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THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Tuesday, March 28th, 1961

MR. SPEAKER: The Honourable Member for Brokenhead.

MR. SCHREYER: Mr. Speaker, up until 5:30 I was dealing with what one aspect, or one reason why the distribution of natural gas should be done through the management of a publicly owned utility, and I would like to expand just a little bit further on this first reason. Forty years of experience in the United States, backed up by the considered opinions of economists and lecturing professors in the field of utilities have all pointed to one fact, namely, that in all occasions where privately owned utility operating as a monopoly have been in existence there the consumers of the energy be it hydro, electricity or natural gas, have not had the advantage of rates as low as they might have been. And I showed a chart to the honourable members which showed that the private utilities in the area later affected by TVA consistently refused to lower their rates and were able to justify to Public Utility Boards that they could not charge a lower rate and stay in business; then when TVA moved into the picture there was a startling drop in the rates charged and these companies still remained solvent. Further to that I would like to point out to the honourable members that in other areas besides those affected by TVA, the same thing occurred. Privately owned utilities refused to lower rates to the consumers until threat of public ownership or until threat of competition by co-operative owned utilities came into the picture there was no reduction in rates. For example and I did only touch on this briefly, in the State of Alabama, in Culman County to be more specific, the privately owned power utility refused to service quite a vast area, and the farmers there, rural people and people of the smaller towns simply had no way of getting the utilities to service them with power until -- it got to the point where a co-operative enterprise was in the making -- and upon threat of this competition the Alabama Power Company took upon itself the task of not only building lines to those areas previously unserved but of building spite lines as we call them, building spite lines to service those areas where the co-operative did in fact build lines to service. I think this certainly doesn't speak well for the private utilities in that area. Now I know that I only have 15 minutes left so I shall have to delete some of the things I had wanted to put before this group.

But it's suffice to say that in the area which was later affected by TVA the private utilities simply refused to see, or were ignorant of the fact that the demand for power is an elastic one. Consequently there is good sense in trying to build up a market, a large market and have the same return with even lower rates, but until TVA came into the picture the managers of the private utilities didn't look at it this way and the consumers suffered. In New York in the 1930's the Public Utility Board process broke down completely and an investigation was set up through the New York Legislature and a commission report recommended the passage of legislation that would permit municipalities to group together to form large enough economic units in order to distribute power through a municipal or public utility. The threat of public ownership was one of the strongest -- this threat which came out of the report was one of the strongest bargaining points which the consumers had collectively in their battles with the utilities. Now the fact that in almost every case throughout history involving the regulatory process, the fact that the threat of public ownership proved to be the best regulation is in itself, I think, an admission of failure on the part of any regulatory system. In Winnipeg City Hydro when it came into being forced the Winnipeg Electric Company in 1912 to lower its basic electrical rate by more than 50 percent, from seven and a half cents per kilowatt hour to three and a third. Winnipeg Electric didn't go into bankruptcy, but up until that time one could only conclude then that they had been charging exorbitant rates. All of which I have said thus far has been to prove one basic point, and that is that regulation through a Commission or a Utility Board is not very effective. There are other reasons, and I will launch into the second one right now.

The second reason why public ownership of utilities is necessary for the public consumer interest is the fact that a government or a larger government unit can borrow money at a more favourable rate than any private firm in utilities, and in the field of utilities the investment per dollar revenue, annual revenue, is high. It simply shows that interest charges in utilities are a very significant item in the cost of production. I have before me a table taken from the

(Mr. Schreyer, cont'd.) Electrical Utility Rate Economics by the Kaywood Corporation, 1956, so it's fairly recent, and I think up-to-date. And it shows that the plant investment per employee and the plant investment per dollar of annual revenue returned is higher in utilities than in any other field of endeavour. For example manufacturing, the plant investment average per dollar of annual revenue return is 35 cents; for the gas and pipeline industry it is \$2.83; all of which goes to show that because investment per dollar of revenue return is so high in the utilities, it follows then that the interest rate is a very important factor, and I submit with all the amount of logic that I can muster, that because of this, because of the importance of the interest rate factor, it is better for the consumer and for the public to have an economic unit distribute the natural gas through an agency or unit that can borrow money on the market at a cheaper interest rate. And here again in order to prove my point I would like to show members a very simple graph which shows the amount of investment per dollar of annual revenue returned. This is the plant investment per dollar of annual revenue in manufacturing. You'll see it's very small -- 35 cents investment for every dollar returned. In the utilities, and these are all utilities, you see the relative ratio or position, and because the amount of investment is so high per dollar of revenue return, it follows then that the rate at which a company can borrow money is a very important factor, and I submit that the province can borrow money at a more reasonable interest rate than any private utility. Therefore the consumers could buy, use natural gas at a cheaper rate if the province or Crown corporation were distributing it than if it were being distributed by a privately owned utility, which would have to pay more naturally, which would have to pay a higher interest rate -- which shows up in the rate charged the consumer. As I said this was taken from Utility Rate Economics, Kaywood Corporation, 1956. Now I know also that our utility board or any utility board in this country is going to have trouble wherever privately owned utilities are operating, is going to have trouble determining the rate of return. The traditional rate of return has been around seven percent, but I notice in Alberta and Ontario there are moves afoot now by the privately owned utilities, gas utilities, to have the rate of return jacked up to eight percent. The utility board in this province is going to have to fight this year after year, and even in the fighting of it will be fighting a losing battle.

There is a third reason besides the one mentioned having to do with interest rates, there is a third reason for public ownership that I would like to advance, and that is simply this: that private utilities have almost always become enmeshed in the maelstrom of politics and I don't think this has had a very healthy effect upon democracy. It is true that this doesn't come to light too often, nor are governments necessarily dishonest, but it must be remembered that the plum in being granted a utility franchise monopoly is a very good plum worth scrapping for because it permits for large capital gains to be made quickly. It will be recalled that in Ontario just two years ago there was a very nasty smell in connection with the Ontario Northern Natural Gas Company. At the very moment in Quebec there is a commission investigating the sale of the publicly owned utility gas system in Quebec just before the arrival of natural gas. Members will recall that the Montreal newspaper *Le Devoir* made some pretty bold charges against the Duplessis government. Duplessis threatened to sue but he never did, and this of course was before his having deceased. It has been revealed lately in the press that one of the former members of the Quebec Government was on the Board of the Quebec Natural Gas Company and he received \$66,000 for legal work done for the firm. He was on the Board of Directors of the firm; he did legal work for the firm and received money from his own firm notwithstanding the affiliated interest there. He was also a member of the government. Well, rather messy to say the least. Going further back in history, we talk about the transportation utilities, and we all recall Sir John A. McDonald's receiving over \$300,000 at the time of the CPR scandal. Now he was one of the greatest men in Canadian history, and perhaps one of the most honest men in the history of Canadian politics. But even he was unable to keep himself clear of the scandal. We don't have to go that far back, 1929 -- in 1931 rather, the report of the Special Committee on the Beauharnois Power Project revealed the following: "A Mr. R. O. Swezey admitted in evidence that he was responsible for the following contributions: for contributions for political purposes aggregating \$864,000." And again, R. O. Swezey of Beauharnois Power -- his idea from the first to the last seems to have been that in order to secure the approval of the authorities in order to have his application for utility allowed, he thought it was necessary

(Mr. Schreyer, cont'd.) for him to deal with a lavish hand with monies involved with political parties. He paid \$50,000 to Senator Hayden's firm upon his receiving approval of his plans. Senator Hayden was Chairman of the Finance Committee of the Federal Liberal Party at that time. Now, what does it prove? I don't know if members are aware of this, but McKenzie King's opinion at that time was, and I quote: "We have walked through the shadow of the valley of humiliation", I think were the words that McKenzie King used, because his party, the Liberal Party had become involved in a scandal involving payment of money in order to have a licence granted, or a franchise granted, for a monopoly in the distribution of power. How much did the Liberals receive of the \$864,000, approximately \$600,000; Conservatives apparently two hundred and some odd thousand. All of which goes to prove that private utilities because of the rather juicy plum involved at the end of the stick, have been willing upon more occasion that one to deal with a rather lavish hand in campaign contributions.

