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THE LEGISLATIVE ASSEMBLY OF MANITOBA

8.00 o'clock, Tuesday, July 7th, 1959.

MR. CHAIRMAN: Item 4. (a) (b).

MR. HRYHORCZUK: (b) Item No. 4, will the Honourable Minister put the members of this House on his mailing list for all those publications he mentioned just before we adjourned?

MR. WILLIS: At the usual price, yes.

MR. CHAIRMAN: Resolution 27 - passed. Resolution 27. Publications and Statistics - \$63,350.00. 5. Agricultural Development (a) Salaries (b) Supplies, Expenses, Equipment and Renewals (c)

MR. CAMPBELL: Mr. Chairman, we did combine the discussion of this vote pretty well with the extension service one, didn't we? Because it's been the custom to take them together, I think. As far as I'm concerned I wouldn't have any further questions to ask on that one unless this would be the appropriate place to ask the Minister about the grant for the Agricultural Museum at Austin. Is there -- does that grant appear in any place in the estimates?

MR. WILLIS: No, it doesn't appear. It's always been given automatically. It never appears in them.

MR. CAMPBELL: Was there one paid for last for last year?

MR. WILLIS: Pardon?

MR. CAMPBELL: Was the grant paid last year?

MR. WILLIS: Yes it was, yes.

MR. CAMPBELL: Is there any information that the Minister can give regarding the hopes of the directorate of that museum to get an annual grant from the Federal Government? I think they feel that they were promised.

MR. WILLIS: I don't know about that. I've had several discussions with them and I have asked them about that and they've always just said "Well, we expect to get it, but there's no tie down in regard to it". It's rather interesting that we in the government, although it doesn't show either. We're the biggest contributor to that organization because we bring practically all the equipment from all over Manitoba for free and if it weren't for us, of course, they couldn't operate at all. So we do our quite a fair share in regard to it. I know I've no disposition to cut off the grant.

MR. CAMPBELL: So that they can, I take it, Mr. Chairman, they can depend on it that the grant will be available -- will be paid to them this year as well.

MR. WILLIS: As far as I know, yes.

MR. SHOEMAKER: Mr. Chairman, I know that the Honourable the Minister of Agriculture does not like us to mention the Manitoba Agricultural Credit Corporation anymore, but the 98 salaries under item (1) that we're discussing here now, does that include the 10 appraisers that we heard about the other day and the 10 or so of office staff in over on Kennedy Street, and anywhere in the estimates here before us, is there an item to cover the anticipated losses of the Manitoba Agricultural Credit Corporation? Because it does seem to me that if we proceed as we have been doing in the Manitoba Agricultural Credit Act, that there will be a loss in this Department. When you calculate the salaries of the 10 appraisers or 15, whatever number there is, and the 10 office staff and the manager, that alone could run into something like \$100,000.00. And then in view of the fact that I think the Honourable Minister did say the other evening that about 50% of the loans made to date were made to young farmers. The loans are made to young farmers at 4% and certainly the government is unable to borrow money at 4%, therefore there will be a loss there. Now, that together with the administration costs could run into quite an item. Where do we discuss that or is there a figure in the estimates to take care of an anticipated deficit in this Department.

MR. WILLIS: I don't know which item we're on, but as the member has been discussing the question of losses quite fully, perhaps he would continue.

MR. CHAIRMAN: 5. (c).

MR. CAMPBELL: Mr. Chairman, where the salaries for the people who were employed by that corporation show in the estimates?

MR. WILLIS: No, there is no place.

MR. CAMPBELL: From what source are they paid, Mr. Chairman?

MR. WILLIS: Pardon?

MR. CAMPBELL: From what source are they paid?

MR. WILLIS: They're paid from a grant direct from Treasury and they advance such money as we need on request and that is the system under which we operate at the present time. It's merely a request to Treasury and the money is advanced for that purpose.

MR. MILLER: Can the Treasury absorb the difference between the 4% or 5 1/2 and the borrowing rate of the province?

MR. WILLIS: If there's a loss or a difference, they would have to absorb it, yes.

MR. STAN ROBERTS (La Verendrye): Mr. Chairman, I don't know whether I've missed something or not, but I'm not--haven't heard anyone say what the whole item No. 5 is, the Agricultural Development, the 98 salaries involved. It's not the Ag. Rep. Service.

MR. WILLIS: Yes, it is.

MR. ROBERTS: It's completely the Ag. Rep Service, is that it? This is apart from the Extension Service?

MR. WILLIS: That's right.

MR. ROBERTS: And this doesn't include the publications, or you were referring to Mr. McNair, our publicity man.

MR. WILLIS: No, it does not include that, no. It includes the Agricultural Reps. - 36; Associate Agricultural Representatives - 2; Assistant Agricultural Reps. - 8; Summer Assistance - 8; Co-ordinative for southeastern Manitoba - 1; Supervisor of Agricultural Representatives - 1; Liaison Officer - 1; Stenographers - 35; Provisional employment and general assistance - 6; a total of 98.

MR. ROBERTS: Stenographers referred to are the stenographers in the field with the Ag. Reps.?

MR. WILLIS: Yes, there's some of them work here, some of them work there, they include those yes.

MR. CHAIRMAN: (c)

MR. WILLIS: Not necessarily in the field though.

MR. MILLER: Mr. Chairman, on bursaries, I know this, that the Minister introduced legislation increasing the individual bursaries in this field. What I would like to know is whether that inter-departmental committee which was set up, a little over a year ago, consisting of representatives of the University, the affiliated colleges, the three departments of Agriculture, Education and Health and Welfare is still operating and whether there is flexibility as between those departments.

MR. WILLIS: I'm not quite sure as to what the member's referring to but we have several committees within the department which act and also we are in close liaison with the University as such in regard to all of these matters. There're also other committees but I don't know what committee the.....

MR. MILLER: This is an overall committee, Mr. Chairman, consisting as far as the Department of Agriculture goes of the person of the Deputy Minister, as far as the Department of Health and Welfare, the Deputy Minister and the Deputy Minister of Education and as well representatives of the University, the president of the University was on and representatives of the affiliated colleges. The idea behind everything was to make the old set up more flexible. In other words, where in any one department there was an overage over the applications that that could be diverted to another department.

MR. WILLIS: I thought it was a very good scheme. I haven't been in on that Committee. I'm uninformed in regard to it.

MR. MILLER: I'm quite sure if he asked his deputy he'll get the required information.

MR. WILLIS: I'll be glad to.

(Interjection)

MR. MILLER: That too might be fruitful.

MR. WILLIS: It sounds like an inner junta to me or whatever that word is.

MR. MILLER: It's controlled by the inner junta.

MR. CHAIRMAN: (c) Resolution 28. Agricultural Development - \$564,340.00. Item 6. Agricultural and Horticultural Societies - \$203,300.00.

MR. CAMPBELL: Mr. Chairman, that's a pretty substantial item I wouldn't think that the honourable the members would expect their 'pass' chanted in unison to be the only that would be spoken on it. Would the Honourable the Minister amplify to some extent the report that he gave the other day with regard to the increases? I believe the Bill is now before the House with regard to it. In particular would the Minister tell us if he has solved that question yet about whether the Winnipeg Exhibition qualified as an 'A' fair.

MR. WILLIS: I think that I have arrived at a solution after some great difficulty and I think the members of the House will have difficulty as well arriving at a solution. I'm told officially that the Red River Exhibition is or will be at the end of this Session an 'A' class fair. I'm told at the same time, though, that for the purpose of grants at the moment they're a 'B' class fair, because they haven't earned enough money -- haven't spent enough money to be in the 'A' class. But in the meantime they suffer not at all because of that and they're brought into the 'A' class. But before they can get an 'A' class rating in cash, they have to spend more money. That's their position. So that I think I was guilty of calling them 'A' class to commence with which they're on the way to being. And afterwards I called them 'B' class because that's the kind of a grant they get, but I think it's correct to say that they are or will be officially 'A' class. And the one or two - the Minister asked me - or the Leader of the Opposition asked me previously in regard to the 'C' class fairs of which there are many, and as far as the grants are concerned, I don't know whether he wants me to reel off all of them.

MR. CAMPBELL: No, that's not necessary.

MR. WILLIS: ...or not but actually there are technically, there are just two 'A' class fairs and there are four 'B' class fairs and there are 65 'C' class fairs, 34 of which would not qualify for the special building grants because their expenditures are not sufficiently large. But there are actually 65 of them for a total of 71 fairs in the Province of Manitoba.

MR. CAMPBELL: Mr. Chairman, did the Minister say there are 4 'B' class?

MR. WILLIS: The 'B' class, yes, Dauphin, Dufferin, Portage la Prairie and the Red River Exhibition, that's where it is at the moment. If you move it to the 'A' class I would have no objections because it's just about the 'A' class and gets all the privileges of the 'A' class as soon as it earns the money.

MR. ROBERTS: Mr. Chairman.....that there are 2 'A' class fairs then. If the Red River isn't 'A' class, what is?

MR. WILLIS: Manitoba Winter Fair and the Provincial Exhibition in the summer.

MR. CHAIRMAN: Resolution.

MR. CAMPBELL: Mr. Chairman, I'd also like to get a little further information about the building grant. I asked the Minister before and he gave me the answer, but I wanted to pursue the question a little bit further with regard to the duplication that I see existing there between the Federal Government and the Provincial. It is true that the Federal Government has made building grants for some years, is it not, to the 'A' class and 'B' class, is that correct?

MR. WILLIS: I think that's right.

MR. SHOEMAKER: Mr. Chairman, on the subject of grants, the construction grants, or improvement grants that we presently are under discussion, the differential is, I understand, that where a fair--where an agricultural society has paid out less than \$1,000.00, they receive \$750.00 in grants and if they pay out -- or is it over a \$1,000.00--over a \$1,000.00, but less than 2, right. Now, let us suppose that in any given district the agricultural society paid out \$950.00, we'll say, at the summer fair and then they have two or three little additional fairs during the summer, like an agricultural society -- or horticultural fair, a seed fair, a poultry fair and so on, and in total they paid out over the thousand but they were all sponsored by the agricultural society, would that automatically qualify them for the grant, would you suggest?

MR. WILLIS: The answer is "no".

MR. ROBERTS: Is there any change in policy here? Is this grant system intended to make fairs larger, fewer fairs and larger, or is this....

MR. WILLIS: We assume that the tendency will be to make the fairs larger until they get up into the class. As a matter of fact, in some cases, by spending just a little more money, they can get into a better class and make money by doing so, and they have to watch that in regard to the grants and I think they will. An I think more of them will earn more money. But of course the grants in general are increased. No grants any place, in regard to any fairs or horticultural

Mr. Willis (Continued):societies are decreased. They are all increased, whether on a percentage basis or on a special grant basis. But I think that in a number of these they will get up to the larger size fair, because by spending a few extra dollars they can get into another class, and make themselves more money.

MR. ARTHUR E. WRIGHT (Seven Oaks): I would like to ask the Minister if any grants are made to horticultural societies in the urban areas.

MR. WILLIS: I think they are --yes, there are - I think 20 -- I haven't got the figure here- I don't think there's any difference there. I think they're all the same as long as they come under the classification.

MR. CAMPBELL: Mr. Chairman, on the matter of the building grants, I understand that the certain percentages - certain amounts - will be paid with ceilings on the amounts to the different grades of fairs "A", "B" and "C", and I understand that the department will, of course, have to authorize the building on which the grants will be made. Do those buildings include all the fair buildings or are there -- are they limited to strictly agricultural purposes?

MR. WILLIS: They would include all the fair buildings and they would also include grand stands as well, as long as the buildings were used for a fair purpose. Now, in case there may be some doubt tomorrow as to what these grants are, I think I'd better put them on the Hansard.

MR. CAMPBELL: That's a good idea.

MR. WILLIS: The amendments to the Agricultural Societies Act will provide for: An increase in the maximum of the prize money grant to an "A" Class society from the current maximum of \$4,500.00 to \$8,000.00. Present Class "A" societies that will qualify for the increased grants are: Manitoba Winter Fair, and the Provincial Exhibition of Manitoba at Brandon, and the Red River Exhibition Association Winnipeg may qualify as an "A" Class society in 1960, but at the present for the purposes of the Provincial Legislation Grant, it is classed as a "B" Class society. "B" in this classification. The prize money grants to "B" and "C" Class societies will be increased from the present basis of 50% of the prize money paid to exhibitors to 65% of the prize money paid to exhibitors. Note the "B" Class societies are Dauphin, Dufferin (that's Carman) and Portage la Prairie and the Red River Exhibition, if you want to include it in both items. Two: Grants for permanent buildings, equipment and improvements to buildings or grounds. So you'll see the application is pretty wide; (a) To "A" and "B" societies, 50% of the cost of such construction, equipment and improvements up to, but not exceeding \$10,000.00 in any one year. And the total aggregate grants to any single "A" or "B" Class societies, not to exceed \$60,000.00 as the total. That would mean, of course, that if they got \$10,000.00 for six years, they would be finished as far as the grants are concerned. (b) To "C" class societies: (1) "C" class societies which in the preceding year paid out prize money in total to exhibitors in amounts ranging from \$1,000.00 but less than \$2,000.00 may earn grants for construction of permanent buildings and for improvements to buildings and/or grounds and for the purchase of equipment in an amount not exceeding \$750.00 in one year. Then section (2) "C" Class societies, which in the preceding year paid to exhibitors prize money in total of \$2,000.00 or over, they earn a grant for the construction of permanent buildings, for improvements to buildings and/or grounds and the purchase of equipment in an amount not exceeding \$1,500.00 in any one year. No. (3), Sub-section (3), total aggregate of grants paid to any "C" class society for these purposes shall not exceed \$9,000.00. That is to say, if they have grants six years in succession of \$1,500.00 they would be finished as far as grants are concerned. No grant shall be paid to an "A", "B" or "C": Class society for buildings, improvements or equipment unless the society before commencing construction, improvements, repairs or purchase of equipment, files a statement of such with the Minister and he has approved of the plans and specifications. That's just to keep them on the track.

MR. CAMPBELL: I have only one more question in that regard, the - the Minister said that, as I understood it, that "B" Class would now be, former contribution to their prize list of 50% would now be raised to 65%. Is there no maximum?

MR. WILLIS: No maximum on that.

MR. CAMPBELL: No maximum on that.

MR. CHAIRMAN: Agricultural and Horticultural Societies. Passed. Item 7: Co-operative Services (a) Salaries.

