terms of -- when dealing with land value? There is nothing involving fact; it has to do with judgment, but I suppose, Madam Speaker, that when the Minister of Agriculture is in a mood like this he would be disappointed if he were forced to learn something. He would rather carry on in blissful ignorance of what someone was really trying to say.

Madam Speaker, I gave the Minister of Agriculture ample opportunity to clarify just what he was getting at by that reference to false declaration of value, and in connection with the Minister of Agriculture and the Minister of Mines and Resources, the Minister of Agriculture accuses us on this side of being disrespectful of the Civil Service, the men who have worked such a long time in our public service and so on and I would suggest to honourable members that they are making it more difficult for the civil servants in this province than we are, because it is they who are hiding or trying to hide behind the civil servant. It is the Minister of Mines who has asked the civil servant for a legal opinion about something after the Minister

(MR. SCHREYER, cont'd). . . . himself has made a political speech here in this House. I think it is most unfair for a Minister of the Crown to ask a civil servant to give a legal opinion about something on which the Minister has based a political speech and made an entire defense. I think this is unfair, and I was surprised that the Minister of Mines would resort to such a ploy.

MR. HUTTON: Madam Speaker, would the Honourable Member for Brokenhead permit a question?

MR. SCHREYER: Yes go ahead, Madam Speaker.

MR. HUTTON: I'd like to know if he is inferring that the civil servant in question should have his arm twisted by a Minister of the Crown.

MR. SCHREYER: I'm inferring nothing of the kind, Madam Speaker. I'm merely saying that I'm surprised that a Minister would use such a tactic.

Now, having expressed my heartfelt thoughts about this government and its relationship with the civil servants, and having dismissed its accusations which it has levelled against us in the way we have been dealing with the Civil Service, I wish to go on to some of the other points that were made by the Minister of Mines and Resources.

In the first place, Madam Speaker --and I will try to put my point as dispassionately as possible-- in the first place, on page 119 at the bottom of the page, where the Minister of Mines is referring to the total acreage and the total value, the total payment made, and so on, I think that he had his arithmetic wrong. I would ask that he check it and be sure. On page 120, middle paragraph, he is referring to the Delta and Grants Lake property saying that the full price paid was \$170,000 or an average of \$27.00 per acre including buildings and improvements and roads, etcetera. By my calculations this arithmetic is wrong. I would ask him to check it, because at the \$170,000 averaging out at \$27.00 an acre there would have to be 6,300 acres involved. I wonder, is he sure of his arithmetic?

Further, Madam Speaker, on page 121 the Minister of Mines goes into a long spiel there about the timing of the taking out of the option by Octave Enterprises and the timing of the coming into force of the new Wildlife Act, which apparently is the one that gives them sufficient power for expropriation, and I read this page over several times, Madam Speaker, and each time I read it I could come to only one conclusion and that is precisely the same conclusion that was put to us here by the Member for Ethelbert Plains, namely, that before Octave Enterprises actually exercised their option, months had passed during which the government had the power of expropriation granted it. Give them their argument that they didn't possess power of expropriation under Section 3 of The Expropriation Act. Concede that to them. They still had months --months passed during which they actually had acquired power of expropriation under the new Wildlife Act and they did not exercise it.

I would take it that the Minister of Mines is of the opinion that they did not have power of expropriation under Section 3 of The Expropriation Act, because I suppose in his interpretation a wildlife reserve or sanctuary is not a public purpose. Madam Speaker, every year we vote funds -- during the Estimates we approve of funds for public purposes. They are exclusively for public purposes, I would think, and wildlife conservation is one of the things for which we vote money. Surely it is commonly and generally accepted that wildlife conservation, the conservation of resources, is a public purpose within the clear meaning of the term. It seems to me that argument to the contrary is necessarily contrived argument.

I have here a notation, and I would like to be corrected, that between September 1, 1963, and April 1, 1964, a period of seven months during which the government did have expropriation power under the new Wildlife Act, did not use that power.

