

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, November 7, 1958.

Opening Prayer read by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.
Reading and Receiving Petitions
Presenting reports of Standing and Select
Committees.
Notice of Motion.
Introduction of Bills.
Orders of the Day.
Committee of Supply.

HONOURABLE DUFF ROBLIN (Premier): Mr. Speaker, I beg to move seconded by the Honourable member, the Honourable the Minister of Industry and Commerce that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of ways and means for the raising of the supply to be granted to Her Majesty.

MR. SPEAKER: It has been moved by the Honourable First Minister, seconded by the Honourable Minister of Industry & Commerce, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of ways and means for the raising of the supply to be granted to Her Majesty. Are you ready for the question?

MR. ROBLIN: Mr. Speaker, before the question is put, I would like to say a few words on this matter. It is customary, I believe to have the usual budget statement and budget debate on this Resolution. This year, of course, and at this particular time, no budget as such is being presented to the House. Therefore, I would not like the members to think that what I am about to say in any way constitutes a budget statement, but it does seem to be desirable, Sir, to take advantage of this opportunity to give the House what information I can about the present financial situation of the Province; to say something about the ways and means we propose to adopt to pay for the bills and measures that have been presented in this Session; and also if I may, to recount and give a report of the activities of the administration, since it took office some four months ago; and also give the House some idea of the other matters in which we are engaged and working at the present and which we hope before too long to bring to a successful conclusion.

I start, Mr. Speaker, by giving a few facts about the current financial situation of the Province, and I do so by means of a comparison between our position at the end of September this year and the corresponding figures for the same period of the previous fiscal year. I can report that current revenues are up.

Current revenues for the period ending September 30th this year are \$38,750,297. as compared to current revenue for the same time last year of \$37,508,924. which indicates that current revenue is up, and it is up to the amount of \$1,241,377. Against this, I think we may reckon the current expenditure. Current expenditure to date in this year for the period ending September 30th is \$42,768,753. compared to a current expenditure for the same period last year of \$39,634,402. At first glance it would appear that current expenditures are up by the amount of \$3,134,000 odd dollars but in order to get an accurate comparison, Sir, I think I should advise the House, that there is a large expenditure included in this year's figure that did not appear in last's, and which in order to form a true comparison ought to be subtracted.

Last year, the unconditional grants paid to municipalities was paid in the month of November, and consequently did not appear in the comparison for the figures up to the end of September. In this fiscal year, that same grant was paid in May, and we recall that there was an election on June 16th but I'm not in a position to say whether there is any connection or not between the change in payments - I merely make the comment - but that payment amounted to \$2,505,994. -- \$2,505,945. which I suggest may fairly be subtracted from the current expenditures for this year to get a fair comparison, which means the increase in current expenditures disregarding this non-comparable payment to municipalities, is \$628,406. We can see, therefore, that while the current revenue is up \$1,241,000. current expenditure is up \$628,000. So, I think it can be said the current revenue is up about double current expenditure.

Now, I must warn the House that it is difficult to draw any final conclusions from such a comparison because as we know, there are another six months at least to go in the present current year and no one can really say at this stage how current expenditures and current revenues will compare when the year is finished. I merely say that on the basis of the information we have at present, that current revenues are up \$1,200,000. and current expenditures are up about \$600,000.

I would also like to report to the House that the tax rental payment from Ottawa has been estimated by the Dominion Government on the latest figure provided to us, at a little over \$34,000,000. It was budgeted for in the last budget as \$33,755,000. If the Federal estimate is correct, and if it does not decrease before the final payment comes due, it therefore appears that we will have a small increase of around \$600,000. in the income from that source. Again I say that that is not a figure that we can build any substantial argument on because it is simply too early to say with any accuracy what the final figure will be. I think, however, that in spite of the fact that these figures are so tentative, it is fair to say that as far as one can tell at the moment, the finances of the Province are in a satisfactory condition and that there is no particular matter toward which I am in duty-bound to direct the attention of the House in respect of these matters.

That, Sir, is a thumb-nail sketch of our present financial

situation in the Province up to September 30th last, with comparison for the previous fiscal year. I think the value of the comparison is simply that we seem to be generally on about the same track financially as we were before.

Now, having given that information, I would like to say a word or two about the method that we are adopting to finance the measures that have been approved by the House. I shall deal with these measures one by one in order that I might be as clear as possible. With respect to the education bill which we all know will be a very large one indeed. It is apparent I think to the House from what has previously been said that we will not require any money for the increase in the grant structure for the current fiscal period. Therefore, there is no need to take that into account until that next fiscal period of financing arrives. We do, however, have to face the cost of implementing the bill that is before us which may be considerable. Most of the cost, of course, will be in the way of salaries for the administrative staff which are already on our strength, and I am told by my financial officers that at the present time, there appears to be sufficient funds already appropriated in the Department of Education, to take care of these administrative expenses required to put the scheme before the people. Consequently, the House has not been asked for more money in this respect.

When I come to the Industrial Development Fund and the Agricultural Credit Act, which I shall link together, because they are similar in their financial requirements. I would point out to the House a fact which I am sure has occurred to members before now, and that is in order to get these funds operating a rather considerable deal of organization and preliminary work will be necessary. It will be necessary in some cases to find the personnel will be available from the department staff. A good deal of organizational work will be necessary in drawing up the operating procedures by which these funds will carry on their business. And I do not expect, Sir, that it will be possible to get these organizations in operation much before 90 days -- in fact if they are in full flower inside 90 days, I think I will be entitled to congratulate those who are charged with the detailed work. By that time, it is likely that we shall be in Session again and we will be able to deal with any financial problems that arise at that time.

In the meanwhile organizational costs largely of an administrative nature, can be carried in the estimates that were passed at the previous Session of the last legislature. I am advised by my financial officers that there are sufficient funds available in those previous allocations to take care of what we conceive to be the necessities of these funds at the present time.

Now, in connection with the Industrial Development Fund, and the Agricultural Credit Fund, there is, of course, another much more important requirement and that is the capital by which these funds are to operate. The organization expenses are relatively insignificant. The main requirement for money is for the reserve that will be necessary to provide the fund to make the loans that will be made under these acts. Once those loans commence to be made, monies will be coming in by way of interest and

other sources, but mainly interest, - in fact I can't think of any other from the borrowers at the present - which will provide the working capital, we trust, to keep these organizations turning over.

But I would like to make it clear to the House that we propose to draw on the reserve for war and post-war emergencies for the fund to supply the capital for these organizations. I should say as well that we will draw on the same fund for whatever money is required for our winter employment bill and the expenses in connection therewith. I point out to the House that it is for purposes such as this that this fund was established and perhaps it would be well to read a word or two from the Act respecting a reserve for war and post-war emergencies to demonstrate, or to illustrate, the opinion that I have just expressed. In the preamble of the act respecting a reserve for war and post-war emergencies, you will find among others, these words "and whereas the purpose and intent of this Act is to authorize the expenditure out of the consolidated fund to be charged to the reserve, of monies for the welfare and employment of the people of the province during the war and post-war periods; and for war and post-war emergencies, and for future uncontrollable expenditures; and for insurance against future loss of revenue." And then when you go down to the operative clauses of that Act, you will find this section five - "The Lieutenant-Governor-in-Council in addition to all other monies to be expended under the authority of any other Act of the Legislature, in his absolute discretion may (a) direct to be expended from the consolidated fund such sums as he may decide should be expended for the welfare and employment of the people of the province during the war and post-war period, and the war and post-war emergencies; and for future uncontrollable expenditures; and for insurance against future loss of revenue, and (b) loan or advance money to or guarantee the payment of money by, any person, public body, corporation or undertaking, in order to carry out the purpose and intent of this Act and provide for the sharing of expenditures made and for the whole if any expenditures to be so shared may in the first instance be paid out of the consolidated fund and to charge and charge to the reserve; and (c) enter into any agreement to carry out the purposes and intent of this Act and, (d) without being limited by the foregoing, take all such measures as you deem necessary to carry out the purpose and intent of this Act." And there is more in the bill as well but thought I would read those portions because in our opinion they are clearly directed toward the type of expenditure which we are proposing to make from this fund at the present time.