MR. PAULLEY: I was very interested during the afternoon sitting to hear my honourable

Mr. Paulley (Continued): friend, the Minister of Agriculture, tell us that he is a great believer in co-operatives. And in that regard I commend him for his interest in this field of economics. But I think, Mr. Chairman, that the Province of Manitoba has for many years been negligent in the promotion of co-operatives in the Province of Manitoba. When compared with the sister province of ours to the west, the endeavours in respect of co-operatives of the Province of Manitoba seem very relatively insignificant. The expenditure provided for in the estimates of Saskatchewan for the current fiscal year amount to somewhere close to a quarter of a million dollars. That includes the appropriations for co-operatives and for credit union services, whereas here, this year, our total expenditure anticipated is just approximately \$47,000.00. By comparison with last year it's only up about \$1,700.00. It does appear that in total staff that there is an increase of two. Now that must be part-time staff because certainly we wouldn't have two additional full-time men or women for an expenditure of \$1,700.00. I think, Mr. Chairman, as far as Manitoba is concerned, we are ripe and ready for a concentrated expansion in our co-operative services here. I think that the--some of the people of Greater Winnipeg, assisted by other peoples in the surrounding districts, have demonstrated in no uncertain terms the value of a co-operative movement by the building of the new co-operative store on Wall and Ellice Avenues. I think that we can point with pride to that endeavour, and it seems to me that in that is the first store of large proportions that has been built in the Greater Winnipeg area which may offer some competition to the huge plants such as Loblaws, Safeway, Dominion Stores, and the likes of that. Now my honourable friend, the Minister was talking this afternoon, he believes in competition. I think in this field of endeavour, through the co-operative endeavours of groups and individuals, that the co-op -- that competition can continue, but because of the fact that through co-operation a greater degree of buying without ultimate profit is achieved, that it can tend in the final analysis to lower the ultimate prices which the citizens of the province have to pay for the products that they wish to buy. And I think that it is time, now that we are supposedly to have in the Province of Manitoba a forward-looking government, that they should increase the effort in respect of co-operatives. I said it at the outset and I reiterate, I think that the record of the previous government wasn't very, very bright in this regard. I know particularly that one of my former colleagues, the member from Assiniboia, had on numerous occasions pleaded without avail to the former government to give some leadership in the establishment of co-operatives. I, on behalf of my group, am again asking the government for that leadership. I know it's all very fine, Mr. Chairman, for governments to simply say that this is just up to the people to band themselves together and form their various co-operatives. That was the line that the former Liberal Government had in Manitoba respecting education as well. And we found that eventually it was necessary for a government, I am glad that at the time that that was established that it was a minority government and that we could give our support to it; but anyway, Mr. Chairman, eventually a government, minority or otherwise, introduced legislation to set an example from the legislative body rather than wait on individuals or groups to come to government. And I suggest that this is a field of endeavour, that once again that old Liberal method of approach can be changed. I think that the people of Manitoba, given a little encouragement of a tangible nature from the government in the development of co-operatives, will band themselves together for their own good. I mentioned this afternoon about the question of weed control, and co-operative buying in that respect. There are many fields of endeavour where co-operatives can make a well worthwhile contribution to the economic life of the Province of Manitoba. And I suggest to the government that they give great consideration, serious consideration to at least trying to match to some degree the provisions that are made in other jurisdictions for the development of the co-operative movement. One other thing I would like to ask the Minister while I am on my feet, because as I understand the new format in the estimates, Mr. Chairman, that under this co-operative services the appropriations for control of Credit Unions is included this year for the first time, I would likewise like to hear from the Minister a statement insofar as the status of our Credit Unions in the province, and how they are shaping up. I think, Sir, that's all the remarks I have at this time. I would appreciate hearing from the Minister what plans the government has for the development of co-operatives in the province and the position in which our Credit Unions are at the present time, and what plans, if any, the government may have for further extension of credit unions.

MR. MILLER: Mr. Chairman, I listened with a great deal of interest to the speech of my

Mr. Miller (Continued):.....honourable friend, the Leader of the C.C.F. Party. And, of course as usual he accused the late government of lack of leadership; nothing unusual. I want to say this, that in the field of co-operatives I can speak with some authority because in my constituency, co-operatives through their own efforts and with government help have developed into a very strong economic factor in that community. We have at Altona the Co-Op. Vegetable Oils, which was first started in 1942 and in 1944 received its charter, and was assisted by the late government materially to the tune of \$60,000.00. And I am quite sure that the Honourable the Minister of Agriculture remembers that. So some encouragement has been given in that respect. We have as well very strong co-operatives in the consumer co-operative line, both in Gretna, Altona, Plum Coulee, Winkler. I am quite sure the honourable member for Dufferin will realize that in Winkler particularly the co-operative movement is very strong. So there you have encouragement, leadership if you will, given by the previous administration, and I am very glad indeed, I am very glad indeed, that in connection with prairie canneries the present government has carried on the negotiations which the previous government initiated, and have, as evidenced by the legislation introduced this session, given them some assistance. I was privileged last night to attend a banquet in company with my good friend and neighbour, the Honourable Minister of Mines and Resources, and my neighbour to the west, the honourable member for Dufferin. The occasion was the announcement by three great co-operatives in that area of the initiation of a sales service which will sell their products all across Canada. I might say, Mr. Chairman, that practically every item on the menu was provided by that service. We had turkey, processed there; we had excellent butter; we had garden peas; we had ice cream. And it was a very delightful meal, and that was the reason I was so well fed that I didn't come back to the House last night. (Interjection) Nothing to drink, No! (Laughter) I might mention that the Minister of Mines and Resources made a very nice speech, and promised them encouragement along that line, and so did the member for Dufferin. I couldn't resist reminding them that - well, you know I have to put in a plug once in a while - I don't speak very often. (Much laughter). At the completion of the banquet, we were presented with a basket in which there was some three and a half pounds of processed frozen chicken, a pound of butter, three types of canned vegetables, some cottage cheese and some Safflo. And I noticed that everybody who was there was very, very happy indeed to get that. I bring this to your attention Mr. Chairman, because I resent very, very much the suggestion by the Leader of the C.C.F. Party that nothing had been done to promote co-operatives in that area.

I want to join him in his request though that I would like a report on the status of the various credit unions.

MR. PAULLEY: Mr. Chairman, I just want to point a clarification. I didn't say that anything, or that nothing was done....

MR. MILLER: And I appreciate it...

MR. PAULLEY: No that's definite and that's true.

MR. MILLER: That's leadership.

MR. PAULLEY: And that's why you are sitting where you are today.

MR. MILLER: And that's where you are sitting all the time.

MR. PAULLEY: That may be. That may be perfectly true that I sit here all of the time or I may only sit here....

MR. MILLER: You sure will.

MR. PAULLEY: That's fine. I may only sit here until the next general election, but there is one thing that's certain Mr. Chairman, be it long or be it short, while I am here, I'm going to try in my own little way to give leadership in my opinion to what I think the province requires..

ASSEMBLED MEMBERS: HEAR! HEAR!

MR. PAULLEY:.....which I am sure that my honourable friends did not give when they were there and that's why they are sitting here today.

A MEMBER: HEAR! HEAR!

MR. PAULLEY: Now then, I want just Mr. Chairman, to say this, that I appreciate very much the efforts that have gone in Altona and in Winkler and these other points mentioned by my honourable friend. But I suggest, Mr. Chairman, that that is not enough, that there are many areas in the Province of Manitoba which will lend themselves to developments such as that.

Mr. Paulley (Continued): And I would like to say this too, that while my honourable friend appears at this stage to take a lot of credit for the present development of those co-operatives, I'd suggest that in the original instance, or the conception of these co-operatives that there was little or no leadership from my honourable friends on the right.

MR. MILLER: Just one minute, Mr. Chairman, I can't let that go by because I presume that my honourable friend refers to the development of the Co-op. Vegetable Oils. I remember very, very well indeed that I headed a delegation to the then government, to the then Premier, and stated that in my opinion this was one organization well worthwhile supporting. We had a meeting in Altona which was very largely attended and incidentally at that time was the Honourable Mr. Garson, and he was a man who investigated everything very, very carefully. And in spite of the fact that experts said that when the war was over that they couldn't compete with vegetable oil production in the United States, because he saw that the people with courage and faith in the future of this kind of business, he supported them as did my leader in his capacity as Minister of Agriculture.

MR. CAMPBELL: That was leadership.

MR. MILLER: That was leadership.

MR. CAMPBELL: HEAR! HEAR!

A MEMBER: And there it stopped.

MR. WAGNER: Mr. Chairman, I'm not too well phased with the honourable members to the right. They seem to have a very strong leadership in co-op movement and I didn't rise to say something great about the co-op movement but we also in Fisher Branch, we have a Co-op. store since 1929 and we have a pool elevator and we have a Credit Union there. And I might mention that thanks to the former Liberal member, he would never take any part in the formation of that co-op. movement and when we were opening our new store which is now approximately making a turnover for such a small town for \$150,000.00, I was president at that time of that store and I coaxed our former Liberal member to come in as a guest speaker when we had the official opening. We often had troubles to get our liberal member to at least make a good word or a comment, not publicly but amongst the neighbours. He even discouraged the people, saying that it was a socialist and he used a stronger word than that 'socialist'. So I don't know, possibly the members from the southern portion of Manitoba gave some leadership, I don't question that, but surely not our former Liberal member did not lead, period.

MR. WILLIS: Mr. Chairman, the two preceding speakers there, the member for Rhineland and the Leader of the C.C.F. party were doing too much boasting about sitting, I think. I think that I will stand for awhile and deliver.

In regard to the co-operative movement, I think it is healthy and strong and I should like to give you a few details in regard to it as requested by the Leader of the C.C.F. party. There has been co-operative legislation on the statute books of Manitoba since 1887 with numerous revisions since that time. I think that's before the C.C.F. movement if I remember right. (Interjection). Co-operative legislation is continued in part 7 of the Companies Act at the present time. The Credit Union legislation was passed in 1937. The present legislation is the Credit Unions Act. A registrar of co-operative associations has been provided for by the government since 1916. Prior to the present director the office of registrar was held by Mr. John W. Ward for more than twenty years and for a few years prior to that by a Professor H. C. Grant, otherwise known as Hank Grant. An inspector supervisor of Credit Unions was appointed in 1943 to establish and maintain proper bookkeeping and business methods among credit unions. All returns for co-operative and credit unions are filed through the branch. Financial statements are filed with their returns through these. There is a limited degree of supervision and regulatory control in the operation. Under the legislation detailed inspection may be exercised if it found desirable or necessary. It's the policy of the branch to interfere as little as possible in the internal operations of co-operative organizations. The policy is to create a favourable climate within which co-operatives of all kinds may develop.

There are 380 commercial co-operatives actively operating in Manitoba. The volume of business carried on by these co-operatives in Manitoba from the most recent information is \$137,000,000.00. These co-operatives operate in the fields of grain marketing, livestock marketing, implement manufacturing and distribution, marketing of dairy products, poultry, eggs, honey, garden produce and other miscellaneous items.

Mr. Willis (Continued); In the merchandising field the members operate 100 consumer outlets in various parts of the province. They operate their own wholesale and oil refinery in conjunction with Saskatchewan co-operatives. There are 260,000 people in Manitoba belonging to co-operatives of all kinds. After eliminating duplication it has been estimated by the branch that approximately 90,000 individuals, most of whom represent heads of families, members of one or more co-operatives. Co-operative wholly owned and controlled within the province have total assets in excess of \$44,000,000.00. Besides this Manitoba co-operators have a substantial in inter-provincial type co-operatives such as the C.C.I.L., Co-Op Life Insurance Co., the wholesale and refinery etc., operating in this province which have total assets of more than \$95,000,000.00. There are 218 credit unions operating in Manitoba with over 74,000 members. Last year 1958, they loaned to their members out of their accumulated savings over \$20,000,000. Credit unions have a total of \$27,765,000.00 in assets which is an increase of almost 25% over the previous year. The assets of these societies represent the personal savings of the members. Seventy-three percent of the credit unions in the province have total assets of less than \$100,000 each. On the other hand, however, 11% of the credit unions have total assets of more than \$300,000.00 and we have more credit unions in the province with assets of between one and two million dollars each.

By way of supervision, under the Credit Unions Act, we are required to supervise the operation of all credit unions in the province and inspect their operations once each year. This inspection takes the form of an audit with a detailed report to the directors. Two hundred and forty-four of these audits were carried during the past year, with ten credit unions being audited twice. Our staff attends board meetings and also meetings with committees and managers instructing them on ways and means of improving their operations, and also pointing out any deviations from the requirements of the Act and the by-laws. This is a very important service and to a greater or lesser extent it is universal on the North American continent. From all of which you will see that co-operatives are not suffering under this government.

MR. ALEXANDER: Mr. Speaker, while we are talking about co-operatives I can't refrain from the impulse of giving a plug for my district because as some members know, Roblin is the number one Pool Elevator point, the first association that was formed by Manitoba Pool Elevators. Grandview is number 3 and in other co-operatives as well, I think that our district is one of the strongest co-operative districts in this part, in any part of the province. And I myself serve on the Board of Directors of the Dropmore Pool Elevator Association and I feel that co-operatives operating as they do competitively are forming a basic part of our free enterprise system.

MR. ROBERTS: Mr. Chairman, all these very fine statements don't alter the fact that the provincial contribution to co-operatives other than credit unions in the province is somewhat in the neighbourhood of \$10,000.00 which in the type of expenditure we are expected to vote for agriculture at this session, is a pitifully small amount of money. I don't think that there has ever been a time that co-operatives would have been in a position where they could do more for the farmer than they can at the present time because as has been discussed in the House time and time again that the threat of big business in agriculture, the threat of vertical integration, the problem of marketing, the problem of processing of the farmers' products, these things are becoming each day, each week and each month more and more serious. And let the past be as it was, surely to goodness we should see what's with us at the present time and as the member for Rhineland has pointed out, the tremendous thing that co-operative has done in that area, in the constituency of LaVerendrye. Well the Honourable Minister of Industry and Commerce will recall only a month or two ago when he officiated at the opening of the new Blumenort poultry processing plant. The very obvious benefit that this plant is being and will be to the community-it's a tremendous thing where people in an area such as this can band together and solve the problems of processing their products, the problems of marketing their products and the problems of producing a special crop whether it is poultry in this case, with broilers or turkeys, or in the case of the other districts where it might be oil crops or special crops of that nature. I think that I said that the banding together of a group of people in a community can do nothing but improve that community and the cases in Manitoba which do have successful co-operatives operating, it is obvious to all who pass through the area that the farming is more progressive, it is more prosperous and more profitable in those areas. And I think that we can't with all flowery speeches about how well co-operatives are faring in Manitoba, we know that there aren't

Mr. Roberts (Continued):...nearly enough of them; they aren't growing quickly enough; they aren't getting a great deal of assistance from this government to form their co-operatives; they haven't, they can't receive technical assistance; and they certainly aren't receiving financial assistance. And so I would suggest to the Minister that this government do give great consideration to giving greater assistance to the co-operatives, particularly the producer co-operatives in Manitoba in the rural areas because as I said at the start that the threat of big business in agriculture, is the threat of non-farm capital going into agriculture and the threat that is facing the farmer, where he is losing is he joins with a commercial firm in producing a product, a special product, the threat of him losing his independence is a great one. And here co-operatives do play a tremendous role because the farmer can produce these special crops if he's in a co-operative. He can in some cases receive financing if he's in a co-operative. He certainly can market his products to better advantage if he's in a co-operative, and with all this he can end up having the independence that he so highly prizes, and at the same time gain the greatest of financial benefit from it.

MR. PAULLEY: Mr. Chairman, I concur in the remarks of the honourable member for La Verendrye, and I listened with great interest to the remarks of the Honourable the Minister of Agriculture. But if one is listening to them very closely, all that the Honourable Minister gave us was a statistical review dating back to 1887, but he did not in any way, shape or form answer my question. What leadership is the present government going to give in the further development of the co-operative movement in Manitoba, and I am sure that that is what this committee would like to hear from the Honourable the Minister.

MR. WILLIS: We made a nice start by making money available to the seed-cleaning plants in Manitoba. We are helping the Western Cannery, and where other previous governments have failed we hope to succeed.

MR. PAULLEY: By what method?