I have also a notation here to the effect that our valuations, the ones that were accepted by the National Revenue Department, the ones accepted by the Court of Queen's Bench, and the ones later agreed upon by the Department of Mines' appraisers, and so on, there is such a great differential, Madam Speaker, that I insist again that somewhere there is great error. There has to be error. We have not been explained why the great differential. This has not been explained. I'm looking for information. I have to explain to my constituents why it is that they have been expropriated and other people not expropriated. I want information. Justice does not seem to be done. Members opposite know that not only must justice be done but it must appear to be done, and in this case here I am sure of neither. And even if I were sure of the former I would still insist on steps taken to show the latter. So I simply reject the statement made by the Minister of Mines that they did not have the power of expropriation.

I now want to come to the question, why did they choose to pay a price which bore such a

(MR. SCHREYER, cont'd).....large discrepancy with prices formerly attested to by other appraisers and accepted in the Court of Queen's Bench? Was it because this property was so urgently required or presumably sold? What other reason could they give? Madam Speaker, it would seem to me that if one went by the explanation of the Minister of Mines it seems that Octave Enterprises was able to buy the land for 50 percent off. Fifty percent off. I can't imagine any people so generous as to sell land for 50 percent of its true value if the true value is the value that was later paid by the Province of Manitoba. I've heard of fire sales, Madam Speaker, and loss leaders and the like, but I can hardly credit the argument that a group of executors and a responsible solicitor would engage in this kind of a transaction selling estate property for 50 percent off. We still have not received any substantial argument or any substantial explanation as to the differential in values, in prices. Ministers opposite can talk all they like about us on this side going to extremes and straining credibility, I suggest that it is they who strain credibility when they would have us believe that a company can move in and buy land for 50 percent off --sort of a gift or at least a half gift from some benevolent people.

Madam Speaker, it is not my purpose to take up any more time than is necessary. Therefore, I would like to conclude by putting some further questions to this government. I'm looking for edification; I hope that they can oblige. I would put it to them this way. They have expropriated in some places some people, and in other places they have not. What is the rationale of their --what is the rationale for this differentiation in policy? I take it that their main reason for expropriating in the case of the floodway and the Pine Ridge Park property was to prevent speculation and to prevent profiteering. This was the reason put forward by some minister months ago-- a couple of years ago. Well, Madam Speaker, they may have prevented speculation and profiteering among the people east of the Red River here, but they have obviously not prevented speculation and profiteering in the Delta area. They have not prevented it. If they had, this case would not be here before us. I think I am justified in saying that the whole matter still stands as, to use a latin phrase, *resipso loquitor*-- it speaks for itself still and they have not answered.

MADAM SPEAKER: The Honourable the Minister of Public Utilities.

HONOURABLE MAITLAND B. STEINKOPF, (Minister of Public Utilities and Provincial Secretary), (River Heights): Madam Speaker, may I at the outset compliment you on the manner in which you are discharging your duties under the most difficult of circumstances. And I too wish to compliment my colleagues from Lac du Bonnet and Fisher for a refreshing and honest account of our Manitoba way of life. Those speeches now seem like sweet air compared to what has beclouded this Chamber since. I did not intend to speak this evening, but after what I have heard I was impelled to get on to my feet to say enough is enough! The honourable Member for Ethelbert says all we are interested in are the facts. He says everyone but the government knew that the land was for sale, and he and his leader impute all kinds of things to all the government advisors and those concerned --the civil servants, the appraisers, and even the lawyer. And after that story yesterday by the Honourable the Minister of Mines and Natural Resources, in which he put before the House as full a story of fact as I think will ever be documented here, there still seems to be no end of bickering.