The House will know that in each of the bills that I have mentioned in this respect, there has been a clause authorizing the use of this Act. It seems to me that such clause was unnecessary in view of the very wide powers already in the Act covering reserve for war and post-war emergencies, but it was thought good to put it in there so that the members of the House would be absolutely sure as to what was intended. And you will recall that those clauses were passed by -- in the various stages by which the bill progressed and I do not recall anyone having taken objection to their being there. Nevertheless, Sir, I

thought it right to make a statement in this matter, because I want the House and the public to understand that as we said we would do when these matters were before the people and I stress that point, we are using the post-war emergency fund for the development and welfare and employment of the people of Manitoba. That is what the fund was there for. We maintained in the past, that it should be used for that purpose and we are putting it to that use now. You may well ask me, what is in that fund at the present time, and are the resources of that fund freely available for a purpose such as this? I think, Sir, that I can reply to those questions.

There is in the fund at the present time a sum of something over \$15,000,000. Of that \$15,000,000. the Government regards \$1,700,000. odd as being committed into the purchase of municipal sewer and water debentures. We have purchased these under previous legislation from this fund. This leaves in our opinion an amount of something over \$13,400,000. that is available for the purposes that I described. I am sure, Sir, that at least in the foreseeable future that that amount represents sufficient for the purposes that we have in mind.

You may ask me whether the investments in which this money has been placed at the present time can be liquidated without loss to the Treasury and I say that in all major instances to the amount of possibly \$13,000,000. at any rate out of the total, they are available without loss to the public in this respect. I have taken the precaution of examining each of these items with the staff of the Treasury and have satisfied myself on that point. So that we have here a fund which has been accumulated in the past and I pay my respects to those who accumulated it. I say though that as we said in the election time that we would be prepared to use this for the employment and welfare of our people in the development of the Province and that is what we propose to do.

Now, Mr. Speaker, after having said a word or two about the financial situation of the province and of the means by which this Government proposed to finance the measures that we have placed before the House, I think perhaps I may take advantage of the opportunity to say something about what this Government has been doing since we came into office.

There are two debates, Sir, that are of general interest. One is the Throne Speech. In that the Government sets out its policy for the Session and endeavours to convince the House that it is good and to defend itself from attack on that policy. And the other is the budget debate which at least in this instance, I submit could probably be used by a person, such as myself, to lay before the House the record of the Government in the short time that it's been in office, and to give the House some idea of the direction in which we hope to go. And I'm going to do that, Sir, by a brief reference to the various departments of the administration as it is possibly a convenient method of following the argument and the train of thought. Now, I want to stress, Sir, that not all the names that I am going to mention are of equal importance. Some of them may perhaps may be thought of as trivial. Some of them are of more lasting importance to the ec-

onomy and development of the Province, so that I don't wish anyone to feel that I am trying to blow any particular action up to dimensions larger than life size. I don't think there is any need to oversell what has been done and I hope that members opposite will just take the statement of what has been done as a statement of fact and I'm not asking them to embroider it, and I'll try not to embroider it myself. What we have planned for the future is, of course, much more important than what we have done in the past.

When we came in, in the field of agriculture, we were confronted with the threat of a drought and we introduced a fodder-relief policy very similar to those which previous Governments have had in Manitoba - and we make no bones about saying that. There was an added factor which as far as I am aware was not adopted by previous Governments, and that is, that we have established as well as a fodder relief for the present time, we have established a small, and I admit it is small, fodder reserve or stockpile, because the experience has been that while many farmers may find themselves in a satisfactory feed position as far as they can tell, should the winter be particularly severe, some may be in trouble and we have established a small fodder bag to provide against that kind of thing and to see what can be done to relieve that necessity should it arise.

I would like to say that, as has already been mentioned in the House before, that we are in the process of consolidating all the water control and conservation Acts of the present Statute book. It is our intention and we are well advanced, and we think we have the man that's going to do the job set up our Provincial Water Conservation and Control Board which we feel is badly needed in Manitoba. Not in any way to undercut local interest or initiative because I want to assure the House that no one is stronger for that than we are, but merely to help that local initiative by giving it the tools that it needs and local initiative needs more than enthusiasm. It needs engineering advice and in some cases financial and organizational assistance as well. And our new arrangements will provide for that kind of thing.

We have taken measures to make sure that the interests of this province are protected in the proposed Missouri River diversion scheme that was previously mentioned by one of the members. We have sent our representatives to take part with the International Joint Commission to see to it that Manitoba's interests are established, in the first place. What are they? What will this scheme do for the province of Manitoba? What will be the value of it to this province, and are we getting a fair share in comparison to the contributions that we may be called upon to make. I must say, Sir, and issue a warning that this is a long and lengthy program, and that no one expects the Missouri waters to come flowing down here in the future, but we are certainly right in on the ground floor. We want to make sure, for example, that we don't add to the trouble of drainage on the Red River which is a possibility in this connection, without being fully appraised of the situation. And also we want to know what advantage it will bring to the water-short areas of southern Manitoba. We're on the job!

We are conducting, as well, Sir, a current survey of water supply in southern Manitoba. We have had an investigation made of all the water-short areas. Our engineers have been out, and they have brought back their reports of immediate and critical situations; some of them have been mentioned in this House and we are going to do our very best to see that those are met by the recommendations which our experts are bringing to us, recommendations which we feel we can do and take some part in and carry on.

One of the first documents placed on my desk when I assumed office was the report of the Lakes Winnipeg and Manitoba Board, and that has been mentioned in this House. It was apparent, Sir, that as I had stated in the House previously and in spite of the opinion of some, there was no cost-benefit study in that report. Now it is perfectly true that there were financial calculations and perhaps that has misled some, and one can understand that. But I find that as far as the Government at Ottawa is concerned, there is no cost benefit study in that report and they produced good reason showing me what particular items of cost need to be investigated further before one can come to an accurate conclusion on that particular report. I say that that report and the terms of reference were entered into on July 5th of 1956. If you will examine paragraph six of the terms of reference you will see that a cost benefit study is specifically included. Now we wiggled, we tried to wiggle around that as hard as we could and say look there are some financial facts, surely there is enough to go ahead on -- and I for one feel there are -- but we were told "No". So without delay, in the same month, in fact about a week after the report hit my desk and after I had a chance to read it, we set up our own cost benefit study on that matter with the concurrence of the federal authorities. We expect that cost benefit study to be ready very soon indeed. And I want to say to the House that while I cannot give a firm statement as to when we will commence work because we need to negotiate with Ottawa, because I have warned them three times, we expect them to help us pay for it. I want to say that from the information available at the present we consider that dam to be a splendid thing and it is our intention to proceed with it one way or another. So I serve notice on the House, Sir, that they will sometime in the near future be called upon to provide funds for the Fairford Dam. Whether we will have to pay for all of it ourselves or not remains to be seen. I have been given what I feel to be reasonable assurances that the Dominion Government will share that cost with us, but they will not commence negotiations until a proper cost benefit study has been prepared. That will be ready very shortly indeed.