MR. WILLIS: Co-operation, of course. (Much laughter)
(Interjection - I quit.)

MR. ORLIKOW: Mr. Chairman, I've been sitting here since we began discussion of the estimates on this Department, and saying very little because I come from an urban constituency. At the same time, I want to suggest to members here, that not only farmers can gain benefits from co-operatives. As the Honourable Leader of the C.C.F. mentioned, the opening of the Red River Co-Op., their supermarket, and a large number of citizens of Greater Winnipeg have become members in the last two years and are deriving the benefits which will be gained from such a large undertaking. Now the Minister has told us what the Department is doing. For several days he's been telling us and I certainly agree with what is being done in the Department in supplying specialists in all sorts of fields, and the role of the specialist is to bring information, the latest information, technical educational, to the farmers of Manitoba to help them make a better living. Now I would suggest, Mr. Chairman, that an extension of co-operatives will do this. Now I agree with the honourable member from Rhineland that co-operatives have done a pretty good job on their own, and in many cases they can continue to do it, but there is no reason why specialized services which a government can provide cannot supplement the work which co-operatives have been able to do. I also suggest there are some areas of this province where people by themselves are not likely to be able to succeed on their own. One group who certainly will need assistance and whom co-operatives could help a great deal are the Indian population of this province. And I think that certainly this House could expect the government to increase the grants for--in this Department to provide for more personnel to help, not to organize co-operatives directly necessarily, but to help the co-operative movement extend its services and extend its membership in the same way as specialists in every other field which the Minister has been talking about have been doing it for the farmers of this province.

MR. A. H. CORBETT (Swan River): Mr. Chairman, I am the member for Swan River. Mr. Chairman, I am tempted like the Irishman to ask whether this is a private quarrel or can anybody get into it? (Laughter) But as far as I am concerned, I don't think any place in Manitoba has a stronger co-operative movement than up in the Swan River Valley. And I think that there is a kind of a plaintive note in the expressions from this side of the House as to the assistance that these co-operatives need. As far as I can see up in our country the co-operatives are getting along excellently on their own, and with proper technical advice and assistance ,

Mr. Corbett (Continued) which has been furnished by this government, and has been furnished by the late government, I don't think the co-operatives up in our country need any handouts, or anything of that description. I might also add that I might be influenced a little bit in my opinion of not needing any, because they're prospering wonderfully up in that country. But unfortunately the bulk of the executives and members all are very strongly opposed to the party that is in power at the present time. I don't think many of them voted for me, but that is neither here nor there. But I would think that the government carrying on with executive -- or technical advice and assistance is what -- in most districts is what the co-operatives need. I think that has been done in the past and will be continued in the future, and possibly expanded. But as far as my country is concerned, we are able to carry on very successfully as we are now.

MR. CAMPBELL: Mr. Chairman, the last speaker has voiced my sentiments very completely and a lot of people would say for that reason "Don't bother speaking". But the one reason that I want to intervene as he did in the debate is that I don't think there is any occasion here for the Honourable the Minister and the Honourable the Leader of the C.C.F. Party to be disagreeing because this is one place where they have exactly the same approach--they have on so many things - and that is that both of them hold to the view that if you just throw out a lot more money some way or other and put a whole lot more people on the payroll that per se you are going to do somebody a lot of good thereby. Well I guess you do a lot of good to the people you give jobs to, and I wonder why the Minister on this occasion doesn't do what he has on all the other items in the Estimates and boast about the number of extra employees. The fact is, that they haven't put the extra employees on in this case, and I'm not blaming them for that, but I am blaming the Honourable the Minister when he once again tries to pretend that his government can take any of the credit - in this case, any of it - for the record of the co-operative movement up to date here. And I don't want to take any credit to the former government for it because I agree completely with the honourable member for Swan River that these people are perfectly capable of running their own affairs, and they run them very well, and a lot better than I've seen the government run the most of their business in the past, and a whole lot better than I expect to see - (Much Laughter) - than I see these guys -- expect to see them run all the multifarious businesses that they are getting the taxpayer of Manitoba into. So for goodness sakes, let's leave the co-ops alone to carry on in their own way. But the Minister did make -- he made a good defense of the former government. This is the one time that he has defended the former government, because I thought that was the best statement that he has read out of his material yet in the course of the Estimates that we have before us, and it just simply tended to show that there has been progress. Now, talk about leadership, and I don't want any credit for the former government; my honourable friends can talk all they like about leadership, but what counts is accomplishment. As the Honourable member for Swan River said, we've got in the Province of Manitoba sound accomplishment; we've got the grain marketing organizations that were spoken of. Quite properly, they handle, I'm sure, more than half the grain that's produced in the Province of Manitoba. (Interjection) Pardon? (Interjection) Well, but when you take the two of them in, they are well over 50% of the grain of the province. Well, that's no mean effort, and they've got along to that extent without this leadership that my honourable friends would impose upon them. And all the rest of the way through - this credit union movement, the farm machinery movement - and they received financial help from the government. And tell me this, let one of these sponsors of taking some people out to tell the co-operatives what to do, who can you find outside of the co-operative services that can go and give them any advice? They can in the Credit Union business, of course, because that's not only an auditing service that they're having but a supervisory, and an assistance service as well. And that's a great help to them; and taking the whole story together, I won't go over it all because it's been mentioned here by other people, the co-operative movement is doing fine here, and my honourable friends don't need to weep about them. I have a complaint though to register against the honourable the Minister: Why did he consolidate the two items under Co-operative Services? Why didn't he let Credit unions stick out there by itself? It's worthy of attention because that's the one where the big amount of the money is spent. That's the place where it can be spent effectively. But I would like to say this to the honourable members, that if they know the philosophy of the co-operative movement at all and its practice in other lands where it has made, as it is making and is going to make here, a great contribution, they know that the co-operative

Mr. Campbell (Continued) movement doesn't have to transact all the business; we don't have to get everybody into the co-operative movement; we don't have to send out evangelists from the government. The co-operative movement by transacting a share of the business, and in the grain marketing it's more than a 50% share, but even by transacting a reasonable share of the business, can influence it all, and that's what's being done in so many fields here. My honourable friends don't need to worry, if they'll just leave the co-operative movement to look after itself--it will do it a lot better than some government supervisors will. (Applause)

MR. PAULLEY: Mr. Chairman, once again my honourable friend the Leader of the Opposition is prating around and not dealing with the point that we have raised. And once again in this Legislature, and particularly on these estimates, we're fighting the last election once again. Now then, I would say this in answer to my honourable friend, that we are not suggesting at all that there should be any interference in the inner management of any co-operative. We appreciate full well that after the men and women who band themselves into a co-operative, they set up their rules and regulations dealing with the conduct of their business, and we know that under the Companies Act there are certain broad regulations that they must ascribe to, but all we are saying is simply this, and I am sure that my honourable friend, the Leader of the Opposition and others who have spoken here tonight, have just substantiated what we have said. We say that the co-operatives are performing a very valuable job in the Province of Manitoba; we say that they are good co-operatives, and all we are saying is to the government, recognizing the value of co-operatives, lend a little more leadership in the further development of them. Surely we're not saying as my honourable friend (Interjection) Why certainly. I would suggest that, Mr. Chairman, if spending more money is going to give us more co-operatives with which my honourable friend agrees they are rendering a very valuable service, surely to goodness it's worthwhile to the people of Manitoba.

MR. CHAIRMAN: 7. (a)

MEMBERS: Passed

MR. CHAIRMAN: 7 (b)

MEMBERS: Passed

MR. CHAIRMAN: Resolution No. 30, Co-operative Services, \$46,960.00. (a) Economic Research (a) General Research

MR. CAMPBELL: I think that Item, we must confess I think, that the Honourable Minister has pretty well given the story on that one already. Is that right. Is there anything that he wishes to add to it at this time? Well, I think we must say that under items so far as I am concerned this one has beendiscussed. I think it's very, very well worthwhile endeavour. I see that there's a major increase in the grant and I presume that the items that the Honourable Minister mentioned this afternoon as new items are going to be carried on and the former ones are going to be expanded and that takes up the majority of the vote.

MR. ROBERTS: Mr. Chairman, I don't know whether I haven't looked at my dictionary properly lately or what, but we've gone through this as the Honourable the Leader of the Opposition through all the research items particularly those that are being conducted at the University, and after all that is the major part of this appropriation, but it's termed economic research and, if I recall correctly, the long list the Honourable Minister gave us of the research being carried on at the University, there is little or none of it is actually economic research, it is practically all production research of some kind - research into better production of almost every type of product, every type of crop, every type of livestock or poultry, but there is extremely little of the, what I think, is probably the most important type of research that can be conducted at the present time in the field of agriculture and that is actually economic research where we are studying the economic problems of the farmer. At least in my understanding of the expression, why we should be under economic research we should be more concerned with the problems concerning the economy, the actual problems of why there are problems on the farm, why there is a marketing problem, why there is a problem of contract farming, of vertical integration, and these types of things, and my only comment is this, that I do feel that there is a tremendous need at this time for more research into these economic problems particularly the problems of contract farming because I don't want to condemn contract farming. I feel that many, many forms of contracts are of great benefit to the farmer but I think the farmer should be able to find out from research, from experiments, from studies, which contracts are

Mr. Roberts (Continued).....good, which contracts he should enter into and which aren't likely to be of benefit to him and this, in my understanding, or at least in my belief is the true meaning of economic research into studies of this kind, into the family farm life, into farm living,, into all the problems of rural life, and these are truly economic problems and I would suggest that this government do encourage that type of research as well as, of course, the production research that is being carried on at the present time.

MR. WILLIIS: Mr. Chairman, it looks as if I would have to make this little addition to this speech and with some reluctance I continue in economic research. In the current fiscal year, 2 studies are now scheduled, the economic aspects of sunflower production and the study of price spreads of eggs by grades. All expenditures relative to the soil survey field program will also be paid out of this vote in the amount of approximately \$24,000.00. The amount covers salaries for 4 field men employed by this department on the work, travelling expenses and disbursements for the field equipment. I think I should just mention briefly for the benefit of the committee -- I have skipped four pages and come down to 'agricultural economics' and I hope, for the member for La Verendrye, I'm in the right stall this time. New projects, study of (1) - a study of rental arrangements on farms in south western Manitoba. (2) - a study of cost of production of sunflowers in the Altona area of Manitoba. (3) - a linear programming analysis to study the best combination of resources and enterprises on farms. (4) - a study of price differentials between different grades of eggs. (5) - a study of some economic aspects of potato marketing in Manitoba. (6) - an analysis of the objectives and procedures of the Agricultural Price Stabilization Act. (7) - a study on rural urban population shifts in Manitoba since 1936.

MR. ROBERTS: Mr. Chairman, I would thank the Minister for that information. That is exactly what I was looking for. I might suggest that I feel that a study of contract farming should be made at this time because, as I said, there are many forms of contract farming that are excellent and should be encouraged.

.....(Continued on next page)

MR. MILLER: Mr. Chairman, under B -- Specific Research University of Manitoba -- I take it that this item, this appropriation of \$350,000.00 takes care of the various projects that the Minister mentioned this afternoon. What I am interested in is in the mechanics. Is each project subsidized as an individual project? Who suggested that the University undertake this project? Was it the department, or did the University come to the Minister and say "We would like to do that if you give us the money"? I am familiar with the general University appropriation as I mentioned on another occasion, the tendency has been for the government to vote a lump operational sum and let the University carry on. I realize that in the Department of Education as well, there have been some special projects undertaken by the University at the request of the government such as continuation of the School of Social Work and the establishment of a Dental College. What I'm interested in is -- how are these individual projects that are undertaken by the research department of the Department of Agriculture and the University, are they individually subsidized, are they undertaken at the request of the department or was the general program advanced by the Department of Agriculture of the University and the Minister said "I'll provide the money if you do that"?

MR. WILLIS: We had a meeting of representatives of the Department of Agriculture including myself, we had a meeting too with the University including the President and the Dean of Agriculture and the Provincial Treasurer of Manitoba and officials of the Department of Agriculture from Manitoba, and sitting down together the Dean of Agriculture mentioned certain projects in which he had a special interest, in which he thought would be beneficial to the Province of Manitoba, and we mentioned certain other projects which we thought were of special benefit to the people of Manitoba and the composite of the two is the program and that is how it was arrived at.

MR. MILLER: different projects were individually subsidized. I mean there was a price tag on each one of them.

MR. WILLIS: Yes. What happened, too, and what we want to keep very clear is that the ordinary grants to the University are divided ordinarily between departments departmentally. The division for each department in accordance with pretty well established rules, but in addition to that, several of the projects which the University is carrying out through their Faculty of Agriculture were special projects suggested by us and paid for by us.

MR. ROBERTS: specific product 1958 many farmers in Manitoba, thousands of them grew Parkland barley with the hope of marketing as a malting barley and then throughout this past winter, as you know, the maltsters did not buy, as I know hardly any, if any Parkland barley at all and the farmers were supposed to sell it for feed. Will the Minister tell us if there is any hope at all of having Parkland barley accepted in Manitoba as a malting barley by the maltsters.

MR. WILLIS: A try is still being made -- what hope of success I can't be sure.

MR. SCHREYER: No doubt the Minister is aware of the farm management course being offered in the Carman area, largely through the efforts of the local people involved and the people from the Faculty of Agriculture from the University. Now I wonder if the Minister has the information, and if he has, could he tell us are there any other such courses in the province, and if not, does he contemplate extending these courses in the future to other parts of the province?

MR. WILLIS: There will be extension if there are students or young farmers who desire it. We would be very happy to make the extension and we think insofar as farm management is concerned, that it is taking on very well and that there will be an increased demand. I think it is only fair to say that although we have a group of top notch agricultural representatives, each one of them is not a professor or teacher to take on such a class but that is only a small percentage of them, I think, who would be unable to, and we expect to do it through them, and we have several successful classes now going on, and I know my hometown of Bois-Sevain, the main difficulty is to limit the classes because they, in some cases, have had more applications than they thought they could really handle and teach them properly. The idea is catching on, we trust it will go to other courses as well.

MR. SCHREYER: Mr. Chairman, just to pursue that further, I wonder if the Minister could tell us just how many districts are availing themselves of this course?

MR. WILLIS: I would have to check it but I think there are five or six.

MR. MOLGAT: Last night I brought the matter up the rotation of crops and studies of the University which I thought were going on with regards to summer fallowing practices. The Minister at that time said that he didn't have any information on it and had not heard of it. On going through the report which he gave us, I find on page 153, the physical studies and they say there that "Accumulation of moisture and nitrate hydrogen in fallow land, studies of moisture and nitrate accumulation during fallowing have been conducted during the past three years," and so on.

I wonder if the Minister could give us more information on that project because as I said last night and I think it bears repetition, this is of tremendous importance to agriculture in Manitoba. At the moment with the, well fairly general three year rotation, it means that in one year in three there is no production on a third of the agricultural land in the province and that means a tremendous difference to the total production on farm lands. It seems to me that a study of this type is extremely important and extremely urgent.

MR. WILLIS: I'll be very happy to look into it and see what help we can give because I would agree with the Honourable Member that it is a very important study and my main difficulty these days is to try and read as many of the publications as possible, but as he will realize or at least he would realize if he had the Department of Public Works, Highways, Buildings, Agriculture, to handle, that you miss the odd back pages, you see.