The Honourable Member for Ethelbert says they could have expropriated before Octave got the option, but how does the honourable member reconcile the fact that the executors knew that they had no right to sell the land and did not even bother to tell their own solicitor that they were negotiating for its sale? The Leader of the Opposition, when he felt that he couldn't get enough mileage out of the goose preserve and needed a little bit more dramatics to use up his time tonight, he accused good citizens as being speculators and making \$137,000 out of property, and then he said, "okay, I've accused them. Let's have an inquiry." Madam Speaker, they have a word for that technique and we all know what it is. It's called "McCarthyism." What is McCarthyism but calling a man a Communist and then having a public enquiry to make him prove that he isn't. That's what this man is doing, and I for one and many others in Manitoba won't stand for it. We can take so much of his viciousness, but when it rocks the very thing that every Manitoban will fight for, then it is time to talk back. He apparently will go just as far as he can and it seems those sitting beside him will go along with him if it means getting a few votes. Madam Speaker, I am disgusted. I see slipping from me the very thing our family has found so pleasant in Manitoba since 1882, and that is one community of interest and not fifty. I intend to vote against the sub-amendment and the amendment because I believe that the whole charge is a plant of the Liberal Party in an effort to win a few votes by discrediting as many as they can, without the respect for human dignity.

MADAM SPEAKER: The Honourable Member for Rhineland.

MR. J. M. FROESE, (Rhineland): Madam Speaker, we're discussing the amendment to the amendment, which reads as follows, and I am just reading the extra words that were added, "and some of which the government expropriated the land, and in other cases failed to expropriate, thereby costing the taxpayers of the province large sums of extra money". Apparently properties are being expropriated in some cases and in other cases they are negotiated and acquired on a settlement basis. I feel that the government is on very weak grounds in this case when they base their whole claim on the matter that they did not have the right to expropriate in the Bain estate. I think this has been amply demonstrated that this power was there if they had desired to use it, but they chose otherwise. I am not a proponent of expropriation. I prefer negotiation, by all means, if possible. But in a case like this when you see speculators come in and form a company and invest \$100.00 and then stand to gain \$100,000, I feel that it is necessary to expropriate.

I really was pleased when the Minister of Mines and Natural Resources spoke the other day and when he spoke of the concept that they were employing on which their policy of acquiring land was based. And I just read one sentence from Page 122 where he says, and I quote, "Even if expropriation were possible, it would still have been incumbent on the government to make an offer based on the value of the land to the owner", and we are going to deal with that concept in a few moments. I am quite happy that they do deal on that basis. But I find that that is not always the case, and I am referring to the Duthoit case where they expropriated land which has taken well over two years. There is an article in the Free Press of Tuesday, January 5, 1965. I would just like to quote one or two sections here. First I'll read, "But William Henry Duthoit of 213 Roseberry Street died November 22, a month before County Court Judge William Molloy brought down his decision awarding him \$58,242.00 for the lakeshore and inland property instead of the \$15,000.00 proposed by the government. It is understood the government is likely to appeal the award". Is this \$15,000.00 -- isn't that much less than what the owner valued his property? I read a little further on, "Judge Molloy 62 pages of reasons backing the award, which was well under the one-third of the \$187,000 Mr. Duthoit originally asked." So here the owner was asking \$187,000 -- the government made him an offer of \$15,000.00. Isn't that way out of line and when it states here that the government will be appealing the award, are they appealing because the award was too high or are they appealing for another reason? Because I certainly don't feel that the award was too high. I feel it is low, myself. Those that are familiar with the property I am sure know of the potential that this property has, and if it hadn't the potential and the possibilities that are existent, I am sure the government would have never bought it in the first place. They wouldn't be interested. But it has a vast potential.

I have talked to the late Mr. Duthoit. He has since passed on and he already passed on I think, yes prior to the award being made and I am sure that those of you who knew him know that he was a weak, frail character and that the harassment that went on these last two years, I'm sure contributed towards his early passing. He had tried over the years to get money to develop this property. He tried to get money from our government agency the Development Fund and he was refused capital for the development of the property.

Another matter that I feel is very important in this case is that the government offered \$15,000.00. Later on when they did expropriate, they paid the estate only 75% of \$7,800. which only amounts to roughly \$5,000.00. This lady is in dire need of cash. She has almost nothing to live on and the property involved - there is arrears of taxes which need to be paid. Does this government want to wait with further payments until they can expropriate by taxation, or will further payments be made as soon as possible? I feel that there is a great need, and that the government should make further payments in this case because we know that the price will be higher than the \$7,800 on which the 75% is based. So that we certainly should do something for these people in this case.