Well, the third point regarding campaign contributions -- I don't want to emphasize too much -- relative to the other two, I don't think it's that important, but it's there. Now having said that, I want to point out to the members that where natural gas has been distributed through a publicly owned Crown corporation, the results have been, if anything, rather gratifying. I want to point out to the honourable members that as at the end of 1960, the distribution of natural gas in the Province of Saskatchewan had the following statistics surrounding it: 1,600 miles of transmission lines. This does not include hundreds of miles of distribution lines. Seventy-one thousand customers receiving gas. The rate for residential users, approximately 73 cents per m. c. f. for large centres, 76 cents for medium size centres and 80 cents for the smallest village centres. At present there are 93 centres receiving natural gas -- 93 centres as compared with ten in this province. During 1960 a further 310 miles of transmission lines were installed and a further number of 24 centres received service. Now Saskatchewan at the Fiftieth Parallel is approximately 375 miles across. Manitoba is approximately 275 miles across. The transmission lines carrying natural gas in the Province of Saskatchewan are sufficient to cross Manitoba more than five and one-half times. As I said, Manitoba is being served at only ten centres, all of them being within a very tight proximity of the transmission lines -- the Trans-Canada Pipeline. Of course, some will argue that Saskatchewan has the advantage of having natural gas fields, but keep in mind that the gas must be bought from the producers and the transmission lines -- all these hundreds of miles of transmission lines must be paid for. They are doing so out of the rate that is being charged and still the rates are lower than that charged here.

Now perhaps the greatest single reason why I take this amount of time to lay all this before the members here is the fact that in Manitoba there are so many centres of a fairly large size that are not being serviced with natural gas that it puts these areas at somewhat of a disadvantage when it comes to competing for industry and the decentralization of industry which the Honourable Minister of Industry and Commerce likes to talk about. I know that he has done a considerable amount of work to this end and this is a very worthwhile goal and of ultra importance, but when the Honourable Minister made his speech here in 1958 dealing with the function of the Utility Board among other things he mentioned the fact that centres which were not being serviced with natural gas were at somewhat of a disadvantage, and having said that in 1958 I think that he would still agree today that the same holds true. Now what about these other centres in Manitoba? What is the likelihood of them receiving natural gas within the next few years? Well, I submit that their chances would be a good deal better if the distribution were handled through a publicly owned utility. I have and this again -- this is the last chart which I want to show the members, and it points out much better than I could do in ten minutes of speaking, the comparison of distribution of natural gas in the Province of Saskatchewan as scaled to the Province of Manitoba. This isn't all, I ran out of pins, but in all there are 90, and you will see the story here; all within a tight proximity to the transmission -- the main transmission line. Is this good for the Province? Is this good for decentralization of industry? I think that the facts and the charts speak for themselves.

In 1952 privately owned interests approached the Premier of Saskatchewan with the view to getting franchises, monopolies to distribute natural gas, and as I understand it, the Premier there considered it quite seriously and perhaps the fate in that province would have been the same as it turned out to be here, but one of the first questions that the Premier there asked

(Mr. Schreyer, cont'd.) these interests or companies was: "Well what about these smaller centres? How soon will you be able to bring natural gas energy to these smaller centres?" And their reply, I suppose with some embarrassment was: "Well, it's not economically feasible or profitable", and with that type of thinking the Premier there and his Ministers, I suppose, were of the opinion that the best thing that could be done for Saskatchewan as far as natural gas distribution was concerned was to do it through a publicly owned system, which they did, and the results I've shown you, rather tactly I hope, on the chart.

We have our own experience in Manitoba; we've had a publicly owned Power Commission, Telephone System and they have done a first rate job. No one here in this Chamber would deny it, I don't think; so there is benefit from our experience with these two corporations. Do we trust the privately owned utilities? If we do, then I suggest that we really don't need a regulatory body. However, we do have a Utility Board and this by itself would seem to indicate a certain mistrust -- not of the individual, not of the individuals who manage the company, but a certain mistrust of the inherent mode of operation of any privately owned monopoly, and so we have a Board. Is it doing a job? Can it do a job is really the proper question. So why not operate the gas utility as the Power Commission, as a Provincial Utility, and I think that the publicly owned utility could carry on feasibility studies and get on with the job of finding out whether it is feasible to carry natural gas and distribute it to some of the smaller centres in this province. One thing is sure, as long as natural gas is distributed by a privately owned utility in this province, there is going to be an intermittent fight year after year regarding the rate of return. They are agitating for higher rates of return. This will be done at public expense. The Gas Enquiry Commission cost \$82,000. This was an expensive regulation. Was it necessary? Even in the United States bastion of private enterprise, the number of municipal owned utilities or public utilities is on the increase. In the cities of Brandon and Portage right here in our own province the last year, we have noticed some rather disturbing events -- the two privately owned utilities in those two areas or centres have asked for increases in contravention, in contradiction of their franchise, and we're going to have this kind of trouble cropping up in the future.

I see I have spoken longer than my allotted time, Mr. Speaker. I want to thank you for your indulgence. At the same time I would point out if members here are rather leary of giving proper consideration to this resolution because it's sponsored by a member of this group, I would point out to them that the idea of public utilities, the idea that utility should be publicly owned originated with some Conservative thinkers like Sir Adam Beck. There is nothing inherently wrong about it, but rather there is something inherently right -- protection of the public against the abuses which are bound to crop up through privately owned monopoly. I would quote Will Rogers in closing, because although his humour was simple it was rather penetrating. He was asked to comment once on privately owned utilities and he said this, and I quote: "Privately owned utilities with their holding companies act in much the same way as an individual who transfers money from one pocket to another while the policeman frisks him". And with that in mind, Mr. Speaker, I would like to urge all members to act with regard to this resolution, keeping in mind the need of smaller centres of Manitoba for natural gas energy at the lowest possible cost.

MR. DESJARDINS: I wonder if the honourable member would permit a question? In view of his stand on campaign funds, would he feel that the New Party should accept funds from the Labour group -- labour force?

MR. SCHREYER: In the past the CCF has been too idealistic about acceptance of campaign funds. Now I think that the New Party will attempt to raise money by the lessons of the two old parties, keeping in mind of course the need for moderation propriety.

MR. SPEAKER: Are you ready for the question?

MR. SEABORN: I beg to move, Mr. Speaker, seconded by the Honourable Member for St. Vital, that the debate be adjourned.

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

MR. SPEAKER: Proposed resolution standing in the name of the Honourable Member from Morris.

MR. LISSAMAN: Mr. Speaker, in the absence of the Honourable Member from Morris, I wonder if the House would permit this matter to stand.

MR. SPEAKER: Order stand.

MR. COWAN presented Bill No. 43, An Act respecting the Practice of Speech and Hearing Therapy, for second reading.