MR. MOLGAT: Oh, I wish to assure the Minister that for several months we have agreed that there should be two Ministers.

MR. WILLIS: I am entirely in agreement.

MR. MOLGAT: Mr. Chairman, before leaving this general item, I find that last year under the similar general resolution there was another item and it was Soil Surveys and Soil Investigations. Now I realize that my honourable friend has made substantial changes in the matter of soils. Possibly this item is elsewhere in the estimates, but I must confess I couldn't find it.

MR. WILLIS: Yes, it's under crops -- Soils and Crops.

MR. MOLGAT: Which item?

MR. WILLIS: That's the item which was passed - 26 - Page 7 the last item on the page. 3 (f).

MR. MOLGAT: Page ??

MR. WILLIS: Page 8.

MR. MOLGAT: I can't see it there, quite frankly.

MR. WILLIS: It's No. 3, Agriculture and Conservation, Item No. 3. When you get down to (f) you find Soils and Crops Branch. It's under that general topic.

MR. MOLGAT: This, in other words, has been brought in.

MR. WILLIS: That's right.

MR. MOLGAT: Because the items under (f) Soils and Crops Branch read the same thing as last year.

MR. WILLIS: Soils and Crops covers it.

MR. CAMPBELL: Mr. Chairman, on that point there is no item that I can see there that would accommodate what we used to know as the Soil Survey. Is it still being carried on?

MR. WILLIS: Yes, it is. Yes, it is. It's carried on by that Branch - Soils and Crops, headed by Mr. Parker. He is in charge of the carrying on of that survey.

MR. CAMPBELL: That's a different type of -- I take it, Mr. Chairman, that it's a different type of work to what we know as soil survey which was conducted under the auspices of the University with the co-operation of the Department of Agriculture. Is that work still being carried on?

MR. WILLIS: There is a soils survey now being carried on by Mr. Parker and his department to try and cover the entire Province of Manitoba in a more minute way than it is now. I recognize that there are now maps and I have seen them and examined them in regard to soil types, but again there is the additional one. I don't know whether that's what the member was speaking about, or not. An additional one which is carried on through this same department and Mr. Parker.

MR. CHAIRMAN: Resolution 31 -- Passed. 9. Assistance re Seed and Fodder. (a) Purchase of Seed Grain and/or Fodder -- Passed.

MR. CAMPBELL: Does the Minister expect to even spend the amount of money that is appropriated here this year?

MR. WILLIS: I hope not.

MR. CAMPBELL: There's very little for seed.

MR. HRYHORCZUK: I understand that last year there was considerable stockpiling of feed. Is there any of that feed left over?

MR. WILLIS: Yes, we have some left over which we are now dickering with the -- some of it to be taken over by the Department of Agriculture from Saskatchewan, where there is a shortage in that regard. I gave the details to the House in regard to this fodder previously in the House and we paid \$14,925.83 for the transportation of hay at that time with a view to helping those who wanted to get it. Then we stockpiled under it, too, a lesser amount. Part of that amount is still with us, and as a matter of fact, Mr. Muirhead is now dealing with people, persons in Saskatchewan in regard to it and it is hoped that that portion at least which we want to move, we can do so and in addition to that we have part of it at Selkirk at our own institution there where it can be used or sold as is best.

MR. CHAIRMAN: 9 (a) -- Passed. 9 (b) -- Passed.

MR. WAGNER: Mr. Chairman, under (b) transportation of livestock and fodder, I understand that 25 miles if the hay has to be transported, the government compensated the farmer to a certain extent. Now there are difficulties in the shorter routes. 25 miles you can transport hay on the highway faster than you can transport 15 miles in a hazardous snow drift and there were a few cases; but I will just deal with one case where a farmer had 15 miles of hay; he bought that hay and he couldn't bring it in because he didn't have his own bulldozer or a caterpillar if you want to call, he had a rubber tractor, the cat couldn't go in, so he got in touch with me and asked me what the policy was. So I phoned the Department of Agriculture and I was told that what is under 25 miles the farmer is not compensated. So as I said before on the highways or on the good road it can transport 25 miles and nothing to it, but if you have to hire a bulldozer to bulldoze your 15 miles of four and five feet snowdrift that costs ten times as much as the 25 miles of transporting. So I thought if the Agricultural Minister would give some consideration to what type and shape of the road is and use his own discretion what difficulties that some of the farmers have to go through he would have rather bought hay 50 miles away and transport on his own expense than have hay 15 miles.

MR. WILLIS: The honourable member has our sympathy but I find it difficult to know that you would measure that sort of thing as to the difficulties on a road to say which was a road which was very bad and therefore, you should give it consideration, or the other type. That would seem to be a terrific difficulty. I think in assessing that it would cost more than the hay.

MR. WAGNER: Mr. Chairman, it is very easily found when the Ag. Rep. is in the area, that he knows the individual, where he lives and what type of farm he carries, or a local administration. It's very easily found out.

MR. WILLIS: Would you suggest that he knew each snowfall and everything as far as that individual road was concerned?

MR. WAGNER: Mr. Chairman, you don't have to know the snowfall on each road. You can tell by the weather conditions the whole winter is like.

MR. WILLIS: You've got a point there.

MR. SCHREYER: Mr. Chairman, I wonder if the Minister would give an explanation for the disproportion between Items B and A under Item 9.

MR. WILLIS: Sorry, I don't understand. Under Item 9 you want which?

MR. SCHREYER: An explanation for the disproportion between B and A, the relationship there seems to be quite out of proportion as compared to last year. Is there some explanation for it? You will notice \$16,000.00 for transportation costs as opposed to \$1,000.00 for purchase and last year it was \$3,000.00 to \$1,000.00. I was just wondering if there was some simple explanation for it.

MR. WILLIS: Apparently this government issues two different sets of estimates. I have one and the Minister of Education has another one. The question of the feed grain or fodder, that is the usual vote in regard to the furnishing of feed grain or fodder in districts where it was necessary, that's the regular annual vote, but for the other one, it is for the transportation of livestock and that was the special policy we undertook in regard to the other, and that's the difference between the two. Last year was a special situation. The \$1,000.00 is the regular.

MR. CHAIRMAN: Item 12 - Predator Control and Grasshopper Control - (a) Expenditures.

MR. CAMPBELL: Mr. Chairman, once again I have a complaint to register regarding the grouping of these two items. I think it would've been much better to have left them as they were last year and so that we could see at a glance what was proposed, estimated that would be spent under each one. That not being done here, could the Minister give us the breakdown as between the two?

MR. WILLIS: Yes, the predator control is one item and then the grasshopper control comes in that, too. Why, I don't know, nor did I put them together. The Predator Control Act provides that a municipal corporation, subject to the conditions set out in the Act or regulations made thereunder, shall on a claim being made pay as a bounty to each person during the period from the first day of November to the twentieth day of June in the year next following, both days inclusive, kills the predator of any kind then the municipal corporation sets sum as prescribed in the regulations to the bounty of killing a predator of that kind.

Municipality, not later than August 31st following the date on which the predator was killed must submit a certificate to the Minister of Agriculture with a written acknowledgement of receipt of bounty endorsed by the person named in the certificate. The municipal corporation is then paid and the amount equal to one-half the bounty paid by the municipal corporation. The bounties are for brush bear, wolf, or coyote, \$5.00; red fox, \$5.00; bear, \$6.00. I thought George Renouf got it up higher than that. The government has provided under the Act to reimburse the municipalities in the amount of 50% of the bounties paid and the council of municipalities made by resolution of the Lieutenant-Governor by Orders-in-Council by proclamation to declare any red fox including a pup or any bear including a cub to be not a predator within the municipal corporation providing some part of the municipality is contiguous to unorganized territory, a boundary of the province and a municipality in respect of which a proclamation has been issued. In 18 municipalities red fox and in 15 municipalities red fox and bear have been proclaimed not to be predators.

Last season's survey grasshoppers indicated for 1959 a slight increase in area infested, but that a slight increase in severity of infestation will occur in some areas, particularly in the Carman-Haywood district and the Gladstone district. The government does not provide or supply chemical for grasshopper control. Trade through local dealers merchandises the chemical used, and this may be applied as a dust or spray. A policy for financial assistance in operation for the past three years will apply. The government and the municipality refund 60% on purchases made by farmers which during the year are in excess of \$10.00, that is after initial deduction of \$10.00; the farmer secures his refund from the municipal office. The farmer purchases chemical for \$60.00, \$10.00 is deducted and on the remaining \$50.00 a 60% refund is made, \$15.00 by the municipality, \$15.00 by the government, 30% borne by the farmer, plus the \$10.00 deducted or \$30.00. Approved spray poisons include dieldrin, aldrin, heptachlor. That's a good one. Some spraying for grasshoppers is already taking place in the province mainly in the areas where infestation is forecast. Government grants last year for all of them amounted to \$28,603.00, previous year it was \$25,000.00. The year before that was \$19,000.00. The government has paid since 1943, it may be of interest, \$615,000.00 for predators. And the municipalities are listed here to which they have paid out the money during 1958, amounting to \$28,603.50. (Interjection) ... I can't even pronounce it I will take it to be -- the Secretary and show him. I think that that covers the information.

MR. CAMPBELL: Mr. Chairman, I was asking though as to the breakdown of the \$40,000.00 this year between the two items. How is it -- how much for grasshoppers and how much for other predators.

MR. WILLIS: It is bulked together here. Last year if we paid out 28 I would assume that for predators it will be about \$30,000.00, and the balance for grasshopper control. I'm sorry I don't have the breakdown.

MR. CAMPBELL: Mr. Chairman, might I just remind the Honourable Minister, then, that I think that's the best reason for reverting to the system that was used before showing them in here separately and then we would have the information.

MR. WILLIS: I agree.

MR. WAGNER: Mr. Chairman, the grasshoppers in our area, they cannot jump this year because it's too wet, but we have bigger grasshoppers than the water can drown them. We have timberwolves and somehow this year in the area of Red Rose, -- Sleeve Lake and Poplar Lake area and some other places, somehow they really are packed, they've killed up to date, if I remember correctly, fifteen head of cattle and to one farmer in the Sleeve Lake area they killed three heads, and to another farmer they killed three, and so on and some sheep was destroyed and they are such a menace that they would get a hold of a herd of cattle and they would follow the cattle until they bring them up to the farmer's yard. Then when they are in the yard, they turn away and go out again. It was once brought to my attention on two weeks ago in June 15th or something like that, what could be done in the Sleeve Lake area in particular, so I went to the Game Branch and I discussed the situation and it's supposed to be remedied, but this particular farmer has lost the three head of cattle and particularly he is watching the loss of one heifer, she was two year old and she was supposed to be of good breed, and in calf and he's asking for compensation because if those predators are going to carry on the way they do, instead of the farming picking up on livestock, he will be losing livestock. And I just wonder at the moment if the Agricultural Department has any foreseeing ideas of eliminating these predators, or whether they're prepared to help out those farmers who did lose the cattle, or they are just going to let the farmer carry the loss. Now it's not one farmer. In Sleeve Lake area the farmers grouped together, it's from Fisher Branch, and they chased about 200 -- over 250 cattle there under one name and they hire a man there and he looks after that cattle. I understand from the Game and Fishery Branch that there's a man that's supposed to go and snare the timberwolves, but for some reason or the other, that snaring and those bums as I call them, they are not too active, because as the farmers report to me, that possibly they would be active if they would be set out, but they are not set out, so the farmers are getting pretty hostile about the action of the government, but they are taking in how fast the action is, that through me they are asking some consideration be given to these farmers because they lease the land, particularly one has owned, bought half-section due to that purpose, and now those wolves are just destroying the cattle. So what good if the farmers will be paying taxes and lease land and yet they cannot pasture their cattle because those wolves are really a menace. I would ask the Honourable Minister if it was brought to his attention, or whether he has any ideas of what could be done.

MR. WILLIS: The question of timber wolves is in the Department of the Minister of Mines and Natural Resources and I think that you should when under his estimates, you should bring up this good speech which you have just made because you have a preliminary roundup tonight. He probably heard you speak tonight so you'll have double emphasis, but it is in his Department. We just handle the little wolves, the coyotes.

MR. WAGNER: Mr. Chairman, I'm sorry that I approached another Minister but I thought cattle was the Agriculture - under the agriculture, that's why I stated.

MR. WILLIS: The only suggestion I could make to you from an agricultural point of view would be to get a good bull with good horns. He might be helpful.

MR. CAMPBELL: Mr. Chairman, I'm prepared to deal with the little wolves. I haven't very much to say on this particular matter but I think one thing that I'm prepared to say will arouse a great deal of interest on the government benches and with my friends to the left - because I'm prepared to say that I think that the former government made a mistake with regard to its handling of the predators. I think it was a mistake when we implemented the legislation that the Honourable the Minister read a little while ago because I have the feeling, whether it's right or not, and I don't pretend to be an expert on the problem but I have seen a good bit of the devastation that the wolves themselves have caused, the coyotes, and to some extent the red foxes, too, in recent years and I think that we would have been better had we stayed with the straight bounty system that we had before and that when we acceded to the representations that were undoubtedly made in good faith to us to allow municipalities who adjoined the Province of Saskatchewan or the International Boundary, then later on that adjoined another municipality that had already been declared out of the program that they could stay out because that's a continuing thing that grows from municipality to municipality and I think that the old bounty system, with all of its imperfections, where the municipalities were compelled to be in it was better than the present situation. So I thought perhaps the fact that I would admit, that the former government

(Mr. Campbell, cont'd)... had made one mistake would maybe be a little unusual. But seriously I do say to the Minister that I think he and his officials should give consideration to, not without consulting fully with the Municipal officials, because they should be taken into the confidence of the government with respect to any program that is going to be implemented in this regard. It seems to me that the Department is going to be implemented in this regard. It seems to me that the Department and their officials should confer with the Municipal officials and see if it wouldn't be better to go back to that system because my guess is that they are again becoming a considerable of a menace and I hold to the view that there's just one main way to get rid of them and that is to have a bounty high enough to encourage people to go out and go after them and my own opinion is that the most effective way of going after them is a good sharp, round-mouthed shovel and strong back and a fellow that will get out and do some hunting. But it is true, I think, that in a great many of the municipalities at least that the people who have some natural instincts along the lines of hunting, namely the Indians and Metis, are the very best people that, in getting out and doing that job.

Now I know that there is a good argument on the part of the Municipal officials who would join the Province of Saskatchewan on the International Boundary if similar programs are not carried on there. Perhaps some adjustment ought to be made in those cases but it seems to me that the old program was better than this new one and I view with some alarm the fact that a lot of the municipalities seem to be taking advantage of that legislation and getting out of paying a bounty.

MR. CHAIRMAN: (a) Passed. (b) Passed. Resolution 33. Predatory Control and Grasshopper Control - \$40,000.00. Item 14. Farm Labour Services (a) Salaries - Passed. (b) Supplies - Passed.

MR. ROBERTS: Mr. Chairman, would the Minister give some explanation of this Department? I am asking in complete ignorance because I've been farming in Manitoba all my life and I didn't know about this service.