I have already said I am not a proponent of expropriation. I think we should in as many cases as possible negotiate and come to a fair settlement with the people concerned. I think this is a better way of doing things. It will add to the public relations and in the all round way it will be improving the status of our government which the Honourable Minister of Agriculture lamented just a little while ago.

I had a few other things I thought I would bring to the attention while we are still on the Throne Speech, or am I out of order Madam Speaker if I do speak on other matters? Maybe I should wait until we are on the main motion again.

MADAM SPEAKER put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Call in the members.

The question before the House the proposed sub-amendment of the Honourable the member for Portage la Prairie.

A standing vote was taken the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Desjardins, Froese, Gray, Guttormson, Hillhouse, Hryhorczuk, Molgat, Patrick, Paulley, Peters, Schreyer, Shoemaker, Smerchanski, Tanchak, Vielfaure, Wright.

NAYS: Messrs. Alexander, Baizley, Beard, Bilton, Bjornson, Carroll, Cowan, Evans, Groves, Hamilton, Harrison, Hutton, Johnson, Klym, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Roblin, Shewman, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir, Witney, and Mrs. Morrison.

MR. CLERK: Yeas, 19; Nays, 33.

MADAM SPEAKER declared the motion. . .

MR. J. E. JEANNOTTE, (Rupertsland): Madam Speaker, I didn't vote because I paired off with the Honourable the Member for Logan. Had I voted, I would have voted Nay.

MADAM SPEAKER declared the motion lost.

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

MR. MOLGAT: Yeas and Nays Madam Speaker.

MADAM SPEAKER: Call in the Members.

A standing vote was taken the result being as follows:

YEAS: Messrs: Barkman, Campbell, Cherniack, Desjardins, Froese, Gray, Guttormson, Hillhouse, Hryhorczuk, Molgat, Patrick, Paulley, Peters, Schreyer, Shoemaker, Smerchanski, Tanchak, Vielfaure, Wright.

NAYS: Messrs: Alexander, Baizley, Beard, Bilton, Bjornson, Carroll, Cowan, Evans, Groves, Hamilton, Harrison, Hutton, Johnson, Klym, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Roblin, Shewman, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir, Witney and Mrs. Morrison.

CLERK: Yeas, 19; Nays 33.

MR. JEANNOTTE: I didn't vote because I paired off with the Honourable Member for Logan. Had I voted, I would have voted Nay.

MADAM SPEAKER declared the motion lost.

MR. MORRIS A. GRAY (Inkster): Madam Speaker I beg leave, seconded by the Honourable Member for Elmwood, that the debate on the main motion be adjourned.

MADAM SPEAKER presented the motion.

MR. JAMES COWAN Q. C. (Winnipeg Centre): Madam Speaker I would like to speak on the motion if that is agreeable.

MADAM SPEAKER: The Honourable the Member for Winnipeg Centre.

MR. COWAN: Madam Speaker, I would first like to congratulate you on your re-appointment as speaker of this House and congratulate you on the fine way in which you carry out your duties. I would like to congratulate the mover and the seconder of the Speech from the Throne on their fine speeches and the Member for River Heights on his re-election and re-appointment to the Cabinet.

I would also at this time like to point out to the members of the House in respect of one of these properties, some facts that are not known to very many other than perhaps the Member for Portage la Prairie and the Member for Lakeside and a few others and myself, and that is, that adjoining the Bain property is a location called Delta Beach. Delta Beach is a very popular Beach for the people that live near Delta and in that area the beach property is in great demand. In recent years it has been very very difficult to find a location to build a cottage on, and secondly, it has been very difficult to buy an existing cottage because most of the owners do not want to sell. The Delta Beach cannot expand because on the east side it is hemmed in by a large tract of land owned by Americans and it includes the beach and the marsh and so the only opportunity to expand might be towards the west, if the government acquired the land as it did.