MR. COWAN: Mr. Speaker, I do not propose to take up a lot of the time of this House going over this bill section by section as it is somewhat similar to other bills that have come before this House. This one is modelled on The Chiropractor's Act. The purpose of this bill is to raise the standard of Speech and Hearing Therapists and to ensure that the persons engaged in this work have proper training and have training so they can recognize those who need medical assistance and advise the persons or their parents accordingly. Speech and Hearing Therapists provide treatment for articulation disorders, characterized by substitutions, omissions and distortions of speech sounds, stuttering and voice disorders including problems of pitch, volume and quality. Speech and Hearing Therapists give special training to restore speech after the surgical removal of the larynx and to overcome cleft pallet speech deficiencies. These therapists help persons with speech defects who suffer from cerebral palsy and aphasia. They also help children who fail to speak at the expected age. In cases of permanent hearing impairment the therapy program may include speech correction, lip reading, auditory training and help in adjusting to a hearing aid. The objective of therapy is to eliminate or so minimize the speech handicap that the individual may adjust satisfactorily to his living and working environment.

In Manitoba speech and hearing therapy is provided by qualified therapists, whose services are available at the Children's Hospital in Winnipeg, The Deer Lodge Hospital, The Child Guidance Clinic of Greater Winnipeg, The Child Guidance Clinic in Brandon, The Society of Crippled Children and Adults, and through clinics sponsored by this Society at time to time at Flin Flon, Dauphin and The Pas; and there are therapists in private practice in Greater Winnipeg. In addition there is therapy given in The Manitoba School for Retarded Children at Portage la Prairie.

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

MR. SPEAKER: Adjourned debate on second reading of Bill No. 20. The Honourable Member for Assiniboia.

MR. JOHNSON (Assiniboia): Mr. Speaker, I do not rise at this time to participate in this debate either for or against this bill. But before proceeding, Sir, I would like to make a very brief comment on the recent bond sale just concluded, and to say that perhaps in the history of the Dominion of Canada no Legislature has ever received such a wonderful vote of confidence, financially.

Now, Mr. Speaker, -- (Interjection) -- I've got lots of time. However, Sir, when my honourable friend from Wellington told me that he was going to again reintroduce this bill I decided at that time that having declared my position at the last session, it would indeed be quite superfluous for me to again take up the time of this House in going over my reasons for the position I take at this time. However, I must add that the way in which the honourable member was received on his introduction with laughter, scorn and derision, certainly did not in any way add to the dignity of this House, and I particularly refer to those who perhaps have just now spoken. I have on my own behalf, and I speak on my own behalf, have always taken the position that it is my responsibility to listen with sincerity and respect the utterances of all members either for or against any bill that is being debated. And if there is one thing that I have been taught during the brief period that I have served on school boards and local councils, has been to respect the ideas and the opinions of all who come before it.

Now, Sir, where do we stand? The vote on this very major issue has split this House down the centre. Now any subject -- it doesn't make any difference what it is -- that so divides a Legislature certainly is of major importance to all, either for or against it. Surely that importance must carry with it some responsibility to every member whether he is for it or against it. What are we to do? Are we to come here every year, again take up valuable time and hash over our reasons for or against? Should we not take this bill now and let it proceed along the proper channel to law amendments, where we open the door for other interested and organized groups to present to the committee factual evidence? -- (Interjection) -- All right, they say no; I say yes. Because hiding or shutting out evidence never settled satisfactorily anything. It is my opinion, Sir, that this Legislature has a moral responsibility to the people of Manitoba

(Mr. Johnson, cont'd.) to let this bill proceed where we, as individual members, keeping in mind that this is not a political issue. There's no politics in this -- at least there isn't from my angle -- and I only speak for myself. But I can say this, Sir, and I'm not pleading or making any plea but I am endeavouring to draw to the attention of every member their responsibility as I see it and as I'm sure that the great bulk of the people of Manitoba take it. They want to see this question settled. How are we going to settle it? Only one way, Sir, and I suggest to you that the thorough way is to let this bill proceed further on to committee where we can open up, as I have suggested before, and to hear other outside groups and organizations who can bring us factual evidence. Now I can say this for myself, while I do take the stand at the present, for this bill, it is conceivable that I upon receipt of further evidence -- and I say that I'll reserve the right to change my mind if I so wish -- but I first want to be given the privilege of other information than what I've heard in this Legislature. And the only way we can get it, I repeat, is to further let this question pursue along its proper lines to the Law Amendments Committee where that will happen. Let us get this question behind us. Let us settle it once and for all. Surely to goodness the people, the members here, equally divided, all of us should be given that opportunity and I say again before I take my place, that in my opinion, the importance of this bill is of such importance that the responsibility lies upon the shoulders of every member of this Legislature. We must not continue with this bill every year. Let us then assume our responsibility; let this bill proceed where other information or evidence can be brought to us and then let us decide it.

MR. J. D. WATT (Arthur): Mr. Chairman, I move, seconded by the Honourable Member from Birtle-Russell, that the debate be adjourned.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): May I speak, Mr. Speaker, before the adjournment? I just want to say a few words. I'm not going to get into the debate as to whether this bill should be supported or opposed. I've made my stand pretty clear for I don't know how many years now, and nothing has been said, nor have I read anything to change my opinion. I still feel that the bill should be defeated here on second reading and shouldn't go to Law Amendments Committee, and that is the reason I have risen, Mr. Speaker. Matters are referred to Law Amendments primarily for the purpose of obtaining the views of various laymen and laywomen; the private citizen is given an opportunity to express his views and the members are given the opportunity to hear them and change their minds if they find any reason to do so. Mr. Speaker, insofar as this particular subject is concerned I think that every organization and every society that is interested in the question has circularized the members of the House with briefs and I doubt very much whether what we would hear at Law Amendments would add anything to what each and every member of the House knows now. It wouldn't serve the purpose that the Honourable Member for Assinibola said it would, because I'm quite sure that not only the opinions of the members of this House would not change, not even of the Honourable Member of Assinibola, but that there would be nothing added to the knowledge that each and every one of us already has about the subject matter in question, and I certainly intend to vote against the bill on second reading.

MR. O. F. BJORNSON (Lac du Bonnet): Mr. Chairman, I'm prepared to speak on this question because I have been delaying speaking on it because in my constituency it seems to be a fairly hot issue, and I'm almost diverted from speaking by my colleague, the Honourable Member from St. Vital, who said the other evening that his heart bled for me last year. I hope this doesn't inflict a mortal wound on him tonight because I have almost twice as many telegrams from the housewives and the men of Lac du Bonnet as I had last year, and this is almost 50 - 50. It's been suggested that the housewives may have been bringing some pressure on to their husbands to seek their support. Now knowing some of these husbands I couldn't fancy seeing them with a little "pinny" mixing colour into margarine, and knowing the wives, if there were 50 wives, I think that there would be 50 distinct and devious ways that these wives would find of gaining the support of the husbands. There's 102 telegrams individually sent to me from the CPR and I imagine paid for individually from the village. No farmers in this lot, and these are all brand new ones. I didn't save any from last year. These are all in favour of colouring margarine. This question has been such a vital issue in my constituency that my voting for the bill was misunderstood. I have just heard that probably the principle should have been that if my sympathy was with the farmer I should have voted for it -- voted against the bill. I did not feel

(Mr. Bjornson, cont'd.) that this was right. I thought it should go into Law Amendments, probably I'm not as experienced as some of the men here, but it seemed the fair thing for me to do; that if these people went to the trouble of promoting their cause, that some other method should be found than defeating the bill and tossing it out the window. And it doesn't go very far I suggest either; it hovers around somewhere above the Chamber; it flits back in again when the session meets and we have to face the same issue again. Now on the other hand my file is getting fairly thick; I have from the farmers in my constituency, from every part of it, petitions to oppose the bill and they total something like 338, and if you count all the letters there's probably 350 requests that I have had from the farmers and their wives to oppose this.