MR. WILLIS: It is a farm labour service which we've had here for many years. Mr. Richardson use to handle it for many many years and if you wanted somebody to work on your farm you came into see him or you telephoned him and he usually found you someone to work on your farm. He is now retired and there isn't the same migration now that there used to be as farm help is concerned. It's now being handled by Frank Muirhead who also looks after the 4-H Clubs and is supervisor for Manitoba. The, it's interesting to see the Manitoba Farm Placements last year, regular farm placements: men - 844; harvest labour by the day - 419; married couples - 11; beet workers 91; Indian workers to Ontario - 41; immigrants 105 - total 1511. The question of placing farm workers has declined steadily and there was a very big decline last year and there was of course in national immigration there was a big decline last year. The 1957, the total admission to Manitoba was 11,614 last year only 4,732. That in general is the work which is done by the Service, and normally for any farmer any place who wanted to get assistance for the farm or for harvest they got in touch with this Service and they assisted them in getting farm help.

MR. GRAY: May I ask two questions? One is, what is the average wage paid to farm labourers and secondly is the Minister anticipating a shortage of farm labour during harvest this year?

MR. WILLIS: The difference in farm labour varies about as much as the difference in the earnings of men in this room I think. The difficulty is, they vary greatly depending upon whether you have them for harvest alone or whether you have them throughout the year and there is no standard basis. I don't think that you could judge by, and it varies greatly in different parts of the country. We don't expect in the future nearly as many transient labourer people coming in here as we did in the past. One of the big reasons is, of course, is that the farmer now he has combines, therefore, there isn't a big question of harvest labour and normally now for farm labour you get your farm labour usually in the fall and most farm labour seasons are from November 1st, to November 1st, and carry through, in our part of the country anyway, so that the expectation is that the matter of immigration of farm labour will decrease. I'm sorry in all sincerity, I couldn't state a price as far as wages are concerned because I think it is most difficult and there is a very great variation.

MR. ROBERTS: Mr. Chairman, it would appear to me that perhaps we have an item here,

(Mr. Roberts, cont'd)...or at least a Department that we could very well do without because this is an obvious duplication of some kind of service. The National Employment Service is the Federally run employment service, the logical place as far as I knew the only place where farmer and help could get together and the duplication I would think would be rather than help the farm labour situation either the farmer or the labourer, the duplication would rather serve to confuse it rather than help it.

MR. WILLIS: There's something to be said for what the honourable member has said but I think probably there's one reason for retaining it. We do get some inquiries which come to us as far as immigration is concerned, as far as help is concerned which come directly to the government. The largest distinct advantage that I know of, the benefit is that Ag Reps are able to telephone the needs in here which they receive from the farmers and therefore they get better attention than if they went direct to the other employment office. That I think is an advantage - I don't know of any other advantages, it becomes a custom, though, I think in governments where normally you have an item you continue it on in the same place even though the man is in a different place and you see the difficulty we get into an Item just before that, that it had disappeared, may be this is the one that should have disappeared but it does indicate anyway that there is a place to which they can go if they want help through the Provincial Government and it is a liason between the Ag Reps, the farmer and the possible employee.

MR. MOLGAT: Well I appreciate that Unemployment Insurance for farm help is not directly the concern of the government being a federal matter. It did receive considerable discussion over a period about two months ago in the Province of Manitoba and it is an important factor in Agriculture. I wonder if the Minister would give us some information as to the progress in this deal.

MR. WILLIS: On Unemployment Insurance? I think it's definitely under discussion, but definitely as far as we are concerned we have taken no positive action in regard to it but I have discussed with officials and it maybe something for the future. My own opinion is, it isn't quite here yet.

MR. CAMPBELL: Mr. Chairman, on the question of farm help that the Honourable the Member for Inkster passed, if the Honourable the Minister has a little agricultural statistics book with him I think he'll find that there's an attempt in there to give some average figures for farm help - a little statistical information booklet published by the Department. Admittedly they would vary a good bit from place to place but I think there is an attempt there to give some information.

MR. WILLIS: I will be glad to get that for the Member.

MR. MOLGAT: Mr. Chairman, I don't want to belabour this matter of unemployment insurance but it did receive some very definite discussion, not that I want to fight the election again, but it was discussed quite positively in certain areas at that time.

MR. WILLIS: That chap didn't get elected.

MR. MOLGAT: No he didn't, but he used it quite a lot as you will well know. And I understood at that time that the attitude of my honourable friend was very definite in this regard that they were pushing this most actively. I understand now from the Minister that he has somewhat less of an interest in the subject. Now is the Government of Manitoba taking a positive stand in this regard? Are they definitely putting pressure on Ottawa? Or are they even in favour of Unemployment Insurance for farm labour and if so on what sort of a basis, voluntary or compulsory? To cover everyone or only those who wish to join?

MR. WILLIS: To the best of my knowledge the Government of Manitoba has it under advisement and study and is not high pressuring anyone at the moment.

MR. MOLGAT: It's not quite taking the stand of leadership that we heard about, I presume.

MR. WILLIS: It depends where you're leading.

MR. CHAIRMAN: (b) Passed - Supplies, Expenses, Sub-Total \$9,800.00 (c) Less - Recoveries from Government of Canada \$4,400.00 Resolution 34. Farm Labour Services \$5,400.00 - Passed. 15. Water Control and Conservation (a) Administration: (1) Salaries.

MR. MOLGAT: The Economic Survey that was to be conducted on Lake Manitoba as a result of the Lakes Winnipeg and Manitoba Board Report. Does it come under the Department of Agriculture or under another Department?

MR. WILLIS: This Department.

MR. MOLGAT: Under this Department? Could the Minister give us a statement and

(Mr. Molgat, cont'd)... report to the activities so far of this Economic Survey. When we may expect their report and exactly where we stand at the moment?

MR. WILLIS: The full report, Mr. Chairman, is not available. I think it will be very soon but I can't tell you exactly when.

MR. MOLGAT: Who are the members of this Board investigating, making the Economic Survey and when were they appointed and what work has been conducted to date?

MR. WILLIS: I don't have that here Mr. Chairman. I have Water Investigations in various places but I don't have those details that you asked for here. I'll be glad to get them for you but I don't have them here.

MR. HRYHORCZUK: Mr. Chairman, would the Honourable Minister tell us whether the Federal Government would participate in any of the programs set out under this item?

MR. WILLIS: As to which?

MR. HRYHORCZUK: Will the Federal Government participate in any of the programs set out under this item?

MR. WILLIS: The Federal Government does participate in a lot of different projects in Manitoba of which I'll be glad to give you some. The Federal Government for instance, is participating in projects known as the Holland Dam; Russel Dam; Stevenfield Dam; the Pasquoi Project; the Icelandic River Flood Control; the Fish-Dennis Lake Flood Control; Morris River Stockwatering Dams; the Mossey River Dam; the Cromer Dam; the Saskatchewan River Delta area, east of The Pas; the Upper Assiniboine Storage Investigations; the Rivers Dam; the Maryjane Dam; the Neepawa Storage Project; St. Malo Dam; and the Burnt Lake Drain. I hope I won't have to cover them all for you but there they are.

MR. HRYHORCZUK: What I was interested in Mr. Chairman, I will come to the point in a moment. Are those projects that the Minister just enumerated are they joint efforts of the Province and the Federal Government or are those exclusively Federal Projects?

MR. WILLIS: The ones which I have mentioned there are almost exclusively Federal Government Projects.

MR. HRYHORCZUK: Well, what I'm interested in Mr. Chairman, is joint projects. Are there any joint projects? I think I couched my question, asking whether the Federal Government will participate in any of the programs set out under this item.

MR. WILLIS: Under this item to the best of my knowledge they will be entirely provincial. As far as this item is concerned and the other items which I mentioned, it must be apparent to everyone that while P.F.R.A. does a great deal within the Province of Manitoba, the services of our engineers are made available to them to a large extent and they work together in to a large extent although the carriage of the operation under the P.F.R.A. is definitely the Federal Government, but we sit down with the P.F.R.A. to consider those projects which will be undertaken and they seek our advice, but they carry the operation.

MR. HRYHORCZUK: Mr. Chairman, following up those questions. I'd refer the Honourable Minister to the estimates for the year ending March 31st, 1959 and he'll find in the item Soil Erosion, Water Control and so forth and so on - less recoveries from the Government of Canada \$275,000.00 which is quite a tidy sum of money. Now I'm quite sure that the same assistance or contribution is still available from the Federal Government in connection with that type of work. Why are no recoveries shown? If you'll turn back to the farm labour in which we see the inconsequential sum of \$4,000.00 that recovery shown but when you get into one as vast as this one is it doesn't appear anywhere. Now I've been following the estimates pretty closely so far Mr. Chairman, and it appears to me that the Government is studiously avoiding showing the recoveries from the Federal Government. Now in this case, in order to give a complete picture to us of what the people of this province can expect under these various items, I think the recoveries should be shown. Are the recoveries that this government shall receive included in these appropriations or are they separate and will the Members of this House know and where will they obtain the knowledge as to what the Federal Government has contributed? And I would suggest Mr. Chairman, that these recoveries from the Federal Government should be shown in their proper places to give a proper perspective of the whole item.

MR. WILLIS: My estimates show recoveries of \$72,000.00.

MR. HRYHORCZUK: Well, with your expanded program surely your recoveries should be higher than they were last year.

MR. WILLIS: May I say in explanation that there is a slight confusion here because in these estimates which we now have, you have partly the department which has come in from the Department of Public Works; you have another section which has come in from the Department of Mines and Natural Resources; you have another section which is entirely new, and has to Agriculture, by itself, all of which come into these estimates. Therefore, when you speak of the estimates of last year, you may be speaking of Agriculture or you may be speaking of Mines and Natural Resources, or you may be speaking of Public Works, and the three are merged here, and in general, Water Control and Conservation, largely new, comes through the Department of Agriculture for conservation; when you come to Water Rights and Resources, that section which came from the Department of Mines and Natural Resources, when you come to that in regard to drainage, that is the old Public Works section. When you come to Conservation Districts, that's the legislation - the new legislation in regard to watersheds. And when you come to Water Supply Districts, that is the Water Supply Districts Act not yet before this House, and as a consequence the - you have the merging of five different departments into one; under these estimates and in the estimates which you have before you, in this one block.

MR. HRYHORCZUK: Mr. Chairman, I hate to pursue this any further, but I'm certainly not satisfied with the answer given by the Minister. The reference that I made is to the Department of Agriculture, not to any of the transfers that have been made in the present estimates. This item that I am referring to appears under the Department of Agriculture and Immigration for last year, and it's under the sub-heading of 'Soil Erosion and Water Control', gross expenditure \$490,000. Recoveries from Government of Canada \$275,000. I want to repeat, Mr. Chairman, I do not doubt the Minister's word at all that they intend to expand the services under this particular item, and if they do, I have never heard of the Federal Government discontinuing its assistance or contribution. I think that that item is a considerable item, and this - the Members of this House should be given an answer so that they would know what they can expect in this particular branch of the Department of Agriculture.

MR. WILLIS: In the previous estimates, it appears as a separate item, and it's true it's under 'Soil Erosion and Water Control, Buildings, Other Projects,' chargeable to the capital division. And that's where you get Soil Erosion and Water Control, less recoveries from the Government of Canada; that \$275,000. (Interjection) I think we did some work for the Dominion Government for which we got recoveries, and some of those projects were certainly together, but I don't know whether its P. F. R. A. or not.

MR. CAMPBELL: Mr. Chairman, the Honourable the Minister of Agriculture has been certainly quite vocal about the fact that under this new set-up that a lot is going to be done that hasn't formerly been done, and he's been rather critical of what happened in the past, because in general remarks he said that there were something like five or seven acts, these activities were spread through two or three departments, and so on, and the indication was that a lot more was going to be done. Now I would like to follow his explanation a minute ago but as I look at it the first item (a) \$81,000.00 odd, then the next one (b) he said had been taken from Mines and Natural Resources, so you leave that one out as being comparable to last year, the next one (c) has been taken from Public Works, you leave that out as being comparable to last year, the two new items down below, \$16,000. and \$10,700. those total \$118,000.00 as I figure it, and yet the one item last year, to which the Honourable Member for Ethelbert Plains has made reference, was \$490,000.00. Now I'd like to see where the expansion comes under that kind of a set-up.

MR. WILLIS: It would appear that the new item there is Water Control Projects, but it was - I find that I have a set of estimates in regard to it which doesn't set it out the same way as that of the Minister of Education; I guess that's why he's the Minister of Education.

MR. MILLER: Mr. Chairman, maybe the Minister would like a little more time to familiarize himself with these, and under the circumstances perhaps we could rise and report and give him time till tomorrow...

MR. WILLIS: Oh, I think we could continue this general discussion with regard to it. I regret that it's not all clear as far as that goes, but I'd just like to take a minute. The Water Control and Conservation which is the first item in both of my sets of estimates, this is to co-ordinate and consolidate all the activities of the Provincial Government in respect to Water, with the single exclusion of River Pollution Control, which remains with the Department of

(Mr. Willis, cont'd)... Health and Public Welfare. This branch will handle all the activities previously under the jurisdiction of the Drainage Branch, the Department of Public Works and the Water Resources Branch, the Department of Mines and Natural Resources, and additionally will take on other activities such as Domestic Water Supply and Watershed Conservation work. And the first item which we have is that of \$81,300. This covers the salaries of the administration office, including the Director, the Chief Engineer, the accounting and all the relative clerical and stenographic assistance. Then, of course, there is the Supplies, Expenses, Equipment and Renewals at \$31,000. This includes the ordinary operating supplies for the administration section such as stationery, etc., and the major part of this appropriation was previously in Public Works, in (11) and (1). When we come to the question of Water Rights and Resources, the salaries of the permanent and casual staff previously under the Water Resources Branch of the Department of Mines and Natural Resources is transferred here. That includes, of course, Supplies and Equipment and the usual items. Then there are Water Control Projects. This covers the cost of construction, maintenance and operation of various water control projects in the province, under provincial jurisdiction. This will partly answer your question, I think. Including dams on the La Salle River, on the Souris River, the Fairford River, also the provincial share of the northern Fur-Block development at The Pas, and the surveys on the northern rivers such as Churchill, for future power development programming. As I understand it, the dams there were put in there originally by P. F. R. A. by the Federal Government, afterwards taken over, and the control of them was taken over by the Provincial Government, and it was carried on by them as well. Water Storage charges provides for payments made by Manitoba to Canada, and Ontario, for the use of storage water in the Lake of the Woods. There is the item which you speak about, Lac Seul, to regulate the flows of Winnipeg River for power purposes. The Payments include amortization of Manitoba's share of the capital cost of each reservoir by equal annual payments, including interest at the rate of 5 per cent for 50 years, the annual cost of operating the reservoir including the collection of data incidental to it. Manitoba in turn, collects from each power development on the Winnipeg River its proportionate share of both capital and repayment and operating charges. Therefore, the net cost to Manitoba is nil. This item was previously in the Department of Mines and Natural Resources, appropriation (9.9). Then you have the ordinary Drainage Maintenance District, which was operated previously under the Department of Public Works, and are unchanged. Then in regard to the Conservation District, this item provides for salaries for preliminary engineering and watershed districts, to be established pursuant to the Water Conservation District Bill, presently being presented to the Legislature. That's the one I spoke about, and that's the one in which the member for Gladstone has such an interest. Then in the Water Supply Districts, it provides for the salaries for engineering studies, the possible construction of either Water Supply Districts, which may be established under the Water Supply Districts Act, or in the provincial utility areas proposed for establishment under Legislation now being presented to the Legislature. That in general covers the ambit of the different sections of this rather complicated arrangement whereby we have several items coming in from different departments under one jurisdiction from many, merged together so that we will have Water in one department and one department only.