Delta Beach consists of a ridge of sand along the lakeshore and it is for all practical purposes the only place on which cottages can be built. There is a short distance behind the east beach where a second row of cottages can be built and there we have the Delta Wildlife Station and the employees of that station and some permanent residents that fish and a few that have summer cottages there, but except for that short area it is impossible to build a summer .

(MR. COWAN, cont'd).....cottage except along the beach and because it has been hemmed in by the Bain property on the west, it has been impossible for people to obtain locations on which they might build a cottage. It is a lovely place, no stones, fine sand and an excellent place for children, because the water gets deep very very gradually. You have to go out about 200 yards before it is five feet deep, so that it is a very very safe place for children and the people in the area appreciate that fact. There have been practically no accidents with regard to drownings at Delta, excepting on the odd occasion when children or adults might get into a boat or onto an inflated tire or toy and a south wind might come along and take them out into the lake and they might panic when they realize that they are out beyond their depth. But other than that it is certainly a very popular place for the people from Portage and for many other people, including many people from Winnipeg because you can go out to Delta on the weekend and meet practically no traffic going on the old No. 4 highway through Poplar Point and on the Macdonald cut-off. But in spite of this popularity and excepting for hot Sundays in July and August, when there may be as many as 3,000 extra people come out there, there are not very many people who live out there, because it cannot grow up until the present time and one of the results, of course, is that anybody who has a lot to sell or has a cottage to sell, can get a very high price for it. Last summer for instance where cottage No. 41 or 42 West Beach was located, a 41 foot lot sold for \$1,500 and cottage No. 51 --I used to own this at one time and this sold three or four years ago for \$4,200-- a cottage built about 60 years ago on a 50 foot lot. So it would seem that certainly a 50 foot lot is worth about \$1,500 in that area.

And now this particular property that Bain would not develop for beach cottages, he kept it for shooting; could be made available to prospective cottage owners and there would be hundreds that would be very glad of the opportunity of buying a lot on that lovely beach, and it is beautiful beach where this Bain property is at Delta. We have been told that the Bain property is two miles long. It is somewhat shorter along the lake front but it is at least 6,000 feet long and if we have 6,000 feet, we have a little bit over a mile, and 6000 feet could mean 120 lots of 50 foot frontage on the lake. These lots are worth a large sum of money in total. If they are worth \$1,500 --and that is quite possible from the way the prices have been going out there-- that means that the lake frontage alone of this Bain property is worth \$180,000.00. The government paid \$125,000 for the property. If the lake frontage lots aren't worth \$1,500 each, if they are only worth \$1,000 each, that means the 120 lots are worth \$120,000, approximately equivalent to the value, what the government paid for not only the beach, the 6000 feet of beach, but the 2600 acres of marsh land and the Inkster farm.

It would seem that the valuator didn't take this into account. We have, for instance, this statement from Mr. Tilley included in the address from the Honourable Member for Portage la Prairie last evening in which he gives the value of the farm and marsh land and takes no regard to the value of the beach land, the lake front, possibly the most valuable portion of this property. It would seem that perhaps the valuator of Aronovitch and Leipsic in July 1963 did take into account the value of the beach, for they valued this property, total value of the Inkster farm and the marsh land and beach, at \$262,200.00. If this property was expropriated, then we certainly would have had all the arguments put up before the board as to the value of the beach as well as the value of the marsh and the lodge and the farmland and the farm buildings, and it is quite likely that the government would have paid far more than \$125,000.00.

In any event, since the beach property is certainly worth about \$120,000, the people around Portage, hundreds of them, would be very glad to have the opportunity to buy a 50 foot lot for \$1,000 if the road behind the beach is improved to some extent. It wouldn't take very much in the way of improvement because there already is a road there. Then we can easily see that the government got a real bargain when it bought this property for \$125,000.00.

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

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

MR. ROBLIN: Madam Speaker, provided it is clearly understood that this is no precedent, since we have 10 to 12 minutes to go, I would be glad to move the adjournment of the House, seconded by my honourable friend the Minister of Industry and Commerce.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Wednesday afternoon.