I have had the opportunity of meeting with the executive of the Manitoba Farmers' Union who, in their brief that they submitted to margarine to the interested members of my party not long ago, in the brief they had the remark that several of the MLAs had voted against the farmer. I took exception to this as I stated I had sought to bring this into Law Amendments to help me to make sure that I was doing the right thing. I thought it should go in there. Then there was a meeting called on March 14th by the Manitoba Farmers' Union and they requested me to be good enough to attend. I'm going to ask the permission of you, Sir, and the members of this House to read this report of the meeting to the House so that it will coincide with my thinking. It will probably be a little more concise. It's been written by the editor of our newspaper and it pretty well sets out my thinking and my belief in this regard. I can tell you that the meeting was very well attended. They chose the wrong hall because they filled every seat in the hall. We had to put some of them behind the speaker; many of them stood in the aisle; they went out on to the street and a lot of them couldn't get in. I just want to put that forward as how serious the farmer treats this particular issue, and with your permission I'll read from the newspaper release. The heading was "Farmers and MLA debate margarine bill issue". "Members of the Lac du Bonnet local of the Farmers' Union and O. F. Bjornson, MLA, debated at length at the municipal hall on Friday, March 10th, on the margarine issue that is before the Provincial Legislature during this session. Opening the discussion Mr. Rudy Nikodem, District 10 Director, gave his opinion why the farmer was fighting the colouring of margarine yellow. Mr. Nikodem stated that over half the farmers in Manitoba produced butterfat and received cream cheques which some families depend upon for buying clothing and staples for the whole family. He said that \$14 million was paid to the farmer each year for cream, and in relation to margarine manufacturers who import their oils for the production only one-twentieth of the money remains in Manitoba. Such colouring of margarine would be a hardship to the producers in the dairy industry. In the United States coloured margarine was responsible for the reduction in the use of butter; that margarine is banned in parts of the United States and two provinces in Canada." And he continued to say: "That the locals of the Manitoba Farm Union are petitioning against yellow margarine, were not opposing coloured margarine, they can use any other beautiful colour, but not yellow. The reason for the meeting was to question Mr. Bjornson on his stand of favouring coloured margarine. Mr. H. Olenki, Chairman of the meeting called on Mr. Bjornson who in his address to the farmer explained the mechanics of the procedure on such a bill. Mr. Bjornson stated, "My stand was misunderstood by the members of the Manitoba Farm Union and the executives of the dairy industry." Mr. Bjornson went on to say that he was not in favour of coloured margarine or against it, but wanted the bill to have second reading so that a compromise could be worked out between the farmers and the margarine producers when the bill reaches the Law Amendments Committee. He stated that it is here that the bill receives a thorough scrutiny of all parties and a decision made whether a compromise can be worked out that is suitable to both parties and not affect the dairy industry. If, Mr. Bjornson stated, there is sufficient evidence that the colouring of margarine will affect the farmer then I will feel it necessary to throw my lot with the farmer. "Dean Waive's report suggests that he is more or less in favour of colouring margarine", stated Mr. Bjornson who went on to explain that there was a tintometer. It's spelled here, in the grades that are necessary for butter to receive a subsidy. Mr. Bjornson continued that the directors of the MFU were in favour of a compromise for the bill to get into Law Amendments. Why shouldn't we give it some consideration and see what proof can be produced that it affects the consumption of butter. Mr. Bjornson went on to say that the farmers have their hard luck stories such as depending on the cream cheque for a living, but don't forget that those favouring

(Mr. Bjornson, cont'd.) coloured margarine have their tear-jerkers too. Their reason for wanting coloured margarine is that it is more palatable as a spread, but I don't think that they would do anything against the farmer if it would hurt their livelihood. Mr. Bjornson reiterated; "If after the bill has gone through Law Amendments Committee I see that it will affect the dairy industry, then I will be honour bound to give my vote to the farmer." This is the thinking and ideology or whatever you want to call it, that I had on the bill last year. I have heard nothing to change my mind. I will support this bill to get it into Law Amendments.

MR. SEABORN: Mr. Speaker, I wonder if the honourable member would be prepared to speak on the bill so we can get it off the order paper this evening and reach some sort of a conclusion. Of course if he's not ready we have no alternative.

MR. WATT: Mr. Speaker, I'm not prepared to speak on the motion tonight

MR. SPEAKER: You wish to adjourn the debate do you?

MR. LISSAMAN: Mr. Speaker, I wonder if the honourable member would permit me to say a few words. Mr. Speaker, I have heard this subject debated for years and to the best of my memory, I can't recall ever having spoken on the matter of margarine before, because quite frankly I have listened to these, at times terrifically emotional type of arguments from both sides about the poor women who have to milk the cows and clean the cream separator, and then on the other hand from the poor housewife who has to mix the colour, and it appears to me that we have evaded the issue, which is colour, and slipped into a lot of emotional argument on this matter, and so tonight, if my speech at times, Mr. Speaker, appears to be a bit frivolous, certainly there is nothing malicious in it, and I propose to stick as closely as possible to the one issue which I believe is in question, and that is the matter of colour.

Now, Mr. Speaker, it is natural as I have pointed out, that this question seems to evolve and devolve around women because women enjoy in other ways a tremendous freedom in the use and choice of colours, and this was not always so. During the passage of history there has been several colour bans at various stages, but women now enjoy the choice and use of colour to a tremendous degree and as for example it certainly shocks none of us now to see a woman running around with her eyelids painted purple and blue, and I think we have even heard of green fingernail polish and such exotic colours as lipstick shades. In fact, at one time scarlet was forbidden in history. Here we have had the complete emancipation of the lady and she now has the choice and right to use these colours, except of course in the case of margarine. Now I know the honourable members will say; "Well we can still have the colour yellow in margarine". Well, certainly we can, but the way the city housewife now has the use of yellow in margarine is just the same as if you said that a woman couldn't buy a scarlet or a yellow dress. She could take the dye home and dye it at home, but she couldn't buy a scarlet or a yellow dress. In my opinion, Mr. Speaker, it's simply ridiculous. The parallel is very similar to bans on colour in various points in history and if I may I would like to refer to a couple of such cases in ancient Rome. The toga was white by law, the dress or tunic was also probably white in early times, but under the Empire, tunics of scarlet, purple and violet were worn by both men and women. Brown and black were restricted to the uses of the lower classes, there is the colour bar. Now we look back on that and we say, "how utterly ridiculous", just as some future age will look back to this colour ban and say, "how ridiculous".