MR. HRYHORCZUK: Mr. Chairman, I won't pursue that particular line of questioning any further, but there is something else that arises out of this joint effort between the Provincial Government and the Federal Government, and that is the control of water at the headwaters of the various streams which have their origin in the mountains in Manitoba. For several years, the Federal Government and the Provincial Government have been doing considerable work in this regard, particularly in the Duck Mountains and the Porcupines. Dams have been built at the headwaters of various streams and their tributaries, doing two things (1) controlling to a very large degree damages by flash floods, and the other, conserving water given the supply of water the year around into these streams. Now the question I want to ask, Mr. Chairman, is this: Since these particular projects do not fall within the boundaries of any municipality, who is going to institute or see that this particular work is continued? Will the Department of Agriculture under the Minister see that this work is continued in the Province of Manitoba, or where will we have to look for the continuation of those particular programs?

MR. WILLIS: Who was in charge of the programs previously?

MR. HRYHORCZUK: The Water Resources branch of the Department of Mines and Natural Resources.

MR. WILLIS: All that will be now in the Department of Agriculture. That will be our responsibility here.

MR. HRYHORCZUK: Does the Honourable Minister mean that they will undertake to see that that work in continued?

MR. WILLIS: All of the work formerly carried on by the Department of Mines and Natural Resources will become our responsibility and will be continued.

MR. SHOEMAKER: Mr. Chairman, I was particularly glad to hear the Honourable Minister refer to that section of the province known as the Gladstone constituency, and those members who are present here, and happened to be present in the House about a year ago at the fall session in 1958, will remember that I placed on their desks one of -- a pamphlet entitled "The White Mud Watershed" together with another one entitled "Your Watershed". Now, we in the Gladstone area, I think, pioneered in the field of soil and water conservation. A committee was organized in 1956, and the Honourable the First Minister had the pleasure of attending last December 19th the third annual meeting of the Riding Mountain White Mud River Watershed Committee. And when he and I both were at that meeting we had the distinct honour and pleasure of listening to a world expert on soil and water conservation, a Dr. McConkey, who I believe is past president of the World Soil and Water Conservation project, of one kind or another. Now, I believe there are only three watershed areas established in the province at the present time. The White Mud River area, which comprises a million, six hundred thousand acres, or nearly one-tenth of all the agricultural land in the Province of Manitoba. Another one known as the Tobacco Creek watershed, and the third one known as the Birdtail River. I am not certain whether they have the two last mentioned have organized to the same degree as we have in the Neepawa area. What we are concerned about now, is this: We know, and Dr. McConkey pointed this out, that we will have to spend millions - millions of dollars in establishing a program, an effective program in the area, and at the last session of the Legislature it was indicated when that \$85,000,000.00 flood program was being discussed, it was indicated that the this province would receive from the Federal Government 75% of the cost of that program.

MEMBERS: No, No, no.....

MR. SHOEMAKER: Wasn't it?

MR. SHEWMAN: No, 37 1/2 percent. There was a time we could have got 75% but the previous government turned it down.

MR. SHOEMAKER: Oh, I'm sorry. Well I thought it was 75 per cent, and I know that the First Minister indicated that he was prepared to go it alone, I think that was the words he used, if no Federal aid was forthcoming. Now, I don't mind going on record as saying that we, in the White Mud Watershed area, are not prepared to go it alone. It would be an impossible task for the farm lands within that area to bear the entire cost of a project that would be necessary there. So I had hoped, in fact I had suggested at two or three meetings that I attended in the area, that any program that was intended to be carried out in the White Mud Watershed area would be paid for on this basis - that the Federal Government's contribution might be 75%, the Province's might be 12 1/2, and the farm lands within the area 12 1/2. Now that is about the formula that the committee has in mind. I wonder if the Honourable Minister of Agriculture is prepared to say, have we a formula now designed and ready to be presented to the committees that are ready and willing to go to work?

MR. WILLIS: Particular watershed proposals such as the White Mud Fall, there is no formula at the moment. We are co-operating with the municipalities; it is possible and likely that we will try to get what we can from the Federal Government, but there is no cut and dried formula which has been agreed to by the Federal Government, or which has been proposed by us to the Federal, or proposed by the municipalities, to the best of my knowledge, to the Federal.

MR. WAGNER: Mr. Chairman, I overheard the Minister saying that the P. F. R. A. study on Venice Lake and Icelandic River. I wonder if the proper time to ask that question whether the report has come in already and whether the report, if it come, the Federal Government will be prepared to carry on the project?

MR. WILLIS: As far as the Icelandic River is concerned, this involved an investigation into flooding problems on the Icelandic River between Arborg and Riverton. The field and office

(Mr. Willis, cont'd)... work are now completed and the preliminary report is to be submitted to Regina for approval sometime in July 1959 - this month.

MR. WAGNER: Mr. Chairman, I received a letter from the Honourable Minister on March 11th which dealt - re drainage of wheat land especially Lake Malonton, Fraserwood and Silver area, etc., survey and co-ordination for report by P. F. R. A. is still in progress, involving outlet by Icelandic River, Willow Creek or other route, and is expected before mid-season. Now the Minister tells me that's between Arborg and Riverton. I was under the impression that that study had been carried out in Icelandic River also, in these lakes that I mentioned.

MR. WILLIS: This is a report from the P.F.R.A., dated July 1st, 1959, which I have just read to you. That's all the information I have, but this is from the P.F.R.A. So it is authentic.

MR. WAGNER: Mr. Chairman, am I to understand that there was no study made on these lakes that I just mentioned, because after I was elected last summer I brought this to the attention of the Public Works at that time, and I was told that the P.F.R.A. will study it, and it has been studying it all last summer and all last winter, and this letter is dated March 11th from the Minister of '59, that that report is supposed to come out in mid-season, and I questioned the chairman of the Water Control Board, Mr. Griffiths, and he is expecting it sometimes now - that report.

MR. WILLIS: This would correspond with what you had in regard to it, namely, they expect a report about now - this is July, 1959; the report will be made in Regina in regard to these particular projects.

MR. WAGNER: Mr. Chairman, well if the report comes in with its recommendation, will the project start immediately?

MR. WILLIS: With Governments, that's a little unusual, but certainly it will be given consideration, and we will keep in mind the fact that you were enquiring about it, as far as that area is concerned. I was up in the general area no so long ago and I realize some of the difficulties which you have there, and the amount of water which is there.

MR. WAGNER: Mr. Chairman, I don't want to belabour the question any further, but I hope, I hope that this Government is not going to consider it as long as the other one did.

MR. WILLIS: I hope so too.

MR. MILLER: Mr. Chairman, under which item can I ask - find out something about the supply of potable water in the Pembina Triangle, particularly to the village of Gretna and the town of Altona?

MR. WILLIS: That will be chiefly under the Water Supply Districts. I suggest to the Honourable Member that there is a bill coming into the House and that's the bill under which they will operate, and if he would ask the question at that time, I'll be bringing in the bill.

MR. MILLER: May I just ask, does the Government contemplate making a contribution?

MR. WILLIS: We have to get the details of the bill first and get it finalized before we can say what that is, but you'll get it when the Bill comes in I'm sure. I couldn't tell you in advance.

MR. MILLER: But there is no appropriation, Mr. Chairman, of support and they would naturally would be found in these estimates, wouldn't they? Or in the Capital Supply Bill?

MR. WILLIS: Yes, that's where they'd be.

MR. SHOEMAKER: Mr. Chairman, under Item (d) there is a heading, Conservation Districts. Now probably I should wait until we get to that department there but is it the intention of the government to appoint an expert or an authority in the various watershed areas? I think it is true that presently our Ag. Rep. and up to this time (Interjection) It's Water Control and Soil Conservation, yes (Interjection) . . . Well then I'll ask this question. Is it the intention of the government to appoint a supervisor, an expert or any other type which you wish to give to him, in each of the presently formed watershed areas?

MR. WILLIS: Yes.

MR. SCHREYER: Under which item would it be appropriate to discuss the problem of river bank erosion and river bank slippage?

MR. WILLIS: I think this one's alright.

MR. SCHREYER: Well Mr. Chairman, I simply wish to draw to the attention of the Minister, the fact that up until now at least there seems to be no real definite policy on the part

(Mr. Schreyer, cont'd)... of this Government, Provincial Government rather, no definite policy with regard to the problem of river bank erosion because it is common knowledge that in some areas of this province, some of the urban areas or semi-urban areas, the provincial government does contribute a portion of the cost of combating river bank slippage but yet in other parts and along the same river, when municipalities have approached the provincial authorities with regard to this problem, they received no definite instruction and as a matter of fact they reached an impasse. Now I think that the Minister....

MR. WILLIS: Pardon me but is this the Red River you speak of?

MR. SCHREYER: Yes, that's right. I think the Minister is probably aware that along the Red River at least from the area ... around East Kildonan northward the problem.... of riverbank slippage is bad and is getting worse, the property, in that vicinity is quite valuable, it's posing quite a problem to not every resident along the river in that stretch of 19 miles to East Selkirk, but it is affecting quite a good number and I just wonder if the Minister could give me some indication as to what policy the government intends to pursue in this regard.

MR. WILLIS: In general, the river bed and navigable stream is the responsibility of the Federal Government legally. We have found in some occasions that they didn't accept what we considered to be their legal responsibility and therefore in order to protect the municipality we had to do some work. That was the general position. We are shortly going to build, for instance the riverroad and I think that we will have to protect that road probably ourselves. In the meantime we will have a good dig at the Federal Government to see if they will take up what we consider to be their legal responsibility in regard to it but if that fails we will probably have to go alone in regard to it. The general position is that it is a federal responsibility but at times we have stepped in when it became completely necessary to do so in order to protect the municipality. We realize that we have more money than the municipality for that purpose so at times we have done. It depends upon the individual situation. On all of those occasions we would do our best to get something done by the federal, failing them, we take it that the second responsibility is ours because financially it is likely the municipality would be unable to operate.

MR. HRYHORCZUK: The Minister mentioned that there were certain incidents where the Federal Government was approached and refused to do what the Minister feels was their legal obligation and the province stepped in and did it to help the municipalities. Would the Minister give us examples of what the province did, where it did step in and do any work?

MR. WILLIS: Well I think we did some work at Lockport where we had slippage there where we were going to lose the whole street; and we did some work south of Lockport as well where our road was falling into the river and we were in part of that the Federal Government did assist us with; other parts they refused to do so and in those we had to go alone.

MR. PAULLEY: Mr. Chairman, I would like to ask the Minister, is the Seine River considered a navigable river so far as the federal control...

MR. WILLIS: I think not. No.

MR. PAULLEY: Well then, Mr. Chairman, I would like to draw to the attention of the Minister in view of his last statement of the government entering into aiding in the solution of bank erosion, the situation which has existed in the City of St. Boniface for some considerable time in the on the banks of the Seine River. Now I am sorry, Mr. Chairman, I haven't it with me tonight, but I have a considerable file of one or two individuals at the foot of Cusson Street in St. Boniface where a considerable amount of erosion has taken place over a period of years. The parties concerned made an appeal, I think Sir, they started off with the provincial government, the provincial government referred them to the federal authorities, the federal authorities back to the provincial, they in turn threw it back to the City of St. Boniface. Apparently nobody would accept any firm responsibility for it at that time and I was just forwarning the Minister now I might say incidentally, Mr. Chairman, that there has been a change in the provincial government since that time and in view of the statements I will be drawing this matter to his attention for his consideration.

MR. CAMPBELL: Mr. Chairman, I would like to ask the Minister what year these works were done on the Red River to which he referred a few moments ago.

MR. WILLIS: I'm not sure. I should think about 1948.

MR. CAMPBELL: The reason that I was asking that, Mr. Chairman, is that I have a great deal of sympathy for the point that the Honourable the Member for Brokenhead has raised,

(Mr. Campbell cont'd) . . . because I have seen a good many of these places that are similar to the ones that he speaks of. I've seen one area in East Kildonan that a couple of years ago--a year and a half ago--was faced with a desperate situation, and certainly the appeal to the government didn't fall on deaf ears on that occasion--the government of the Province of Manitoba because we made a specific proposal and offer to the Federal Government and to the municipality that we would proceed with a program that we thought was satisfactory and quite frankly the one that was advising us on it is the gentleman who the Minister has put in at the head of this division, Mr. Jack Griffiths. We thought it would be quite a satisfactory solution there or should I say at least it would be a worth while experiment and we wanted to keep the Federal Government tied into the situation and the municipality to some extent too. I think it is a very generous suggestion, but we just could not get the Federal Government to take any part at all.

(Interruption) Yes, well the municipality whether the municipality pass all or part of their share onto the individuals was of no concern to us. Then we had a situation up on the Winnipeg River where a lot of the residents of Pine Falls and Powerview I think particularly Powerview, felt that the erosion along the river bank there had been aggravated by the fact that the power station had been put in. I think that it was impossible for them to prove that in either legal terms or perhaps in equity either, but there was a good bit of work done there-- I think the Power Commission or rather the Hydro-electric Board carried on largely on its own, and in several other places we have helped considerably. Quite frankly I don't remember the St. Boniface situation but it is a problem to these people and I think it would be advisable if the Minister were able to get some definite understanding with the Federal Government. I thought I heard from my honourable friend from Morris--that he interjected a little while ago that we had an offer from the Federal Government to do something or other. Could I have the details of that, because I don't remember such an offer?

MR. SHEWMAN: I think, Mr. Chairman, that the Leader of the Opposition will remember quite well, Mr. Winters who is Minister in charge of that department down there at Ottawa wrote him a letter stating that if he had any problems or any work that should be done as far as flood control was concerned that he should let him know what they were, and they would carry on those conditions that they carried on through the 1950 flood, which were namely that 75% of the money would be put up by the Federal Government and 25% by the province. Then, if I'm correct and I think I am, that the government at that time didn't take advantage of that and later on the Act was changed to its present status now whereby the Federal Government will put up 37 1/2%, the Provincial Government will put up 37 1/2 %, and the municipalities 25%.

MR. CAMPBELL: Mr. Chairman, I certainly do not remember any such offer and my honourable friend doesn't either, because there wasn't one made. That is a figment of his imagination, completely. There was no such offer made. Never. We were trying to get the Federal Government to make an offer. They never made one until the latter Act which my honourable friend has mentioned, the 37 1/2%, 37 1/2%, 25% proposal was made, legislation applicable to all of Canada on approved programs, but the letter that he talks about, I can assure you is non-existent.

MR. SHEWMAN: Is it not a fact that the Federal Government in a settlement that they made in the 1950 flood, repairing flood damages, building dykes and so forth and so on was on a 75-25% basis?

MR. CAMPBELL: As far as the dykes were concerned that were built, that's correct, that's correct. The dykes were on the 75-25 basis but the rest of the statement is equally incorrect.

MR. SHEWMAN: And did not, the Federal Government at that time ask this government if they were contemplating doing any further flood protection or work along that line that they would carry on along those lines?

MR. CAMPBELL: They did not.

MR. SHEWMAN: I have to differ, Mr. Chairman. I think I'm right.

MR. CAMPBELL: My honourable friend frequently thinks he's right but he has a great batting average on being wrong and this is an outstanding example of it. He quotes a letter that never was written.

MR. SHEWMAN: I don't think I have been wrong as often as the honourable member the Leader of the Opposition has been, because history has proven that is so.