I merely bring this up because I want the House to know that to the limit of our ability we have been taking prompt action on these problems. I don't blame members opposite if they bring in resolutions on matters like this. It's their duty to do so. It certainly elucidates the matter and places the subject before the public. But I merely want to say that we, in this as in the other resolutions that have been before the House some of which I shall perhaps refer to by way of, en passant, as they say in French, as I speak, they will find that we have not been inactive

in these matters.

I will say nothing about Agricultural credit, we've done that. Our Agriculture Research Council is being developed. It will probably form part of our Manitoba Research Council and I want to say that legislation will be produced here the next time we meet to give effect to that particular form of activity. Agriculture also has been, the department of Agriculture has been very concerned about the research work and other activities going on at the university. We have asked the authorities there to give us a five-year plan for the development of the agricultural faculty among others at that university. We are expecting to present rather a large Bill to the next session of the legislature for the construction of buildings and facilities particularly in connection with livestock. There are other requirements there but there is a very large development of livestock contemplated for the faculty of Agriculture at the University of Manitoba. We began that as soon as we assumed office. However, the plans were not ready and we are waiting to hear what they are but I assure you that there is a very close liaison building up even closer than before, because I must admit and I am sure my honourable friends opposite would wish me to say, that there has been a good liaison between the department and the university, but we hope to make it even more effective.

I can also say Sir, that the department is going through the throws of a reform in many other ways. We will be adding to that department an extensive addition, in conservation, in farm management and extension services, in the provision of agricultural statistics. Someone was saying the other day we should do something about marketing problems and indeed we intend to do so. But one of the basic tools you require in investigations of that sort are statistics. Statistics are not broken down on a Manitoba basis and we have had the strongest recommendations that we should take action in that respect, and we are going to improve our statistical services in that department.

Now, Sir, this is by no means an exhaustive statement, but I must not linger too long in any one place.

I'm not going to say much about Public Works because we have had a very full debate on that point during the last few days. I merely wish to say that in spite of our inability to convince our friends opposite that we are making any changes, I want to assure them that we are. That does not mean to say that we're going to scrap the highway system that we have now; that does not mean to say that we are not going to carry on rebuilding the highway system that we have now. Nothing of the kind. We're going to continue to develop it. But we have, Sir, we have stepped up the specifications and roads that were at a gravel and asphalt specification which proved unsatisfactory, will have that gravel and asphalt specification improved. It doesn't mean that they'll all be concrete - as that rather merry-go-round of a debate seemed to indicate last night - but merely that we are spending more money per mile of road of the various types of roads that we build - and we build three or four types as everybody knows, to try and get a road that will be satisfactory in the Province of Manitoba. The Minister said something about his planning and

all that kind of thing. I'm not going to repeat that.

The house will know that we decided to increase the assistance to the Disraeli Overpass by offering to pay half the costs of the approaches as well as the full cost of the bridge. That was an ad hoc decision, made for that one instance. But I want to assure other municipalities that we will be producing before this House in due course, a standard policy for assistance to municipalities in the building of bridges and in other arterial roads and streets that municipalities have that will be a fairer sharing of the burden of building those roads as between the Provincial Government and the municipality. Those things will be coming.

If I were to pass on to the department of Mines and Natural Resources, I would say that one of the things that has distressed us greatly, and it has distressed honourable gentlemen opposite, is the depressed rural that we have in south-eastern Manitoba. When we came into office we found that an inter-departmental committee had been set up and that this committee had made a report. They had reported to the government on February 13th, 1958. However when we came to take over the responsibilities of office we could find no evidence that any action had been taken on that report. Now, I'm not critical of that, because we had a session and a general election in between, and ministers on the other side were undoubtedly very busy. But I would like to tell the House that we have not let the matter slide. The Minister has been down personally to have a look at some of these things. We have reactivated the departmental committee and we are determined to get some effective action for the people of that area. Down there we have the most profitable potential forest in the entire province. A forest whose production of wealth can be increased eight times what it is today, if it is properly and efficiently operated. It is not being properly and efficiently operated today. To do that means that a good deal of co-ordination will have to be done. Because there are people in that area who have made their livings cutting down that forest, and if new forest management measures are brought in provision must be made to assist them in obtaining a livelihood some way or another. For this current winter we will be producing plans to employ a good many people, several hundred, in the management of that forest. And they will be put to work. Roads and fire protection facilities will be provided in that forest so that we will minimize the terrible tragedies of fires that have taken place in that area in the last little time. We are determined to introduce, as far as a government can, specialized crops into that area, of the sort that have been mentioned by some members. We see the possibilities of a community pasture in that area, which we are looking into now.

All these things are practical measures to develop that part of Manitoba, for the benefit of it's people. If we have a little time we're going to produce the goods on it. And I ask members opposite to give us, to have a little patience, to enable us to do that kind of thing. By the time we meet again I hope to be able to report substantial progress to you in the development of that area in south-eastern Manitoba.

There are other measures that we have in mind for that area but I'll not dwell on them any further. There is another industry in the same department which is causing us equal concern and that is the conditions in the fishing industry on the great lakes of this province. For many years this has been a sore point. We have had special select committees of this legislature. Reports have been made; some action has been taken; and I'm not one to sell that short. Other things we believe can be done. The Minister himself, made a tour of some of the important fishing stations to try and get in contact with the people concerned, and to find at first hand what they had to say. And some of them were rather pleased to see him because they had never seen a minister in charge of their particular industry before, and we are looking in, (some of them have, some of them haven't because that is what they told him) and we are going to see what can be done in that respect. Whether it will be development of co-operative action among the fishermen, such as the University at St. Francois Xavier promoted in Nova Scotia so successfully among the deep sea fishermen or not, we cannot say.

We realize that government itself, can only set the stage; provide certain facilities; and that it is the people that really must do the job. That is something that we try not to forget. But we are also going to try and see what we can properly do in this respect for these people. We know of a few things we can do. We know that we can improve the quality and the quantity - and there is very little of it - of research into their problems. Why have the fish moved out of certain areas? Is the pollution that we recognize from the Manitoba pulp and paper mills killing the fish at the mouth of that river? Are the regulations that the government now prescribe sensible, or are they merely something that's been built up by "Guess and by God" over the years, as they say. These are the things that we intend to look into. We're going to increase the amount of research into the fishing industry.

We are going to study marketing methods - the study has already commenced. The minister has not only talked to the fishermen, he's talked to some of the fish companies.

We are studying the question of access roads because in many places there is no reasonable transportation for the fisherman to get his fish to market except in ways that are under the control of certain individuals and organizations. Is that right? What should we do about it? Are there enough roads to the fishing stations on the west side of Lake Winnipeg and also on other parts of that lake? These considerations are well advanced. And I am hopeful that when we meet again, I will be able to present a further report that demonstrates that we have made some real progress in this matter.

Also under the same Minister and closely allied with the Minister of Agriculture, is the question of water resources. The previous administration passed an Act providing for the establishment of such organizations such as the lower Red River Valley Water Commission. When we came into office, we found that in progress. We named the commission and established it and set it up. They have since come to us asking for engineering assist-

ance, as we expected they would, in helping them develop their ideas for that area in the lower Red River Valley, which is so seriously short of water these days. We are making all the facilities of the government fully available to those people. I believe they are having a meeting very soon to discuss progress; if they have, perhaps it was last night, I'm not sure, and one of our department representatives will be there. Here again, is reasonable co-operation, I think, between the government and the people concerned. We are not claiming any credit for having set up the Act that makes this possible because we weren't in power to do so. Our friends opposite must take credit for that. We merely say that we are getting on with the job in that respect in an effective way.

The Game and Fish branch is one which we feel requires some consideration. We are arranging for Dr. Ira Gabrielson - I think he was Director of the United States Wild Life Service who has made a survey of game and fish administration of laws and procedure in the State of North Dakota, and in one of the provinces of Canada, Newfoundland. And we are asking him to come here and to advise us on our game management to see whether there is any way in which it can be improved.