In the book, "Customs of Mankind", we find a rather interesting ban on colour. The Queen, Catherine de Medici was always partial to crimson, particularly to crimson velvet. This colour became so universally admired that a law was passed forbidding any woman not a princess to wear a gown wholly of crimson. No man might wear more than one article of dress of this colour. The Bourgeois rebelled at the magnificence of the court and the Lord gave them permission to wear gold bands on their heads and jewelled belts and necklaces of gold. They were apparently appeased, for a year later we find the lower classes clamouring to be allowed to wear the same, including lace and silk petticoats. This was refused them but they were instead given leave to edge their robes with lace and to participate otherwise in the orgy of being fashionable. Now, Mr. Speaker, these were restrictions by law and we can imagine individuals in those days maybe losing an ear or a hand as the case may be if the law were broken, and certainly it is generally known to all of us that purple was retained for the use of royalty even since biblical times. Now this is an arbitrary use of colour, and as I have said looking at it from this day and age, it appears to us to be entirely ridiculous, because I think that this

(Mr. Lissaman, cont'd.) situation we have now where we permit the colour, but say it must be mixed in the kitchen, and as I pointed out this is similar to saying to a lady, "You can't buy a yellow dress, you must take it home and dye it before you can wear it" -- it doesn't seem to make much sense. As these thoughts were running through my mind, Mr. Speaker, because they struck me as a bit humorous and I doodled with a few words and I came up with a summary of my argument which I put into some verse and I know in this House there has been verse, both good and bad, read before, but I hope that this will be -- by the gentle ridicule it points to the situation, give emphasis to the point at issue with no emotional argument on behalf of the poor lady in the kitchen or on the farm. "Togas violet or red, could be worn in street or bed. Caesar, the Roman, did condemn the poor who swished these coloured hems. Catherine de Medici loved scarlet, like a torso twisting starlet; and so the King did disallow this shade on any other than his Frau. Prohibitions like these told before are well remembered as of yore. Many a varlet lost an ear for flouting light the old Caesar. Many a damsel shed a tear when terrified and torn by fear, found alas she was trespassin' upon the colour held by Catherine. But now those bygone days are fled; long gone the tyrants now long dead. Colour now to all is free, except for margarine now you see. Surely long, long years from now, those to come will wonder how in this modern age and day, this colour ban could yet hold sway. Just as silly as the ban as when Caesar kicked the can, or Cathy's colour held the day for now the yokel doth make hay".

MR. SMELLIE: Mr. Speaker, would the honourable member permit a question?

The honourable member was speaking about colour and the fair sex and I wonder if he feels the fair sex should be coloured in the kitchen or in the factory?

MR. SPEAKER: Are you ready for the question?

MR. WATT: Mr. Speaker, if there is nobody else wishes to speak tonight, for the second time I'll move the adjournment. I beg to move, Mr. Speaker, seconded by the Honourable Member from Birtle-Russell, that the debate be adjourned.

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

MR. SPEAKER: Committee of Supply.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Mines and Natural Resources, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker put the question and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for St. Matthews in the Chair.

HON. C. H. WITNEY (Minister of Mines and Natural Resources) (Flin Flon): Mr. Chairman, I would like to answer some of the questions that were asked yesterday for which I didn't have answers at the present time, and the first will be to the Honourable Member for Ethelbert Plains in relation to the way our estimates are set up this year and the way they were set up last year, and I trust that he will be able to understand it, and I'm sorry he's not in his seat at the present time. In the Other Salaries in 1 (a), we are showing on the estimate book today, \$51,635 where last year it was \$65,900 and \$14,355 of that has been transferred to the field. The same applies to salaries in the Forestry Branch where the difference in the figures shown in this year's estimates to the figures shown in last year's estimates -- the difference in those figures have been transferred to the field, and so on down the line to the salaries for the Game Branch, the salaries for the Fisheries Branch. In connection with supplies, expenses, equipment and renewals for Forestry, Game and Fisheries, the same applies where the difference, the transfer has been made into the Field Operations.

He also requested information about the estimated kill of moose, and elk in the Duck Mountains. In the 1956 season there was 236 moose killed; 1957, 371; 1958, 312; 1959, 497; and 1960, 300. In elk in 1956 there were 142; 1957, 153; 1958, 194; 1959, 213 and 1960, 100. He asked also if we had any conservation or professional hunters in the Duck Mountain area. We have been training and have trained our conservation officers as professionals in predator control and last year a total of 20 wolves were taken and during the last few months approximately 10 wolves have been taken, and the advice that I have now is that the general wolf population in the area is considered to be quite normal and the trappers tell us that it is quite low. They also advise that at the present time the wolves appear to be concentrated along the main

(Mr. Witney, cont'd.) roads in the interior of the Mountains, with very few elsewhere. The Honourable Member, the Leader of the Opposition, asked about the numbers of men employed in the winter works program. In 1959 to March 1st, 1960, there were 10,560 man days involved under the Camp and Picnic Ground Agreement, and this year under the same period as the Camp and Picnic Ground Agreement and the forest access roads it involved 4,164 man days. The reasons for the decrease are - 1. The preparatory work in getting ahead of the actual development; 2. Some projects were completed beyond the winter work stage; 3. The camp and picnic program for 1960-61 was well advanced due to the favourable construction season in 1960.

MR. HRYHORCZUK: Mr. Chairman, I am sorry that I was out of the House when the Minister got up to answer some of the questions I asked yesterday. I just want to ask whether he gave answers to the questions relative to the discrepancies in the two estimates of this year and last year. If he did I can get them out of the Hansard. I don't want him to repeat them. I just want to know if he did or not.

MR. WITNEY: Yes, I did, Mr. Chairman, and they are in the estimates and if the honourable member still doesn't quite understand the different set-up well, then, I'll be prepared to explain them to him. We have had a comparison of showing the number of personnel involved in each of the salary designations in our estimates for last year and this, and if one of the messenger boys will be kind enough to distribute this it will, I think, be of information to the honourable member and others in this House.

MR. CHAIRMAN: 4 (a).

MR. GRAY: Mr. Chairman, my questions are in connection with the Lands Branch. I would like to find out whether there is any land, Crown land still available for mixed settlement for some of those who want to commence farming. I know that there is no actual good agricultural land, but is there any land that could still be used for anyone that wishes to settle? For instance, there might be men in the city who are now unemployed and perhaps they would like to transfer their misery, instead of walking the streets, and go with a few dollars and with credit they may get from the government, and try and establish a mixed farming or gardens, or whatever it may be. Secondly, the lending being done by the Lands Branch to clear some land for such a prospect, may also be immigrants coming in later on. Never can tell, they may want to settle on land which they wouldn't have to pay \$100.00 an acre. In other words, is there anything there that could be done, either for resettlement of people here or any land that anyone wishes to go and start from the beginning.

MR. J. M. HAWRYLUK (Burrows): Mr. Chairman, on more than one occasion we've had pollution in rivers and in the lakes, and I think last year we had a serious one in the Red River where tens of thousands of fish were destroyed and it was quite a mystery seeing that they couldn't attach it to any particular reason, and I think investigations were made and one group of experts claimed it was due to raw sewage that was poured into the river, and another one said that it was industrial waste. Well that happened to the Red River just last year, in the fall of last year, where thousands and tens of thousands of variety of fish such as pickerel, minnows, goldeye, tullibee were killed. Also I think during the course of last summer there were thousands of fish that seemed to be dying in the lakes as well, and I was just wondering, Sir, if it's something that is happening, if it's a yearly event, and any precautions are taken in order to offset that in future years. Because, no doubt about it, the loss of the fish is something that can be replaced but it takes a great deal of time, and I'm just wondering if it's something that's inevitable, will occur from time to time, especially the pollution that is falling into the Red River due to industry waste and also possibly some infectious disease that crops up in the lakes where many of our fishery men have to depend upon fish for their living. And I'm just wondering if this is an occurrence that happens -- it has happened on more than one occurrence and I'm just wondering if something is being done by the department.