MR. CAMPBELL: Well I am delighted to hear my honourable friend have such a good opinion of his experience, because I wish he would give us the benefit of it more often, because when he sat on this side of the chamber he was a very active and articulate member. Since he's moved over there something has happened to his vocal chords that he never gets up to express himself and to give us the benefit of that undoubted wisdom that he possesses. And if he is so sure of himself on these things, all I ask him to do is produce the letter or anything that will give some substance to the charge that he is making. If he can I'll certainly withdraw everything I have said.

MR. SHEWMAN: Mr. Chairman, when I sat over on the other side of the House we did offer constructive criticism and we did the very best that we could to help the members that were over here at that time. The very best. They wouldn't heed us and that's why they are where they are today.

MR. CAMPBELL: And why doesn't my honourable friend carry on that very excellent program that he started? I guess he doesn't need it now. Everything is being done that he advocated, I presume.

MR. SHEWMAN: We are just furthering on what may be possible you started but we are just doing what you should have been doing.

MR. CORBETT: Aren't these gentlemen getting away from the question asked by the honourable the member from Brokenhead, which was regarding slippage along the Red River? I have had some experience with that and I asked the Attorney-General that as far as private citizens are concerned that when they buy river frontage land until they can prove that some act by a municipality or a government is responsible for damages or slippage occurring along there, that they take that responsibility for their land. I think that is right. In case of the slippage along the Red River there is a case there owing to the fact that the St. Andrews dam backing up the water, and it causes slippage there, and some damage, therefore the Federal Government, usually assumed the responsibility. But regarding any property along the rivers, that through acts of God and nature, they cause damage and erosion, the owners of that land can only appeal to the governments or the municipalities for assistance if they can prove that certain acts of the municipalities or the government by increasing the drainage into those channels has been directly responsible for the damages that occurs. And I think--I'm hoping that the Attorney-General will say that I am right that when you buy land along the river you buy that--with the Red River frontage, and you have to accept acts of God and nature in the matter as your own responsibility.

MR. LYON: Mr. Chairman, I don't appear to have the report of that case with me but certainly I am prepared to say that generally speaking as an exposition of a general statement of commonlaw what my honourable friend from Swan River states would appear to have considerable amount of verity and truth to it. I would certainly be prepared to take the matter under advisement and let him have my opinion for what it's worth though. But generally speaking I think that is true. You buy land, caveat emptor, the buyer takes it subject to all of the conditions that adhere to the land when he purchases the land. I don't know if that question is particularly an issue but certainly as a general proposition, I think that that is a correct statement.

MR. CORBETT: I think then that the Honourable Member for Brokenhead could find out that if it is private parties who are suffering down there, they must prove that certain damages they are suffering are caused by certain acts of responsible parties, whether it is the government or municipalities.

MR. SCHREYER: Mr. Chairman, the Minister of Agriculture appeared to give some small measure of comfort to the people affected, and then the honourable member from Swan River seems to have smothered it however I know he didn't do it with any malice. However, the honourable member raises a very important point, and it is simply this. As I said before, there should be some definite policy established, because some private parties have had governmental assistance to the tune of I believe 37 1/2% contributions from the provincial government toward the cost of shoring up the banks. Well then, if some private parties receive this governmental assistance what about the others. And I know it is a very frustrating situation because people thus affected look across the river and they see someone's private property shored up and shored up at an expense which was borne in part by the provincial government so it would seem therefore that that is all the more reason why we should establish some type of definite

(Mr. Schreyer cont'd)...policy. Now then, just one other point in connection with this. It was mentioned by the honourable member that parties buying property must take into consideration the natural hazards or natural conditions etcetera, but it is accepted, I think, by parties concerned and by those not directly concerned; it is accepted that there are conditions not natural which are causing at least part of this erosion, for example the locks at Lockport, the fact that pleasure craft are screaming up and down the river causing big waves lapping against the banks. And certainly if the government has no intention of assuming a portion of the cost of shoring up the banks, then perhaps they can try to enforce a speed limit of pleasure craft going up and down the river.

To be continued on next page.

MR. CAMPBELL: Everybody that has studied this question would agree with what the honourable member for Swan River and the Honourable Member the Attorney-General has said as far as legal responsibility is concerned. The honourable member for Swan River is a very practical and experienced gentleman. I have a high regard for his down-to-earth viewpoint and opinion, and he has had a wide experience. But I would most like to ask him how would he feel if he were occupying the position of the First Minister of the province or the Minister of Public Works or a private member and had a group of people come to him, whose homes had been built on the bank of the river and true there is no legal liability, but if they saw, year after year and three or four times a year a little terrace of six or eight feet in width, first a crack appearing and then a little subsidence and then a definite slippage, happen three or five times a year, and moving right over toward their home, and if he were in anyone of those positions and those people came to him and said "Now look, this has come so many feet in the last few years and it's only so far from my house, what can the municipality or the government do about it", how would he feel about that?

MR. CORBETT: I admit that when I was speaking here, on compassionate grounds they should probably give assistance, but merely not assuming responsibility for the damages that has occurred, but on compassionate grounds you could build them a cement rear half way out across the river if it didn't interfere with navigation or something else.

MR. MOLGAT: Mr. Chairman, on the first item, last year under this item as it was then under the Agriculture and Immigration and the previous year, there was an appropriation for work in the Riding Mountain area. I know that the Minister is quite familiar with the area, he told us yesterday under another item that he had been to meetings in the past in the vicinity of McCreary on this subject, and it is one that has very serious consequences for a large area. Now the history of the situation is quite lengthy; as a matter of fact and work has been done in the northern end, the constituency of my honourable neighbor, the member for Dauphin, as well as, I believe, along the Duck Mountain in the constituency of Ethelbert Plains, but no work was done on the eastern slopes of the Riding Mountain. P. F. R. A. surveys were conducted from approximately 1946 onward and finally ended 2 years ago. At that time the province was fed up with P. F. R. A. surveys and decided to take action on its own. My understanding is that there was an item something in the order of \$100,000.00 appropriated for work by the province itself on the eastern slopes in the general area south from Ochre River down to the vicinity of Elie and work was started there last year. The Federal Government I believe, was contributing half of the costs. I wonder if the Minister could give us a statement at this time on what has been accomplished there to date by the expenditures that were made and what are the plans for that particular area?

MR. WILLIS: We have consulted with the P. F. R. A. recently with regard to this project and we expect to have between us a continuation.

MR. MOLGAT: How much money is being appropriated for this project?

MR. WILLIS: It will depend upon information which is not yet available as to the amount and also the division. The P. F. R. A. have general funds out of which they can take it and so do we.

MR. MOLGAT: There was however, in the past, was there not, an amount appropriated of \$100,000.00 a year ago? I don't know the exact amount. Would it be the intention of the government to continue that amount and continue the same expenditure?

MR. WILLIS: You can't measure it in dollars, it is our intention though to continue the project.

MR. MOLGAT: The work that was undertaken as I know it, Mr. Chairman, was headwaters work on the Wilson Creek in the general vicinity of McCreary and it was the intention then, as I understand it, that the provincial engineers, that they could proceed there to do some work which would stop the movement of shale and the very rapid run-off which has been the main problem on the whole eastern slopes of the Riding Mountain due to the very steep escarpment. Could the Minister give us a report on the results of the work that has been done and what his engineers say are the probable chances of success--their efforts there?

MR. WILLIS: No, that has not been made available to me by P. F. R. A. or anyone else....

MR. MOLGAT: As I recall it though, Mr. Chairman, that work was not being done by P. F. R. A. It was largely being done by our own people because of the fact that P. F. R. A. was

(Mr. Molgat cont'd) . . . not taking action and the provincial government at that time decided it would take action itself. I realize that the Federal Government are involved in view of the fact that this is in the Riding Mountain National Park but my understanding, and I stand to be corrected on this, the Minister no doubt has more information on it than I have, my understanding of it is that our own crews proceeded to do some work, and what I would like to know is how much work has been done and how does this matter stand at the moment?

MR. WILLIS: As the honourable member says, there was a joint operation between the two and we were involved in it as well as Mr. MacKenzie and Mr. Riesen, Mr. Weaver and Mr. Griffith were involved as well, I don't have a detailed report in regard to it but I can get it for the member.

MR. CHAIRMAN: Carried ? Two, are we on 2 now?

MR. CAMPBELL: No we are on 1, Mr. Speaker.

MR. CHAIRMAN: Well, we passed it.

MR. CAMPBELL: No, we have not passed it. We have not passed it and we are not going to pass it for sometime yet because . . .

MR. WILLIS: Don't get too rough now.

MR. CAMPBELL: Well, Mr. Chairman, the administration item is the only item on which we can talk of quite a few of these other matters that certainly we are going to be considering here. For instance we have had no report with regard to the Lakes Winnipeg and Manitoba survey and my remembrance is that the Honourable the First Minister told us even at the fall session that that was going to be done very quickly and would be ready within a short time. I don't remember a report having been made on it at the spring session, and for goodness sake have we not got it yet? That's one matter that as far as I'm concerned, I would like to discuss, and this is the only item that I see an opportunity for discussing, and that's a considerable report. Then I would think this would be the item to ask my honourable friend the Minister, Mr. Chairman, is this going to the branch that will be in charge of the by-pass on the Red River, by-passing the Greater Winnipeg . . .

MR. WILLIS: Yes.

MR. CAMPBELL: Well then I think we would be entitled to the present situation in regard to that expenditure, Mr. Chairman, and has the Minister anything to report with regard to federal participation in that project because the government is committed to that one. That's one that they can't say that they're still studying. There's a commitment on that one.

MR. WILLIS: As far as the Winnipeg by-pass is concerned, there is no arrangement in regard to it with the Federal Government now and there will be, I expect, in the near future, but I definitely don't expect an arrangement will be made or consummated at all before this session completes, unless we go on into the fall, and maybe the winter, but that might be highly possible. But there is no information as far as the deal is concerned with the Winnipeg by-pass. Surveys are now in--some of them are being made at this time in regard to it, preliminary information is being obtained, and will be available in due course, but not soon. This is a terrific project in which we don't know when we will start, we don't know the financing of it yet, therefore it's one that we have to go carefully with it. Therefore it isn't the question of us being able to get you this information today or tomorrow or maybe two months from now, but it will eventually be available but not at the present time. And I think as far as the Lake Winnipeg and Manitoba reports such as are available, I will be very happy to bring them to the House.

MR. CAMPBELL: Does my honourable friend think they are available now, the cost-benefit survey?

MR. WILLIS: I think they are partially available.

MR. PAULLEY: Mr. Chairman, . . . the by-pass of the Red River, if I recall correctly the Honourable, the First Minister when he was speaking on this, said that we will go it alone if we don't have any participation at the federal level. I believe he made that firm statement in this Legislature. Now then, it would appear to me . . .

MR. WILLIS: These words will speak for themselves--they're on the record.

MR. PAULLEY: Yes, they're on the record. Now then the point that I raised would be simply this--that if that was the case what would prevent the government, having made that statement from going ahead with the project and carrying on its negotiations with Ottawa during that period of time, because as I also recall the statement of the First Minister and I may not have

(Mr. Paulley cont'd)... the wording of it correctly but he certainly intimated that one of the jobs that the government or his government was going to do was proceed with this Floodway with all due dispatch so that in the event of the possibility of another flooding they would be prepared for it. Now then if, at this present time, we're going to have to conduct prolonged negotiations with Ottawa, we're going to have a delay similar to that that has recently affected many of the municipalities in the eastern part of the province in respect with the Seine River diversion, because I'm convinced that had that diversion been made and progressed to the extent that had been more or less assured a year or so ago, continued, that much of the flooding in the Seine River Valley and in my own constituency of Radisson, would not have happened this year. Now I just recall to the House what I think were the statements made by the government that this will be done in all due dispatch and I'd suggest, all due dispatch Mr. Chairman, does not mean waiting for prolonged negotiations with Ottawa or any other jurisdiction but using the slogan of my honourable friend opposite--getting on with the business of Manitoba--and adapting that slogan to these present estimates, I would suggest that there should have been something in these estimates which would have allowed the government to proceed with the diversion. It may be and maybe here's a tip for the Minister because the Supply Bill as yet, it maybe that there's some provision in the Capital Supply Bill. We don't know because that hasn't been revealed. If it isn't, may I suggest that to use a phrase that was used in respect of our Party during the Session last fall--it might be an idea, if necessary, for the Minister to get "off of the hook" by putting in an appropriation in the Capital Supply Bill to at least make a start on the Red River Diversion.

MR. WILLIS: I think we would greatly prejudice our position if we followed the advice of the Honourable Leader of the C. C. F. Party.

MR. PAULLEY: Well, it was your Leader that said we would do it alone.

MR. WILLIS: What our Leader said will be in Hansard, of course....

MR. PAULLEY: And we'll look it up.

MR. WILLIS:and while I disagree with what you've said that he said, nevertheless his words will be there and they'll speak for themselves, for both of us in that regard. But in the project in which it is anticipated that the Federal Government will pay a very large share, I think it would be folly for us to start in in a big way on that project before we had consulted with them. They would say to us on that basis you apparently have the financial ability to proceed, you having started, so we'll be very happy to let you proceed by yourselves and consequently I think your position is greatly weakened because of that, therefore, before we make any major start in regard to it, we will definitely have to sit down with the Federal Government and discuss it. The First Minister of this Province didn't tell me all those things that he would discuss in Ottawa but he happens to be in Ottawa now and certainly on his return with regard to the Winnipeg By-pass, irrespective of whom he has seen or has not seen in Ottawa, I think he will be ready to make a statement in regard to it and that'll be the proper time for that statement.

MR. ORLIKOW: Mr. Chairman, I think as the Honourable Minister suggested it might be a mistake to go ahead on the actual construction before an agreement is reached. I think there's a good deal of merit in that but I wonder if there is in these estimates any money provided for, not the actual construction, but for some detailed planning of the project to go ahead with right now, or does that also have to wait until a final agreement is reached with the Federal Government?

MR. WILLIS: No, I think we would not be greatly hampered by the lack of money or by the lack of it not being specific in the estimates, and that there are still the Capital Estimates to come.

MR. CAMPBELL: Well, I would suggest to the Honourable the Minister that he'd better be pretty careful about how he expresses himself on a commitment of that kind until he reads Hansard and finds out exactly what the First Minister did say because it's all very well for the Honourable the Leader of the C. C. F. and me, to say that we feel that that's a commitment and that we feel that the First Minister has considerably dissipated his bargaining power by making a statement of that kind--it's quite another thing for the Honourable the Minister to say that and that's what the First Minister said. Now he said right after, "Fortunately we don't expect to have to do that, because we expect to get assistance from Ottawa", but he definitely said that if necessary they'd go it alone. Now my honourable friend I don't blame them at all for wanting

(Mr. Campbell cont'd)... to be sure that Federal participation is coming and if they'd have taken that stand from the start that would be O.K. with me, but that's what I'm always blamed for, that's the position that I took, that we were not going to proceed with the hugh amount of expenditure involved here until we had a commitment from the Federal Government and we never got it, and now my honourable friend, the Minister of Agriculture, is taking exactly the same stand that they're going to look this over and get the commitment of the Federal Government first.