And coming into the same general picture on the industry and commerce side of the equation, there are many measures which are in hand. We are concerned, Sir, with the development of Northern Manitoba. It was in our platform. We are trying to carry it out. We have the road building policy of the \$15,000,000 which was referred to in previous debates. We don't take any credit at all for that particular measure because it was announced before we came into office by the Federal Government, and I believe our predecessors agreed to go along with them. We don't take any credit for that. We're going to do what they would have done in those instances. We're going a little further, Sir, we are locating these fishery access roads that I mentioned a little while ago which we hope to include under these schemes with Ottawa. And we are going a little further with our forest protection roads, particularly forest fire protection roads, in the main forests of the province. We are re-locating the main northern road that was scheduled to come out at Pine Dock where there's a ferry of some few miles across Lake Winnipeg. It seemed to us that this was a poor terminus for a road - considering the trouble we have with some other ferries, and, anyway, we find that the location along the lake shore is not very practical so that road is being located in another place. But it will serve the same purpose to open up a very large tourist area in terms of the lakes along the eastern side of Manitoba. And also to help in our forest management and in our fishery development on the smaller lakes of north-eastern Manitoba. And "small" is surely a comparative term because they are very, very large compared to some other bodies of water.

We are taking action, Sir, on the whole question of northern transportation. Members will have read the Northern Report prepared by the Arthur D. Little Company. A report which was inaugurated by my honourable friend, the member for Flin Flon, and we have taken a good many steps already in putting that report into action.

One of the most important things is to get a freight rate on the Hudson Bay Railway that will promote the development and exploration of that country. We have, for example, at Sipiweesk and Kelsey, and in that general territory, the makings of a fine pulp and paper mill territory. The power is there, we just provided it a few days ago, or made the decision to provide it a few days ago. The railway is there but a study of the rates discloses that the single biggest handicap, in our opinion to the exploitation of that forest, are the freight rates. We are doing our best to overcome that particular handicap. We are consulting now with the railways concerned and will report the progress which we have made upon it, in the near future.

The Department of Industry and Commerce is also engaged in the expansion of our tourist industry. We are making an inventory of all the tourist resort sites in Manitoba. When that inventory is made, we will then proceed with a plan and a priority for the development of those sites, either by the provision of roads into them, which is the major factor in many cases, or whatever measures are considered advisable in order to promote that tourist industry.

We are inventorying our assets; we are linking them to our resources, and we are developing a priority by which those assets may become.. may be placed in the earning capacity.

When this industrial development bill receives the Royal Assent, we will assist localities in Manitoba in the establishment of their local industrial development corporation. Active measures will be taken to promote those by the department. The city of Brandon, I am pleased to observe, has already taken steps on their own initiative. And we look forward to co-operating with them in the development of that particular form of local activity. We hope that will go on all over Manitoba.

I referred to the Manitoba Research Council in connection with agriculture, and, as I say, legislation will be here next time to put that into action.

During the winter - during the present period - we will be proceeding with a program of tourist campsite developments along the main highways as a winter work project in co-operation with the Federal government. Similar to the scheme that I think was in effect last year. The scheme, however, now takes in not only the Trans Canada but all the major highways that we care to make recommendations on, and, while I'm subject to correction, I think it is an expansion over the previous program. But in the Department of Industry and Commerce, we have another plan that we are developing which we hope will be open for discussion the next time we meet. And, that is, we hope to co-ordinate in a way that is not done so far, our activities for the development of the natural resources of this province.

There are many problems in connection with northern development in particular, and with industrial development as well in the southern part of the province. Some of them are financial; some of them are economic; some of them are matters of transportation; some of them are the matters of market; some of them are the matters of negotiation and interest in connection with outside capital; some of them are in connection with the development of

MR. ROBLIN (Continued):

local initiative and interest. And we have it in mind to establish a separate authority which would have the responsibility of co-ordinating all these various aspects and developing the northern policies on which we have decided.

I don't think it is necessary to say much in the field of education because the bill that this House has unanimously passed is generally reckoned to be a very considerable advance. And, I believe it to be. And I trust that with the same co-operation that we received when the bill was in the House, receive the same co-operation outside the House, that we can put this bill into use.

I know that some honourable members have reservations about certain parts of the bill - that's only to be expected - and I'm not making any complaint about it at all. But now that the bill is here, I hope that we will get together and make this work and put it to the use of the people of the province.

We have a Royal Commission report or, shall I say a special study, I'm not quite sure of it's correct description, in connection with physical fitness. That also was a matter that was initiated by our predecessors. We have not yet decided how we can implement that report. Much of it ties in with the question of curriculum which is still open. Perhaps it would not be wise to proceed too quickly with that until we know what the recommendations of the Royal Commission on education are in respect to curriculum. However, there are certain aspects of it that have nothing to do with the schools, that are really community problems. And with those we feel we can proceed and decide what course we shall follow.

As I intimated when I was talking about agriculture, we are also concerned with the development of the University of Manitoba. We have asked the authorities of the University to give us a five-year plan, particularly in respect of their projective capital requirements for that University. We feel that when the new school bill comes into effect, there is an excellent chance of doubling, of doubling the high school population, we feel that many more of our young people will want to take advantage of a university education. And we want to be ready to have those facilities available to them. So we are making a study of these requirements. We have asked the authorities at the university to give us a future projection of their needs and we shall, in due course, be asking this House to provide the 'wherewithal' to make those things possible.

Now, Sir, in connection with the department of the Attorney-General, there are certain things that we have done. We have increased the accommodation at Headingley by the provision of a minimum security addition which we trust will be complete in December. That will accommodate 100 more inmates. We're the first to admit that building a bigger prison doesn't solve anything very much. Building a bigger prison doesn't do anybody very much good and it's a little bit trying to the taxpayer. But faced with an immediate situation of a desperate overcrowding there with a clear warning from the head of the jail that we could expect an 'explosion' if something was not done (and that was the warning that he gave us) we decided that we would be

MR. ROBLIN (Continued)

remiss if we did not take action on that matter. And that we have done.

In connection with the Manitoba Home for Girls, we are abandoning the residence at Dynevor, as I think the House knows. Arrangements have been made to accommodate most of the girls at the Home of the Good Shepherd until the new school is ready. There are a few termed 'incorrigibles' I'm afraid that get purely custodial care and are not in the Home of the Good Shepherd. Final plans for the new girls' residence will be ready very shortly and we expect to call the tenders in January so that we may proceed. But, in the meanwhile, we feel that these girls are very adequately taken care of where they are now, and I think it would be unbecoming of me if I did not express the appreciation of the government to those who made that accommodation possible. It was a very public spirited and kindly gesture towards those girls and one which we have not overlooked.

I would like to tell the House that some constructive measures are on foot in this department. Very shortly now we will complete our plans for an expanded probation service in the province of Manitoba. We have always felt that we could make better use of probation officers, particularly for first offenders and juveniles. We don't minimize the problem nor do we maintain that probation officers in themselves are the solution to our delinquency or other problems, because they are not. But we are convinced that experience elsewhere is worth copying and that we can restore, at a reduction of cost to the taxpayer, incidentally, some of these convicted people to a regular life. Some, of course, we can not help in that way.

We also have under study as to what we will do with six-months-and-under prisoners. Right now we face the problem of putting them in the jail at Headingley or wherever, and people say, well they're only here for a short period, you can't train them; and there is some logic to that argument; or the conditions are such there that there is no segregation; no facilities for training, and all that kind of thing. And we are in the process of developing plans to provide an alternative form of detention for those people that we think will help them get back on the 'rails' better than the present system does.