MR. HRYHORCZUK: Mr. Chairman, before the Minister rises to answer the questions, I'd like to put a question to him insofar as the stocking of lakes for purposes of angling are concerned, whether it's the program for 1961, if it has already been laid out. I'd like to point out that this is one sport that has taken a very firm grip on the Manitobans and I don't think that there is a finer sport, or finer recreation than angling. And I think that the programs of the past have done a lot to make it a sport such as it is. But the lakes that are in close

(Mr. Hryhorczuk, cont'd.) proximity to the settled areas will have to be re-stocked oftener than they were in the past because of the pressure of fishing on them. And it is very important that most of these lakes receive the attention of the department.

Now insofar as commercial fishing is concerned, Mr. Chairman, we have the ups and downs in commercial fishing. One year the fishing will be very bad and next year it'll be good, and the native fisherman feels that the lakes are being depleted when the fishing is bad and has no answers the following year when the fishing is good, and nobody else seems to have any answer. I was just wondering whether our biologists have come up with any answers to this particular question. There is a unanimous opinion that probably the populations in our large lakes where commercial fishing is being done, is not as high as it would be if the natural spawning grounds were improved. We know that most of the fish go up the creeks and rivers in the spring of the year to spawn, and the water's high at that time, and then during the late summer and fall the level of the water falls and a lot of the young fish are trapped in potholes along the creek and river beds. And it has often been mentioned that some way should be found to keep the water running throughout the whole year and, of course, the answer to that is dams and conservation of the headwaters and so forth. I wonder whether the Minister has given any thought to improving the natural spawning grounds of the fish insofar as the supply of fish to our large lakes where commercial fishing is being done.

MR. WITNEY: Mr. Chairman, in respect to the question of the Honourable Member for Inkster about lands, I'll answer it now. It should really come under the Lands Branch. But I believe his question was: have we any large tracts of land where we might move people for other for more farming activities. And I think that the short answer will be, no, not to my knowledge in this province.

With respect to pollution, the pollution was checked on the Red River when the occurrences took place at Lockport and they were due to effluence in the river that consumed a great deal of oxygen. But fortunately as the water fell over the spillway oxygen was re-generated into it, and it was felt there was not a great deal of trouble down below the dam. The matter of pollution has been studied during the past year on the Winnipeg River, the Red River, the Lake Athapapuskow up on the Schist Creek up in that area, and up in the Burntwood and on the Grassy River where the new mining development at Thompson is taking place. Unfortunately we lost the biologist who was doing this work, Dr. Basu, the fellow that came from India and was drowned, I'm sorry to say, in a lake up in the north country. And we are keeping abreast of it as best we can. I believe that as Metropolitan Winnipeg begins to function fully that this question of pollution in the Red River will be solved to some extent. We are, however, doing what we can about pollution, particularly keeping abreast of it, and we work closely with the Provincial Sanitation Committee on this matter and are closely involved in the province.

. we are talking of the sports fisheries is going on. I have figures here but I don't think I need read them. Just to say to the honourable member that it has been increasing, the restocking. And we do recognize that these pressures are increasing each year on our lakes. And he'll be interested to know that we have been conducting tests on some of the streams on the east side of the Duck Mountain for a firm trout stocking policy up there in order to provide angling up there to meet the increased pressures in that country. We do have our hatcheries operating at the Whiteshell; we have our spawn camps on the Whitemouth River and up at the Clearwater Lake Area for sport fishing and commercial fishing operations, and we have our camp at the Dauphin River for commercial fishing spawning too. I believe that we have been able to successfully keep abreast of the pressures that are prevalent in the province at the present time through our stocking activities. We have evolved new methods of transporting the fish, and this year they experimented with anaesthetics to cut down on the damage to fish that they had experienced before in moving them from the hatchery into the lake. And I think it was one hundred million of white fish fly were thrown into Lake Winnipeg just a while ago in the commercial fisheries. I believe that on the fluctuations the best answer to give you is that the biologists are working on that problem on size, classes and other tests constantly on these three lakes, and we do have a biologist who is constantly at work on the various problems. I don't believe they have the answers to it yet, although I would say they are coming closer

(Mr. Witney, cont'd.) to them. One of the problems that we have had with the fluctuations has been such matters as the small mesh net more than anything else. But we are now applying our new type of net which will aid in conservation of the commercial fishing.

MR. A. E. WRIGHT (Seven Oaks): I'd be interested if the Minister would tell us something about this wave that's going through Lake Manitoba. Our newspapers made quite a story of this. It didn't tell us in the paper whether it was a sonic wave, or parasitic wave, or what other sort of wave -- they leave to your imagination. Now if this is of such importance as the newspapers would make out, it seems strange to me that nothing would be mentioned in the Annual Report.

MR. WITNEY: Mr. Chairman, I'm going to resort on this one to an article. This "Death Wave on Lake Manitoba" as it is called, is not really understood by all concerned and I think that I should perhaps stick to the printed article on this in order to answer the question effectively. For more years than oldtimers remember fishermen have gambled regularly with Lake Manitoba's death waves. Fishing in front of a wave, fishermen come up with good hauls of driven fish, but if the death wave catches up with them, the fish are dead. And these so-called cooked fish are stripped of their slime, are turned snow-white in colour and have been set rigid in the net. To the fishermen their time has been wasted as these cooked fish are not marketable. These death waves are a well-known phenomena; they occur only in mid-winter; they form in shallow water off shore; and they spread out and begin to move. They travel at speeds of from 200 yards to one mile per week, and the death waves always move towards the lake centre, and when about eight miles from the shore these death waves disperse and vanish. And they're often associated with a phenomena of bad odors and a rusty red discoloration. The water when it's poured on snow stains the snow pink. When the death wave on Lake Manitoba was investigated this year by Dr. Doan our Chief Provincial Fisheries Biologist and Mr. Sparling the engineer of the Provincial Sanitary Control Commission, they took many water samples and they found that at the bottom of the death wave the water showed only a 20 percent oxygen saturation while on the surface just under the ice the oxygen saturation was 90 percent. And half a mile in front of the death wave the water presented a very healthy environment for the fish. At the bottom the oxygen saturation of the water was 80 percent while near the surface there was maximum oxygen saturation. The investigation has shown that this winter's death wave was of less intensity than in former years. This winter, before the recent snowfall, 50 percent of the ice on the lake had been clear of snow, and when the ice is covered under deep snow and little sunlight can penetrate, the death wave becomes intense. Most of the midget larvae, worms, shells and other fish food appear to have survived this winter's death wave. When the death wave is intense many square miles at the lake bottom are denuded of life, and some years the area is blighted of all fish food and fish until well into the following summer. So the death waves, they say here, are as much a mystery today as they were a decade ago and previous attempted investigation has produced no satisfactory answer to explain the formation of what appears a natural phenomena. Investigations were made last year when the wave occurred and investigations have been continuing, and I have no doubt that they will eventually find the answer to it. They're unable, of course, to carry out investigations on it until the death waves are actually in progress.

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MR. GUTTORMSON: Lake Manitoba once again experienced a very poor year. One of the reasons is the excessive amount of rough fish in the lake. Although the price of fish this year on Lake Manitoba was one of the highest, amongst the highest on record -- some fishermen received as much as 45 cents a pound for pickerel -- the catch was so poor in most places on the lake that most fishermen just gave up the ghost and left the lake. It is my belief that the only way we can help the fisherman is to undergo a big program of rough fish removal, but until the fisherman is able to get a price to make it worthwhile for him to remove the rough fish he just can't afford to undertake this big job. Most fishermen will agree that they can obtain roughly four cents a pound for rough fish; they can make a living taking the fish out of the lake, and by doing so they would also be doing the lake a good turn. I think the government could add to their assistance by establishing a fish processing plant for the manufacture of fish meal, fish oils and other products. Private enterprise has been reluctant to go into this type of program because of the fear they won't make money on it, but I feel that the government could invest roughly 50 or 60 thousand dollars on such a plan, and although it may not make any money, they could get back most of their investment from the products that the plant would produce. In all too many cases on the lake, fishermen are going out and pulling up their nets and all they're getting is mariah and mullets and these species bring practically nothing. They're lucky if they get one and a half cents a pound for it.