MR. GROVES: Well the Honourable Leader of the Opposition and the Honourable Leader of the C. C. F. Party are looking up the words of the First Minister in connection with what he said, I would agree with the Honourable Leader of the Opposition that he did say that the government was prepared to go it alone if they couldn't get help from the Federal Government and if my memory serves me correctly, he also said and I think it was earlier in this Session that there would be money in these estimates, whether the Capital Estimates or the ones we are considering now, I'm not sure but he did say, I'm sure, that there would be money in the estimates for the commencement of this work. And I can assure this House that I, perhaps more than any other member, am most interested in seeing the Greater Winnipeg By-pass started and started without undue delay, and started regardless of whether the Federal Government are prepared to participate. It is my constituency perhaps, more than any other in this House, suffered from the flood of 1950 and are not too fussy about undergoing that same type of treatment, if we can use that word, from the Red River again if it can be possibly avoided.

MR. WILLIS: Mr. Chairman, while it is quite unusual to discuss these questions I think, before Capital Supply comes in, I think having gone thus far and having tangled ourselves this much in discussions it's only fair to say that I have every assurance that there is a substantial item in Capital Supply for this purpose and I think we can cease to worry about that item.

MR. MILLER: If the Honourable Minister had given us that information some fifteen minutes ago we could have risen and reported.

MR. WILLIS: The Honourable member knows as well as anyone else that some cases a member would be sharply criticized for saying anything that's in the Capital Supply Bill before the Capital Supply Bill is here and I was trying to keep definitely to that mark of propriety and not divulge any trade secrets, and insofar as the statement is concerned in regard to the Winnipeg By-pass I haven't tried to enlarge upon or detract from--subtract from the statement made by the First Minister which speaks for itself, and that speaks for the government.

MR. CAMPBELL: Mr. Chairman, I don't want the Minister of Public Works to try to establish the rule here that there's anything unparliamentary about the Minister disclosing on these estimates what the Capital Supply contains because it's perfectly normal for him to tell us at any time that some matter, some provision is being made in Capital Supply for something. There's nothing unusual about that, and if--I would counsel any of the other Ministers that if they have an item of this kind to, for goodness sake, mention the fact that it's in the Capital Supply, because that's done regularly as far as we were concerned in preparing the estimates--we put a lot of the Capital Supply right in there--a Bill came in, in due course, and later on if it was to be voted out of Capital it--didn't need a Bill if it was to be voted out of current, but I certainly don't want the committee to get the feeling that there's anything unparliamentary or unconstitutional in discussing the Capital Supply on these estimates.

Mr. Chairman, with regard to exactly the same situation exists in connection with the building of the dam, the widening of the channel and building the improved dam on the outlet of Lake Manitoba. Can the Honourable the Minister say that that item is also in Capital Supply?

MR. WILLIS: What was the specific item?

MR. CAMPBELL: The deepening and widening of the channel on the Fairford River and the improved dam as recommended by the report of the Lakes Winnipeg and Manitoba Investigating Committee.

MR. WILLIS: From a look at Capital Supply I couldn't definitely tell the Honourable Member as to whether it is in it or not. I see no particular item with that heading therefore you'll have to wait until the Bill comes down and the Capital Supply details can be given.

MR. CAMPBELL: Mr. Chairman, under those circumstances would the Honourable Minister not be prepared to have one of these items stand so that those items can be discussed? I'd be quite prepared....

MR. WILLIS: Yes. I'd be glad to do that and move on to the next item.

MR. ROBERTS: Mr. Chairman, I believe the Leader of the C. C. F. asked about the Seine River Diversion and the progress on it, would you kindly answer that one or give us a progress report on the Seine River Diversion?

MR. WILLIS: There has been, to the best of my knowledge no change of policy as far as the Seine River is concerned. It has been a continuation and to the best of my knowledge too, there's been no policy of the government contrary to the final completion of the Seine River project, and I know of no one in the government who has another different opinion in regard to it and I think it will proceed as was before, to completion, and that there will be no question in that regard.

MR. ROBERTS: last fall.

MR. WILLIS: Pardon.

MR. ROBERTS: There was a work stoppage on the Seine River Diversion last fall wasn't there?

MR. WILLIS: Yes, a slight one. Yes.

MR. ROBERTS: Are they working on it now? How many machines are out there and when do they intend to complete it?

MR. WILLIS: We have so many projects out I couldn't be sure but certainly there has been no change of policy in regard to it, nor do I know of a stoppage.

MR. PAULLEY: Mr. Chairman, I wonder as the Minister has agreed to hold an item for further consideration, I believe, of the dam that my honourable friend the Leader of the Opposition mentioned. I presume it would be allright if further questions on the Seine River Diversion were asked at that time and possibly in the meantime the Minister may be able to get up-to-date information as to the progress being made on the Seine River Diversion. And I would also like information in respect of that Diversion from him. I note that in the estimates of last year, under the former administration, it was in under Public Works where there was an expenditure of \$500,000.00 estimated for the fiscal year ending March 31st, 1959, an estimated expenditure of \$500,000.00 less a recovery from the Government of Canada of \$250,000.00 and possibly when the Minister is checking into the question of the Seine River Diversion cost, he could inform us as to whether or not the recoveries from the Government of Canada were forthcoming. I raise this point Mr. Chairman because of the fact that it's my understanding that there were also some costs which were going to be chargeable back to the municipalities. Now where that came up I'm not quite aware at the present moment. I think possibly the answer would be that the recoveries were not forthcoming from the Federal authorities and that part of it was going to be paid by the municipalities but I would appreciate it if the Minister would look into those things when he's discussing this other matter.

MR. WILLIS: I'll be glad to get that for you.

MR. CHAIRMAN: 15 (a) Stand; (b) (1) Salaries - Passed: (2) Supplies - Passed: (3) Water Control Projects....

MR. MOLGAT: Mr. Chairman, could the Minister give us some details as to what that covers.

MR. WILLIS: This is the Department which came down from the Department of Mines and Natural Resources and covers the larger.... This item covers the cost of construction, maintenance and operation of the various water control projects in the Province under provincial jurisdiction such as the dams on the LaSalle River, Souris River, Fairford River, and also the provincial share of the northern Fur Block Development at The Pas, and surveys on the Northern Rivers such as Churchill for future power development programming.

MR. HRYHORCZUK: Mr. Chairman, earlier in the evening on the question asked by the Honourable Member for Ste. Rose relative to the control of the slippage of shale and so forth on the east escarpment of the Riding Mountain. He mentioned that there was \$100,000.00 appropriated for that particular project, and if my memory serves me right, the Minister answered that there was no specific appropriation for that item but it came out of the General Fund or a general appropriation. I've been looking through this item and I can't find any general appropriation. Would the Minister clarify his statement?

MR. WILLIS: Well I assume that's under the general item of Water Control Projects there which could be one of the items under which it would be available. I don't think that at the com-

(Mr. Willis cont'd)... mencement of the year, every item of expenditure is tied down by a number any more than it is in the Roads Department, where you have a large amount which can be allocated to different projects. I stand subject to correction by the Minister who is in charge of this but this comes to us from the Department of Mines and Natural Resources and I assume that there is reasonable latitude as there is in practically everyone else.

MR. HRYHORCZUK: Well I expected that probably would come under this particular item myself but the Honourable Minister enumerated the items that did come under that particular appropriation, that's why I asked, I didn't hear it called.

MR. GUTTORMSON: Mr. Chairman, could the Minister tell us how much money has been allocated to the Fairford River?

MR. WILLIS: No, I don't have it here, I can probably get it for you but that's not an easy or immediate matter as far as one project is concerned.

MR. PAULLEY: Mr. Chairman, at this stage in the evening I rise to ask the question of how long does the Minister intend to proceed with these estimates. There are one or two items being stood. I have noticed on one or two occasions when it has been suggested that the committee rise and report there is quite a chorus from the other side of the House, --no, no, no--and possibly were I sitting on that side of the House I might join in that chorus, particularly if I were sitting in the Legislature for the first time that we were scrutinizing the estimates. I can appreciate very much, Mr. Chairman, that the members of the government with such a huge majority may feel it rather important just to rush through the estimates. I can appreciate very much the fact that in many instances there may have been some repetition of questions from this side of the House, but that is a very normal thing. I'd suggest to the members opposite who have had the privilege of sitting in this Legislature before on this side of the House, that their task wasn't as easy as it is now. I think they're being very very childish. I don't think that they realize what their duties are as Legislators: I don't think they realize what our duty is. . . .

MR. LYON: Mr. Chairman, on a point of order. The Honourable member can't call in to account the attitudes of honourable members on any side of the House, not realizing what their duties are as Legislators.

MR. PAULLEY: Mr. Chairman, I'm perfectly within my right until I name a person and if I recall correctly on a debate which has already taken place in this House, with all deference to the ability and knowledge of my honourable friend the Attorney-General, that both the Leader of the House and the Leader of the Official Opposition took me to task on just what I'm doing now which was done by an Honourable member in a previous debate so I think I'm quite within my rights. But I do suggest this, that in the last fifteen minutes there has been directed to the Honourable the Minister of Agriculture, five or six very pertinent questions for which he did not have the answer and I'd suggest to the House Leader that now we've reached the hour of 11:30 at night that he take under consideration, despite our failings if he wants to call them that, of asking many extra questions, or pursuing points, that may seem insignificant to some members in the Legislature that we in opposition have our jobs to do, we have not as I've mentioned before the research experts behind us, we have not the availability of all of the staff which members opposite have and I would suggest, and make an appeal to the House Leader that we've gone over normal closing time now by half an hour, that he should take into consideration the job and the task which we on this side of the House have to do for the people of Manitoba and call it quits for tonight.

MR. WILLIS: Mr. Chairman, I should like to discuss this in a moderate way if I could. Namely that we were trying to get a little work done, unsuccessfully. The Department of Education went on for five days which is quite unusual. We didn't know the. . . .

MR. MOLGAT:

MR. MILLER: Not unusual at all Mr. Chairman.

MR. WILLIS: We were trying to see if there wasn't some method by which we could come to grips with the problems. I think some of us at least have a desire to try and get out of here by the time the Queen comes and on the present basis, one press man has figured it that we'll be here until September, on the basis of the progress which is made with the estimates.

MR. MILLER: And it's entirely on the estimates.

MR. WILLIS: We would normally say yes and no, and get a half an hour's speech from the other side. Now I don't desire to rush through estimates, certainly not; we don't desire to cur-

(Mr. Willis cont'd)... tail questioning at all, but we do desire to have a reasonable attitude in regard to that matter and I know that the questioning which we have now, dozens of questions are asked when the one who asks the question knows the answer and I am hoping that that attitude may change. I personally am not worried at all as far as the Session is concerned nor the questions which we have here, but I do remember the Leader of the Opposition previously imploring us to at least get some work done and sometimes keeping us until 12 o'clock without the impassioned appeal which we have just listened to by the Leader of the C. C. F. Party. If it is your desire that you should not proceed any further this evening then I think we will have to go along with that idea, reluctantly, because we had hoped that after three days on these estimates that we might have been able to pass them in an orderly fashion and consequently we had hoped for greater things, but if it is the desire of the combined opposition that they want to stop at this point--I was hoping that they would pass the items and then hold one or two which, would enable discussion on a slightly narrower basis than the other would be, we'd be very happy to answer any questions which you have, particularly if you would tell us in advance what they are; we could expedite the answers very quickly because when you get on the broad field of water control, when you have I suppose at least 50 projects going on at the one time and part of these projects are going on by the Federal Government and not the Provincial Government, that when we are reporting for the Federal Government on matters which they are handling but which we are reporting to the Legislature it becomes more difficult in that regard. And many of these reports which have been requested, all of them that are available, we'll get for you. Many of them are very thick reports, they are complicated reports, they're difficult for anyone to understand even after he has them, with regard to the proposals and in regard to what is suggested as to these water proposals that are in the reports. So because of these things it is a simple matter and an easy matter for the opposition to slow down the estimates and keep them for a very long time. This is not our idea, we are not trying to rush through the estimates. It has been current in the newspapers the last two or three days that apparently the opposition is carrying on a filibuster; they have said so; it isn't news; the actions taken would indicate that that seems to be the idea and it seems to be a concentrated effort for that purpose. We don't understand the purpose of it nor do we understand the politics of it but we are a reasonable government; we don't want to rush through the estimates; we do desire to give all the information which is available because not only are those your desserts, you're entitled to that information, but from my point of view that's good politics to give you as much information as possible. It's just good politics and good government to do so, and I am convinced that that's the proper system, to do it. Now we leave this matter in your hands in regard to it and if it's the desire of the committee now to rise and report then I don't think there'll be any serious objection from this side, saying, too, though that we were hopeful that we might get some work done tonight.

MR. PAULLEY: Mr. Chairman, I thank the Honourable the House Leader for his remarks and I would suggest this that if it is the desire of the government to take to task the official opposition because, with few exceptions I think it would be agreed by the House as far as my group is concerned, we've generally stuck to items and not answered our own questions. But with all deference to the Honourable the House Leader, and I think in all fairness to my group--and I am not crying in my beard or anything like that--but I feel, Mr. Chairman, that I have a very responsible position in this House, that the task that I have before me as Leader of the C. C. F. Party is one which I didn't ask for, but it is one which I felt that I had to accept and I feel that in the pursuance of my duties that I must give a lot of study to this and that I must, of necessity, do a lot of extra work which I formerly did not have and I would suggest to the Honourable the House Leader once again that if it is the desire to spank the official opposition, spank him if you will Sir, but in that spanking take into consideration the situation of ten of us for after all there is only a difference of one between the official opposition and ourselves, and so I would suggest to you Mr. Minister that it is now 18 minutes to 12 o'clock that the committee rise and report.

MR. WILLIS: If I might say but one word. I have never had any difficulty with the Honourable member --he has received no spanking from me in regard to it--I've talked to him quietly in regard to this matter and pointed out what is the business of the House; we have responsibility here. I well recognize that he has a responsibility too. I was on that side with the same responsibility for many years; I recognize it and I recognize that he has a duty to do and we're quite willing to let him do it. Nor are we trying to rush through the estimates, at all.

MR. PAULLEY: I don't care if I'm here until next December.

MR. WILLIS: Well that is the difficulty in some cases because some of us do, and we'd like to--we've come through two elections, in fact we have just come through three elections, if you want to include the Federal one, it's four and therefore we'd like to get on with a bit of business as far as the government is concerned. Mr. Chairman, I suggest we rise and report.

MR. CHAIRMAN: I was just going to say Sir Minister, that as far as the Chair is concerned there's never been any thought of rushing things through. We call the various items and I for one agree that each party, all the parties have a responsibility and are doing their jobs seriously, but at the same time I think if I would offer one bit of advice, that is from my angle here and try to keep my eyes glued on every item as we go through it, there is a tendency sometimes to discuss a matter under a certain number that will have its proper place a little further down and if we keep that in mind I think we can expedite matters and there is lots of work to be done. We don't like late hours but it has to be done, and I notice that we have covered about, completed about four departments, we have about six to go and we've had 31 1/2 hours. I'm just mentioning that so that if we had the co-operation of everyone it won't be necessary to have our Thanksgiving dinner here. Committee rise and report. Call in the Speaker.

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

MR. MARTIN: Mr. Speaker, I beg to move, seconded by the Honourable Member for Winnipeg Centre that the report to the committee be received.

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

MR. WILLIS: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Education that this House do now adjourn.

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

MR. SPEAKER: The House do now adjourn and stand adjourned until 2:30 tomorrow afternoon.