You will know from reading the paper that the Federal government has decided to adopt the Fauteux Report and we have offered our full and complete co-operation with them in that deal. We feel that this opens up a new era of prison management and of prison reform in Canada. It will certainly reduce our responsibilities considerably and I think allow us to give more attention to those prisoners which do come within our charge.

Now, Sir, I must say that the problems of juvenile delinquency are still with us. A committee has given us a, I believe, a preliminary report on what we should do. We are considering that and we will have to see what measures can be devised to help in this problem.

The honourable the member for Ethelbert, I know, will agree with me when I say that this is a matter that will not solve itself, and will require the best efforts that we can give it. And we are conscious of the strength of the argument that the

MR. ROBLIN (Continued)

home is the place where these measures commence. But if the home fails, then the onus I'm afraid seems to fall on us.

We have been very active in the Department of Health and Public Welfare. One of the first things we did was increase the age at which free polio shots were given - from 20 to 40. I should like to explain why that measure was taken. I've been informed and I presume it is correct, that a proposal to do this was not considered advisable by the previous administration. But when we considered that Manitoba was the centre of polio incidents in North America; that adults from 20 to 40 were among those most seriously affected by it; that the cost to the treasury was relatively small; that we seemed to be facing a polio epidemic, that this would be a splendid means of protecting against it, in more ways than one. Because it would give that impetus of publicity in a sense and make facilities available that perhaps were ignored by the population before. I suppose most people could afford to pay for it. We considered it wise to put it on the list of free biologics along with many other free biologics. Because if by that way we could persuade people to take advantage of this service and eliminate the incidents or the severity of polio, the costs to us would be returned many times over in the maintenance of those polio patients that would not otherwise be saved. To say nothing, whatsoever, of the human values involved. So while people can afford to pay for smallpox vaccinations, I suppose, other things on the list of free biologics, we thought it sensible from a humane and from a financial point of view both to make that change of policy. I mustn't dwell on it too long because in itself it is a minor thing. But I am able to say that some other steps have been taken in this general field. We have arranged for an extra class of x-ray technicians to be graduated this year or to commence this year to meet the increasing demand for x-ray technicians at our health units. One of the biggest problems we face in this department is the question of trained staff. We are trying to help ourselves by this sort of 'in training' procedure.

From the 30th of June last, no more liens are placed against patients in our mental institutions. That has been abolished. There are many future plans in this department. We are hoping to enlarge existing health units and add to the health units that we have in the province. This, of course, is tied to the question of personnel and we are busy providing the personnel so that we can undertake this expansion. We will be expecting to ask you for more money for building at Portage La Prairie and at Selkirk. We are increasing the facilities for the training of practical nurses by 50%. Three classes this year instead of two. We are negotiating with Ottawa to place 97 of the beds in the Manitoba Sanitarium at Ninette under the Manitoba Hospital Service Plan, to take care of those chronic cases which need custodial nursing and that sort of thing. We are negotiating with Ottawa to extend the out-patient department services, that are not provided now under the hospital service plan, especially for minor surgical procedures. What happens now is that out-patients normally are not under the plan. So if anyone goes in for minor surgery, they go into a bed and stay there for a day or so; at a very high cost compared to the out-patient service.

MR. ROBLIN (Continued).

We think it good economics and good from a medical point of view to try and provide that out-patient service as part of the plan, and we are doing our best to see that that is brought about.

We are going to establish, approval has been given, for the establishment of a full time placement office whose job it will be to get those chronic cases that are now - I shouldn't use the word 'clutter' because we are dealing with human beings - but who are occupying beds in the active hospital at a very high rate - \$20.00, and more in some. We are setting up a placement department to help those people get out of those active beds and into beds where they can receive the kind of care that they require at a smaller cost to us, and also to make more beds available in our active hospitals.

We have extended the polio home care program to get polio patients who have been in the hospital for a number of years out of the hospital and back home. We've made additional grants to make that kind of thing possible.

We are following up the efforts of the previous Minister of Health to enlarge the disability allowance program. I don't know whether we will be any more successful than he was, but we have done one or two things to cut down the time lag by eliminating the municipal link in that. We found on study that the municipalities simply were acting as a post office forwarding the claims to us; we have agreed to take that link out of the chain. And we are working very hard to get a change in the disability allowances made. I merely say that as a progress report because no one knows whether we will be successful or not.

When we came in, we found a very distressing backlog of cases in the adoption service. We've hired another lawyer to help us clear this up so that we can get these children into the homes of the married people that want to take them in. And, incidentally, we expect to be bringing in legislation to revise the adoption law to make it more workable than it is at the present time. But the main things in this department, Sir, hinge around the hospital plan. We are conscious that we will not be able to operate this plan efficiently at the least possible cost unless we provide convalescent accommodation; convalescent accommodation that will provide for the older people, for example, that are chronic cases or that need bed care. Some of them also can get along with less care than that. They can be given that accommodation in a convalescent hospital. People who are recovering from serious illnesses or accidents can be placed in institutions of that sort and given the kind of care they need at a much lower cost than we are paying today in our active bed hospitals. The medical people tell us we are 20 years behind the time in our hospital development program here, and we're going to try and catch up a little on it.

We also are making plans, Sir, for the establishment of a rehabilitation hospital that will be used by those who need physical therapy, and attention of that sort. It will be particularly valuable for Workmen's Compensation cases, so that these men may be brought back to full self-supporting standards. Our advisors in the technical field, tell us that there is a need for a specialized hospital of that sort. We intend to bring measures

MR. ROBLIN (Continued)

to provide for it next time we meet. A school of physical therapy can be established with that, and that is under investigation at the present time as well.

Today the Minister is meeting in a room across the hall, to consider the problems of the aged, and the pensioners, that were discussed here the other day. He will be meeting again next week with other people to consider these other problems that we have here; because we are not anxious to proceed by a hit-and-miss program, that is ill-considered or unco-ordinated; our intention is to form a master plan for these things so that we can proceed in a logical and efficient manner; so that the most important things can be done first, because the House will recognize, as we do, that these things can only be done in stages. But we intend to know where we are going and how we are going to do it. And active study has been given to those things since we came in and we will have concrete proposals to place before you when next we meet. Mother's Allowances will also be thoroughly reformed if we have our way with the Federal Government. We have already as part of the report on Northern Manitoba, taken steps to reinforce the health services in that area, because in the growth of these new towns and settlements, we find that to be very badly needed. They are not under regular municipal organization in many cases and require that kind of attention from us.

The Department of Labour, Sir, has its winter employment bill. I think we are entitled to some small credit for having taken the initiative in Canada in the bringing in of a bill of that sort, and we hope that it will prove effective and useful to the men who need that kind of help. We have held meetings with trade unions and with management on the lay-off situation in Transcona. Because while we believe that the ultimate future of that town is bright, and that there will continue to be for many years, a large and modern plant of the railways there, we do face the fact that some men who are unemployed from time to time, by reason of age; by reason of their trade; by reason of their establishment in that locality, are in a difficult situation when it comes to finding alternative employment. It may be that our results, that our efforts, may be small, but at least we are going to make an effort to do what we can.

Minimum wage, enforcement of the Fair Wage Act, changes in the Vacation With Pay Act, may all be anticipated. We received the other day, as you know, a Royal Commission on the Workmen's Compensation Act, and I visualize sweeping reform in the legislation covering that matter when next we meet again.

In the Department of the Municipal Minister we have taken steps to establish a local government district at Churchill as recommended in the Northern Report. We are reviewing the financial position of all the local government districts, and I believe that we may be able to prudently and fairly authorize a reduction in taxation on account of the large reserves that have been brought to our notice by the Comptroller-General. We are hoping to help municipalities with their auditing problems and a study is under way in that respect.