The government, Mr. Speaker, the Department of Fisheries has been experimenting with trap nets and it's generally believed that after this type of net has been given a proper trial period that the fishermen will adopt this type of net as satisfactory, although many of them today are still a little skeptical. One of the big advantages, as the Minister knows, of the trap net is the fish remains alive in the net until it's taken out of the water, unlike the gill net which causes the fish to drown shortly after it's caught. The mink farmer is also going to be more inclined to purchase the rough fish if it's caught in the trap net because these mink farmers are very anxious to purchase healthy fish and he can get this from the trap net. I know an experiment was conducted on one part of the lake with a trap net this last winter, and it was found to be very satisfactory, so I think that if the government really undertook a program of rough fish removal and established a plant where this fish could be sold at three or four cents a pound, a big percentage of the fish could be removed from the lake thereby letting the pickerel come back in the numbers that used to be. One of the big reasons that the fisherman experienced such a poor catch this winter was the storm which struck the lake in November. This storm was regarded as one of the worst in history when it broke up the ice, and after this storm struck there was literally no catch anywhere in the areas where the ice was broken up.

There's been talk in the past about establishing a fish processing plant. Until now no firm action has been taken on it and I would certainly like to see the Minister give this his immediate consideration, and by doing so he could be helping the lake be restored with good fish and also provide a great deal of employment for a lot of the people around the lake. It seems to me, too, that it's a shame that rough fish brings such a low price. Mulletts are certainly an edible fish although they don't rank with pickerel, but with the amount of hunger and starvation we have in the world this seems a shame that so much of this fish is just going to waste. I think that if a proper program was undertaken to sell the fish products, I think that the public would certainly buy the products. Some fish, for example, brings around three or four cents a pound, and yet in many parts of the United States it's considered a delicacy and in Manitoba, fishermen can hardly get rid of it.

Another aspect of the industry I would like to bring to the Minister's attention, and that is the combine that is in operation amongst the fish companies. There's no doubt in anyone's mind that such a combine is operating. To go along the lake shores and ask of the fish buyers who represent the different companies what they're paying for fish, they'll tell you without any hesitation they have to 'phone headquarters. They're having a meeting with the other fish companies to decide what price should be paid. I think that the government should take some steps to try and stop this combine from continuing its operation.

MR. D.L. CAMPBELL (Leader of the Opposition) (Lakeside): Mr. Chairman, I've been looking over the report dealing with fisheries very carefully, and as usual it's an interesting study, and like my honourable friend who has just spoken, I'm particularly interested in Lake Manitoba as far as my own constituency is concerned, but naturally we're interested in all the

(Mr. Campbell, cont'd.) fisheries of the province so far as the economy of the whole province is concerned, and I note that in total the last year seems to have been a fairly satisfactory one. The report on page 81 mentions Lake Manitoba. It says that there's been a very profitable season. Total production of more than five and one-half million pounds was above the average for the last five years, and that the prices were good, that they had a good year, but as the honourable member for St. George has just mentioned it's certainly been reversed this year. Folks in my constituency tell me that it's been one of the really bad years for them, starting off with that disastrous storm that took out a lot of their nets, and for some unexplained reason the fish catch itself never did seem to revive after that, and the prices have not been first class, which is a bad combination.

I notice on the next page, two pages over, 83, that we have some interesting figures there about the catches on the different lakes. These are excellent tables to have. I congratulate the department on keeping them so up-to-date because certainly there's food for thought here for anyone who is sincerely interested in making study of the fishing situation. I notice that so far as Lake Manitoba is concerned, there were, in the year under review, 1,600,000-odd pounds of pickerel taken. That's the big catch as far as Lake Manitoba is concerned, and I would suppose that that's the one they want to be the big catch, because I had the feeling that it's the most profitable fish of all. However, I wasn't so sure of that when I looked at the columns at the right hand side, because figuring it out very roughly, and that's all I did, it looks as though the value as marketed of all the pickerel from all the lakes was just in the neighborhood of 35 or 36 cents per pound -- that's as marketed, that's not to the fisherman -- whereas just two below that we have the saugers at what looks to be approximately 33 cents a pound. I was rather astonished to find that the prices as marketed were that close together. Is it true that both Lake Winnipeg and Lake Manitoba are gradually becoming sauger lakes rather than pickerel lakes because I see that pickerel in Lake Winnipeg was only 1,150,000-odd pounds, whereas saugers were two and a half million, more than twice as much, and even I youthful as I am, can remember when the sauger first made its appearance in Lake Manitoba? Well, I wouldn't say when it first made its appearance, but when it started to be commercially important. Now we have in Lake Winnipeg more than twice as big a catch of saugers as of pickerel. Is there some explanation for this, I wonder, and perhaps the Minister has some word on that?

They tell me that the continuing use of the larger mesh net in the south-end of Lake Manitoba, and through the years in this House I have admitted that I was not a fisherman, neither a line fisherman nor a net fisherman, but I have been exposed for many years to the advice of the fishermen, and speaking from that experience it seemed to me that there was one main thing that we needed to do, and that was keep the size of mesh up and that would solve a great many of our fishing problems, and I think that has a double, well, tripple-barrelled effect: (a) It gets away from that terrible injury that we were doing in the lakes years ago by taking a large quantity of the fish that had not yet matured and so had had no opportunity to reproduce themselves. (b) We were catching fish that were not acceptable on the market and I think the main thing that we need to do above all others is see that we keep the mesh size up. People used to tell me from the south end of Lake Manitoba that the saugers simply would not grow big enough to gill in a three and three-quarter inch net. Now they tell us quite frankly out there, after using them for several years, that they're getting the best specimens of sauger fish that they have ever had because they are in fact growing there. Then you have fish that are matured and have had a chance for natural reproduction. Well I don't want to make a speech on that subject, but I do suggest to my honourable friends that, even though it's a hard thing to enforce in a lot of areas, that the thing to do is keep the mesh size up so as not to deplete the natural increase among the fish.

The Minister put on the record a short time ago a statement on the famous death wave or "floating death" as it has been sort of poetically called, and I thought I would just read on to the record as well a statement that was made by a young fellow that I think was one of the smartest biologists we had around here. Away back in the winter of 1937-38, David Hinks made an investigation out there, I think it was a tragedy to all the fishermen when David Hinks went overseas a little bit after that, and he was one of the boys that didn't ever return and we lost a really good friend of the fishermen. Here's what he said; this is his explanation and he admits that he's not able to prove it, but I was struck by how close it is to what my honourable

(Mr. Campbell, cont'd.) friend's experts -- incidentally I think this was not David Hinks that he was reading from, is that correct? Here's what he said: "Due to its shallowness, Lake Manitoba in the summer, supports an extensive aquatic vegetation. In the fall, the plants largely die off and they're subject to decay throughout the winter. This process, in addition to consuming the dissolved oxygen, would tend to liberate certain poisonous gasses. By the end of the winter the depletion of oxygen, which because of the ice cover is unreplenishable, combined with the accumulated toxic products, would bring about water conditions intolerable to fish. This vitiated water when moving by the natural currents of the lake might cause the death wave". I think that's pretty close to what the biologists have said recently again.