And there will be a reform of the Municipal and Public Utility Board legislation brought before this House when next we meet. In the Department of Public Utilities we are negotiating

new northern power rates with some communities that have exceedingly high rates. We have authorized the expansion of the plant at Kelsey, as the House already knows, and we are entering into negotiations for the expansion of our northern power network. That in part, at least, fulfills the views of this party, that communication and power were among the chief requirements of northern development, and we are going to do something to see that those requirements are met.

I would also like to say that while this is a very small thing indeed - we took action at once to install an auxiliary power unit in the polio hospital here after we had the unfortunate break in the power supply.

I'm not going to say too much about TV development, -there's a debate on that in progress - merely to say that the technical aspects of the matter still have not been resolved by those who entered into a contract with the Government to do so, and we are doing what we can to help them get on with it, and waiting anxiously for some concrete results.

We are studying the provision of appeal machinery for the Motor Vehicle Board. Right now, as the House knows, there is no appeal from their decision, and if I have given the Board its correct title, I'm referring to the one that has to do with licensing and that sort of matter, as far as drivers are concerned. But we are considering the matter of providing some appeal from that. Let me say, so that I should not be misunderstood, that that is an excellent board, well run, and a credit to the Minister and the Government who set it in motion, and a credit to the people who are in it now. But it seems advisable that there should perhaps be some recourse from any decision that it lays down.

The Provincial Secretary has provided us with Hansard - of which there are mixed opinion. We have brought in the 40-hour week for certain employees in the institutions which did not have it before. We have undertaken to introduce a group insurance plan for the Civil Service as a whole, by the time the next estimates roll around. And as I intimated in the House before, we are making a complete review of the pension situation for our civil servants. Certain pensioners that are cases of hardship have already been dealt with. We are looking at all the others. When those facts are available before us, and when we have the price tag that goes along with it, we'll be in a position to tell the House what we should recommend in that case.

I'm going to conclude my remarks, Sir, by saying a word or two about the department which I am responsible for - and that is the Treasury. I can report that shortly after we assumed office, we were able to make arrangements for the disposal of the race-track bond, which had been purchased on election day. They are no longer in the provincial portfolio; they have been placed in private hands, and our money is back in our hands and we're using it for other purposes.

The Treasury Board or the Provincial Treasurer, according to the statute, reduced the support rate on municipal bond issues from $5\frac{3}{4}\%$ to $5\frac{1}{2}\%$. The same holds true for the school debentures. I have no calculation to show what that meant to the School Board

MR. ROBLIN (Continued)

but I can give you these figures as to the meaning of one-quarter of one percent to the municipalities since that came into force. Carman, \$13,500, saving of interest; Assiniboia, \$9,100.00; Carberry, \$5,400.00; Swan River, \$6,000.00; Flin Flon, \$5,100.00; Charleswood, \$7,900.00; Fort Garry, \$3,000.00; Brandon, \$7,900.00; Russell, \$900.00; Morden, \$2,100.00 - Total, \$60,900.00. So that move was beneficial to the municipalities that were affected by it.

Well, Sir, if I may say just a word about the Treasury Board, to give you a sort of - to give you an idea of the kind of thing in which they are engaged. One of their purposes, of course, is to study the financial and administrative operation of the government, to see how we can improve things--what the effect of new policies would be and all that kind of thing. And it seemed to us advisable to co-ordinate and set up a body that could undertake these investigations for us. I have a list of some 35 that they are looking into now--such things as the effect of the Manitoba Hospital Plan on provincial expenditures and revenue; comparative bond yields, and average purchase prices; comparative provincial tax studies; five-year forecasts of expenditure and revenue to be renewed; significance of population estimates on federal-provincial tax agreement -- all the sort of things that will be familiar to members and Ministers opposite, because that's the kind of thing that they have been dealing with in days gone by. A few new projects - crop benefit financing factors re highways, bridges, roads; the elaboration of the utility concept; preparation in Manitoba's case for assistance re Red River Valley flood controls, and Lake Winnipeg and Manitoba flood controls; typewriter service contracts analysis; study of gasoline and motor fuel power tax on a general tax versus road user tax concept; diesel fuel tax collections; gasoline and motor fuel tax overhaul; 5-year forecast of expenditures of utilities; study of the depreciation reserves; study of municipal debt guarantees versus interest guarantees only - there's a significant effect on the claim on the Consolidated Fund under some of these, we think - submissions to the Borden Commission on energy; organization and method studies; space, equipment and furnishing for offices; government owned cars; travel regulations; pay as...regulations and fringe benefit studies; establishment in number of employees in each department; study of government and utility self-insurance and insurance plans generally; study of electronic accounting and computing possibilities throughout the service; possibility of using stenographic pools; study of broadening the Civil Service Superannuation Plan - and so on and so on, and so on. All studies which bear on the efficiency of the administration. We feel that potentially this Board can, by means of its suggestions, effect material savings in the operations and in the efficiency of the administration, and we intend to carry through with it to see how best we can improve what is generally admitted to be a pretty efficient organization anyway, - I certainly would not wish any other meaning to be taken from my words - but there is nothing that cannot be improved, and we're going to see if we can't make some additions here.

Mr. Speaker, I've spoken for quite a long time and I'm sorry if I've outworn my welcome with the House, but in view of the fact that we didn't have the usual general discussions this year

MR. ROBLIN (Continued)

on departmental estimates, I thought it would be fitting for me to give the House some idea of what we had been up to.

Now in summing it up, I think that I could conclude fairly, in this way, that since we have taken office, we have been active in those immediate problems which presented themselves to us. I don't claim, and please understand this, I don't claim that in those four or five months we have turned the world upside down, or made any radical reform of anything that we have put our hand to in the Province. Common sense tells us that is something that cannot be done within that short period, even if it were possible on other grounds. But it does indicate that we have been active in tackling our problems; it does indicate that we have taken action already on the motions and resolutions that members opposite have placed before us, so that we are just as cognizant as they are of the problems which they seek to bring to the attention of this House. And I have sketched in some general way the projects we have in hand, and the proposals that we intend to bring down into the next House, in order to give some indication of the fact that we have not been content merely to do the day to day job, but insofar as time and ability permits, we have tried to come to grips, at least in an initial way, with those larger problems which affect the development and welfare of our Province.

And if we continue to work hard, and if we are as successful as we hope we may be, we have good expectations of bringing into this House, next time we meet, measures that will be progressive; measures that will be within our power to pay for - because we are carefully looking at that aspect of it I do assure you - and measures which will generally commend themselves to this House and to the people of the Province as being good for Manitoba.

MR. D.L. CAMPBELL (Leader of the Opposition): Mr. Speaker, I move, seconded by the Honourable the member for Portage la Prairie, that the debate be adjourned.

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

(continued on next page)

MR. SPEAKER: Adjourned debate on the proposed resolution, the honourable member for Ste. Rose. The honourable member for Brandon.

MR. LISSAMAN: Mr. Speaker, I believe we have heard the First Minister this morning make reference to this resolution and I think that he has covered the main points which are of concern, far better than I would be able to do. However, I think since I am going to move an amendment to this resolution, that I will, at least, cover in a brief fashion the things that I originally intended to cover. Now, certainly when one reads the resolution, they leave one with a misleading impression. And I would not want the House to draw the same conclusion as I have drawn. Also, I certainly want to leave no impression with the House of casting any reflections upon the member who proposed this resolution. Nevertheless, I feel that he did make a mistake in that he confused what might be termed a financial aspect study with a true cost benefit survey. Now, in some ways it is a little difficult to understand how he made this error, because paragraph six of the report definitely precluded such a study being made by the Lakes Board. The concluding sentence of the paragraph says, "a survey and report shall be limited to the matters mentioned above and shall not contain cost benefit estimates." Now, Mr. Speaker, the honourable member quoted certain financial aspects which were referred to in the report, such as the \$1,480,000.00 excavation and the \$120,000.00 control dam on the Fairford River as being a cost of \$1,600,000.00 and showing that during the three years, '54 to '56, the losses, property damage, and so on, approximated the same figure. Now, from this, quite obviously, he has concluded, but nevertheless, erroneously, that the project seems to provide a favourable cost benefit ratio. Now, all members must realize that in a study such as the Lakes Board made of the situation, there certainly must be some estimate of the damages incurred and some estimate of the proposed cures that might be contemplated, and these then must be weighed in the balance and simply used as the basis for a true cost study. This the Lakes Board did. The honourable member mistakenly has assumed this rather preliminary study of the financial situation constituted a true cost benefit estimate of the situation. Now, this is rather like, (I might draw a little aside from this) it's like basing your cost benefit figures on the proposal that your wife might buy a \$5.95 hat. Now, to certain unmarried people, they might think, well here's the cost of \$5.95 and the benefits may be certainly some improved appearances. But when you start to analyze the situation, you will find that probably when the hat comes home, the colours don't suit anything that are available at the time the lady has to wear - you end up with buying a whole new outfit and you can see that as your study progresses, the original figures seem to grow and take on a new aspect. And this is what may occur in this situation. Because a cost benefit study must be very searching, far more searching than the Lakes Board study was. On the cost side, detailed consideration must

be given to the capital cost of the original structures, the work involved, the interest on the investment of that money, then the depreciation of that project over a given term of years, the operation and maintenance costs over the years, and various other related items. On the benefit side, I think it is only fair that we must also study the annual cost arrived at over the period of years for which you have records. Now, it's true that the years '54 to '56 show a very heavy loss, but I understand that records have been kept since 1914 and we must go back then and see how frequently these periods of high water which caused damage recurred during that time. It's interesting to note that since 1914 there were two considerably high levels of water recorded. During 1922 to '25 there was a peak in the neighbourhood of 814 feet and then again, in 1954-56 the peak reached 816 feet. We see there we have two peaks in 44 years, which would naturally give you a much lower loss ratio than taking the figures of the immediately past three years or so. It is interesting to note that, during that same period, there were two periods of relatively low water, 1932 to '33, and again in 1940 to '45, at which time the water dropped to approximately the same level in each case, 810½ feet. So, from even this very superficial explanation, Mr. Speaker, one can see that a searching cost benefit study must consider and evaluate many complicated and interwoven elements before a true assessment of all that is involved can be obtained. It seems to me, Mr. Speaker, if my memory serves me correctly, that during the last session of the 24th legislature, the present First Minister, then the Leader of the Opposition, pointed to the fact that such a study, a cost benefit study, should have been included in the original terms of reference given the Lake Board and pointed out that delays might result, due to the lack of such a cost benefit provision in the terms of reference. However, as the Honourable First Minister has pointed out, since taking office this government has lost little or no time in taking action. Such a cost benefit study was ordered directly it was found that Ottawa considered the facts, quite rightly I believe, given in this report, as insufficient and conclusive evidence that the project should be proceeded with without a further study and the government ordered such a study upon receiving that information. So it must be realized, Mr. Speaker, that any delay which may have occurred, certainly can not be laid at the door of the present government. Now, as the Honourable the First Minister has informed us, this study is well under way and should be available within a very short space of time. In view of all this, Mr. Speaker, and because I believe, in the light of this information, the resolution is misleading I would like to propose the following amendment: I beg to move, seconded by the honourable member for Rupertsland, that all the words following the first paragraph, ending "a practical project and" be deleted and the following substituted: "whereas the previous provincial government failed to include a cost benefit study in the terms of reference, and whereas the financial survey included in the report has not been accepted as a cost benefit study by the federal representatives on the Lakes Winnipeg and Manitoba Board, therefore be it resolved, that in

the opinion of this House, the Government of Manitoba should be commended for having initiated a cost benefit survey of its own, and for its announced intention to give consideration to the advisability of an early start on the Fairford River control dam project".

MR. SPEAKER: It has been moved by the honourable member for Brandon, seconded by the honourable member for Rupertsland, that all the words following the first paragraph ending, "a practical project and" be deleted and the following substituted: "Whereas the previous provincial government failed to include a cost benefit study in the terms of reference, and whereas the financial survey included in the report has not been accepted as a cost benefit study by the federal representatives on Lake Winnipeg and Manitoba Board, therefore be it resolved, that in the opinion of the House, the Government of Manitoba be commended for having instituted a cost benefit survey of its own, and for its announced intention to give consideration to the advisability of an early start on the Fairford River control dam project". Are you ready for the question?

MR. GREENLAY: Mr. Speaker, as the amendment deals particularly with the question of a cost benefit study, but is so closely related with the matter of the cost, which takes in the Fairford Dam, I would like to speak a little time with regard to the whole matter of control on Lake Manitoba, which I think is involved in the cost benefit study. Mr. Speaker, I don't know how many of the honourable members that live close to Lake Manitoba and know the fluctuations which occur there, and the situation that occurs around the Lake, and the affect that the lake has on the immediate surrounding area with regard to crops. Now, it is the general opinion in the Portage la Prairie area, and in the area surrounding the southern end of Lake Manitoba, that the fact that that body of water is located there, does materially affect the moisture conditions over a large area of the Portage Plains and therefore, it is essential, and very important, that the lake be maintained. Mr. Speaker, I think it is well that there should be some area in which it should be maintained, that is an upper level and a lower level, possibly 813, 811 to 813 is correct, somewhere in that order. And I think that one of the things that is important, of course, is the control on the outlet from the lake. And, Mr. Speaker, I remember a few years ago, I spoke a little bit on this the other day, but I remember a few years ago when there was just a trickle of water going out to Fairford and the lake was still going down about a half an inch a day, during the summer months. Now, Mr. Speaker, it wasn't the water that was running out, it was evaporation and lack of inflow. Now, Mr. Speaker, I think that before we get into a question of cost of a dam at Fairford, and before they start to construct a new dam at Fairford, I think they should look at, and this sort of follows along the line of the reasoning of the honourable member for Brandon when he was buying that new hat and maybe had to get a new coat to go with it,

MR. GREENLAY (Continued)

or a hairdo to put the hat on, Mr. Speaker, I think that the most important thing is how are we going to get some more water into Lake Manitoba? Because I submit to you, Sir, that a control dam at the outlet on the Fairford River isn't worth the name of it if there's no water comes into the lake. I think the structure that is there, while it pretty well outlived its usefulness, and is deteriorated quite badly, unless you can get more water to come into Lake Manitoba, I assure you that any kind of a structure you put over the Fairford, isn't any good there at all. And it seems to me that if you will take this Lake Winnipeg and Manitoba Report and consider it carefully, you will go through to the latter stages of it, when they start to deal, and this is where you'll find the information, when they start to deal with the matter of the storage for power development and the use of Lake Winnipegosis, Cedar Lake and Lake Manitoba for storage purposes, for water, for power development; I think there is where the people who are considering this whole project should look.

Now I think that it is intimated at least in this report and while that may not be made up by experts completely in the power development field, and it may not be just exactly correct, it seems to be intimated in this report that for the over-all power development picture on Lake Winnipeg - between Lake Manitoba and Lake Winnipeg and in that whole area that the way that you can get the best storage and the most power development is by a channel from Cedar Lake to Lake Winnipegosis, Winnipegosis to Manitoba, Manitoba to Lake Winnipeg. And it seems to me, Mr. Speaker, that this is the essential thing that they should look at in trying to control the waters of Lake Manitoba, and before you can control them you've got to get them in there. Now, there is a reference to the diversion from the Assiniboine River but I submit, Mr. Speaker, that that again is something which is, in my opinion, is very, a very minor advantage. The only time that you will be getting water out, could be able to get water out of the Assiniboine River into Lake Manitoba you probably don't want it there and the time that you want to get water to Lake Manitoba, as at the present time, there isn't any too much water coming down the Assiniboine River and if you started to take some of it out you would really be in trouble.

Mr. Speaker, it seems to me that we have got to look, and I think this is tremendously important with regard to the large area, I wouldn't begin to say where the boundries of that area should be, surrounding Lake Manitoba. We have got to look at getting more water in and if you'll take your, if you'll take your Lake Manitoba Water Board Report and look at some of the schedules which are attached to it, you will see that if you look at the Assiniboine River run-off area it's pretty small, pretty small, Mr. Speaker, compared to the run-off area which comes down the Saskatchewan River. I think that's the thing that we have got to look to is getting water from an area alternate to the one immediately adjacent to Lake Manitoba. Certainly we have the run-off from the Riding Mountains and the Duck Mountains and so on but, Mr. Speaker, those, those are pretty close and there's a relative small area which is being drained and if you

MR. GREENLAY (continued)

don't get the moisture conditions in that particularly small area you don't get that water into Lake Manitoba. But I think, Mr. Speaker, that the important thing is and I think the Government should look at this very carefully and try and take some action, to see if this other channel can not be made because in that way you can have a source of water available which will keep Lake Winnipegosis up, which will keep Lake Manitoba up and will eventually get into Lake Winnipeg where it was going anyway.

In the report you will see they consider that probably that is the way you can get the best power development is by using all those storage facilities and Lake Winnipeg in order to produce the power on the Nelson River. Now you've got all those locations and I think that if you'll study this carefully, study the maps that go with it, the run off areas, the area of Lake Winnipeg; the area of Lake Manitoba; and the area of Lake Winnipegosis, you will see that that is the way that you can make the most use, I think is the proper term, make the most use of the water which is coming down the Saskatchewan River. And, I would urge that the Government would do everything they possibly can to have this particular point investigated, because at the present time the Lake is down, I think, about eight eleven or probably a little below that and, at the present time, I would expect that there is a very, very small amount of water going out to the Fairford River because of the level of the Lake at the present time. So that, I think, there's a lake, we can't afford to let that Lake go too low and we've got to look to a source of water which will keep it up somewhere between those two levels. Granted the project at Fairford has to be two-fold; the project has to provide for a larger outlet in times when the Lake is coming up and it also has to provide for a good sound dam which will hold it back when the lake is low. At the present time, it won't go down much lower by reason of run-off but it will go down by reason of evaporation.

Now, Mr. Speaker, I don't know that if I have very much to add to that at the present time but I do want to again stress the importance of what I consider to be the importance of maintaining the lake, not only controlling, but maintaining it and if you speak to gentlemen who have lived on the lake and paid attention to the lake over many years, and I refer particularly to Doctor Cadham, Senior, who has made what you might call a lifetime study of Lake Manitoba. He can take you to places in that lake where he says that the depth has changed something like five and six feet in the last, oh, the last fifteen, twenty years. It seems that the bottom of the lake is filling up and it's getting shallower. That's what the fishermen tell us. It seems to me, Mr. Speaker, that we have to be pretty careful and we should take some definite action to see that the lake is maintained and not, the control is all right, but I think that the first thing we've got to be sure of is that we have a lake. And, I think this besides being of agricultural value and I think it is of considerable agricultural value, to that central area, it would have a particular value as well for the fishing industry both on Lake Winnipegosis and Lake Manitoba.

MR. GREENLAY (Continued)

Now there are peculiar things happen in the fishing industry fishing .. with regard to the fish. We had, at one time, a report from a very capable biologist who said that we would never have any more pickerel fishing on Lake Manitoba. He said it's turned into a sauger lake. You won't get anything only saugers and maybe a few perch and that's all there'll be there. But whether he hadn't been in touch with the right, right authorities, right fish, or whatever it was, within two years they were getting pickerel and no sauger and he probably had reason to believe that this was going to come about in view of the evidence of the increase of saugers. But, one of the other things that I think is important with Lake Manitoba with regard to fishing is this, and this is something which I know has occurred, and I think it ties in with the maintenance of the lake at a particular level. Some few years ago you could go into the marsh adjoining the south end of Lake Manitoba, in the spring, and you would find schools, large schools all over that marsh of ..pardon? .. lots of water there, quite a bit of water there but you found the pickerel and the jack coming in there to spawn. Now, Mr. Chairman, I've argued, had an argument with biologists and they should know more than I do about it but it always seems to me that old mother nature sort of figured things out a long while before the biologists came along. And, why did they say that those fish would go in there and would spawn and that the ... would not get out. Mr. Speaker, I think the important thing again to off-set that is probably control, which will keep the water at a level where there will be access to the lake by the Now, Mr. Speaker, one of the things that has occurred in the low water years; you would find bushels and bushels of eggs of the spawn washed up on the shores of Lake Manitoba. Now, it didn't, it never turned into little fish so that it was lost completely and I don't think there could be any more lost in the marsh than what would be lost there. As I say, I think old mother nature had the thing figured out years ago and that the natural place to go was to the marsh. And I think that the thing that we need to do is have the level of the lake controlled and see that there is access to these spawning grounds for these fish and I, .. personally, I think you would find that the supply of fish would be much better in the lake. Granted in this last year for some reason, (it must be because of a particularly good, good hatching year) three or four years ago, the catch of pickerel in Lake Manitoba has been very good. But, I think what needs to be done is some control to keep it at a level where that can occur in each year. Granted there may still be disasters with regard to the hatch but you can't probably off-set them all. But, Mr. Speaker, I just wanted to bring these thoughts and these facts, I believe, to the attention of the House, and to urge that the Government while they may be looking at the control of the outlet - for goodness sake take a look at how you're going to get some more water into the lake! Because, if it stays the way it is and there's no more water comes in than what is coming at the present time for another year, that old lakes going to be awful low and there's going to be no access to the marshes. The margin will be very low. There will be nothing only mud flats and I

think that would be disastrous to, with regard to the effect of the lake on the surrounding area and with regard to the fishing. Now I don't know whether I've been in order all the time or not but I think the facts are all relevant to the matter under discussion and I wanted to bring these particular points to the attention of the House...

MR. SPEAKER: ... Ready for the question?

MR. GUTTORMSON: Moved by the honourable member for Ethelbert that the debate be adjourned.

MR. SPEAKER: It has been moved by the honourable member for St. George, seconded by the honourable member for Ethelbert Plains that the debate be adjourned. Are you ready for the question? Those in favour please say "aye". Those opposed please say "nay". In my opinion the "ayes" have it and I declare the motion carried. Adjourn

MR. ROBLIN: We haven't reached the end of the order paper this morning but we only have ten minutes to go and perhaps the gentlemen that are scheduled to speak would rather wait till after lunch rather than get well launched and then have to cut off. So, if it meets with the approval of the House, I would move, seconded by the Honourable, the Minister of Mines and Natural Resources, that the House do now adjourn and stand adjourned until 2:30 this afternoon.

MR. SPEAKER: It's been moved by the Honourable, the First Minister, seconded by the Honourable Minister of Mines and Resources that the House do now adjourn. Are you ready for the question? Those in favour please say "aye". Those opposed please say "nay". In my opinion the "ayes" have it and I declare the motion carried. I declare that the House is now adjourned and stand adjourned until 2:30 this afternoon.