Well now, I wanted to ask the Minister, Mr. Chairman, because I see that the report -- or maybe it was my honourable friend's statement, I'm not sure which -- mentioned, I think, that they have three more biologists, and I was wondering what success they are having with their research programs and what are their findings as regard to these two big lakes, or if you count Winnipegosis as a separate one, the three big lakes. These have been wonderful fishing lakes through the years, and certainly its industry is worthy of the very best investigation that we can get.

Then I had one more question, and I think that's the only one at the moment, Mr. Chairman. Last year we asked about the recommendation of the meeting that had been held of the Sixth Annual Indian and Metis Conference of where they made a recommendation about a fishermen's co-operative. Has there been any further study given to that matter, and if there has, what is the present standing of it?

MR. WITNEY: Mr. Chairman, the information that the department has now, or the branch has, on the fishing in Lake Manitoba, they say that while the catch on Lake Manitoba appears presently slightly less this winter than last, they also, from their biological findings state that there is a good distribution of fish of many age groups, and that this is one factor contributing to a stability in the fisheries. They have found that a younger group of saugers is in development which should make a worthwhile contribution to the future catch. I have heard the theory advanced that these major lakes are changing over from whitefish into pickerel and sauger, but I cannot find any expert opinion who will support that. It appears that many changes that are made in these major lakes have mainly been made in the past through the use of too many small mesh nets, and I was very interested to hear the Leader of the Opposition mention the small mesh net factor. For certainly on Lake Manitoba, as he mentions, they did have a very severe bout of small mesh nets some time ago and I believe that they have learned a lesson. As I understand it, if there is any changeover from white fish to pickerel and sauger it would take a great number of years, and any changeover that is made will mainly come through the misuse of the lake by men.

The Honourable Member for St. George refers to rough fish and the possibilities of establishing a plant up there. I think one of the problems with private industry going into a rough fish plant has been that they have not been able to find an adequate means of getting fish when they needed it in adequate quantity and the trap net has recently encouraged investigation, particularly into the Grand Rapids area, and all rough fish processing plants, and no doubt if these nets continue to catch these rough fish as they indicate they will do, the interest will expand, because we do have a market in the mink market here, for rough fish, and I would like to mention to him that in experiments that have been conducted on the White Mud River just this past March in Lake Manitoba, just a week ago, or two or three days ago, that 10,000 pounds were lifted in two nights on one small eight-foot trap net and 15,000 pounds came out of the second net the next night, and that they ran out of time and boxes, etcetera, they couldn't lift the third net at all, and it was loaded with fish, and I hear that since that time they have been able to empty that third net and the nets have once again produced the same quantities as they have been producing. This is all rough fish which is being removed from Lake Winnipeg by these nets. Now if we can get quantities of fish such as that out of these nets in one night, 10,000 pounds and they are all suckers and suckers are bringing from five to six cents a pound and possibly a bit more, they tell me, on the market at the present time, that there should be a system here for removal of that fish economically, and at the same time for the establishment of rough fish plants economically in this province to service the mink industry in the Province of Manitoba.

(Mr. Witney, cont'd.)

The Honourable Leader of the Opposition has asked about fishermen's co-operatives and we have been sending our fishermen's representative into various areas of Canada to see where fishermen's co-operatives are operating. We've sent him into Saskatchewan and we've sent him into Quebec and we will be sending him, within about a month's time, into the Province of B.C. to see the fishermen's operation there which is a large one. In addition to that we have had in the province for the past two weeks, a Dr. Louis Bérubé, the General Secretary of the School of Fisheries of Ste. Anne de la Pocatiere in Quebec who has been meeting with the various fishermen's locals throughout the north and throughout the south. I believe he has covered practically all of them on Lake Manitoba, Lake Winnipegosis, Lake Winnipeg and the north country, talking to them in terms of what credit unions are, talking to them in terms of what fishermen's co-operatives, producer co-operatives, are, and talking to them in other terms of marketing, etcetera, which they are so vitally affected with. This man is returning to Quebec tomorrow and will be bringing down his report, and the general philosophy has been that we will amass as much information as we can for the fishermen through bringing such men as Dr. Bérubé into the province and through sending our fishermen's representative, Mr. Tomasson into the other areas where the problems of fishermen have been met and have been conquered to some extent, so that he can tell the fishermen themselves, and through the Manitoba Federation of Fishermen give them the information so the fishermen in this province can make a decision as to which way he wants to go. So far, I understand that the meetings with Mr. Bérubé have been very successful; they have been held with the Indian and Metis people in South Indian and they have been held with the white fishermen in places such as Gimli and Riverton, and I trust that through this method of amassing enough information for our commercial fishermen to know of the various methods that are used, that he will be able to come upon some solution himself. Right at the present time I think that they have shown a great deal of interest, particularly in credit unions, and with the possible expansion from there into small businesses or small co-operatives.

MR. GUTTORMSON: Did the Minister say they are getting five to six cents a pound for mullets?

MR. WITNEY: That's my understanding, yes.

MR. GUTTORMSON: The price must have jumped up very recently then. Mr. Chairman, last year there was criticism of the Fisheries Branch of the Federation of Fishermen because a man by the name of Tom Rominsky wanted to establish a fish filleting plant on God's Lake. Has he still been turned down, and if so could the Minister tell us why?

MR. WITNEY: Mr. Rominsky has been turned down a second time, and we have turned him down this time because we are trying to evolve a policy which I think we have got evolved now, after consultation with various experts in the field. I have been to Ottawa to discuss this plan with the Federal Department of Fisheries, and when we can iron the bugs out of it, more or less, we will bring the policy down, and I think it will take care of the situation such as that of Mr. Rominsky.

MR. GUTTORMSON: On the Winnipeg River, the Fisheries Department has discontinued sturgeon fishing. Have you any idea when this policy will be changed so they will be able to start fishing sturgeon again?

MR. WITNEY: When we have sufficient sturgeon in the river.

MR. CHAIRMAN: (a) - passed, (b) - passed, (c) passed. Resolution 56 passed. Item 5.

MR. PAULLEY: On No. 4, I wonder if the Minister could tell me what the coverage is of the booklet that is sent out by his department? I believe it is called, "Commercial Fisherman".

MR. WITNEY: I am not sure of the exact figure. This booklet is called, "Fishing, a Bulletin for Commercial Fishermen" and it was this booklet that I read the information from on the death wave in Lake Manitoba. I am not sure of its circulation but I do know that it goes to every fisherman in the province who has a license and others who are interested, and if the honourable member would like to go fishing or to have more information.

MR. PAULLEY: Mr. Chairman, I am already one of those privileged characters that's on the mailing list and I don't know how come, but I appreciate receiving the booklet, but I was just wondering what is the coverage of it?

MR. WITNEY: It goes out to every fisherman that we have.

MR. PAULLEY: How many? If you don't know, well that's quite all right -- if you haven't got the information.....

MR. WITNEY: I can give it to you tomorrow.

MR. PAULLEY: Fine.

MR. WITNEY: I might ask, have you got a license?

MR. PAULLEY: I think it's expired, but I will be renewing it.

MR. CHAIRMAN:passed.

MR. WRIGHT: Mr. Chairman, I was looking for some item to do with conservation.

I wonder if the Minister could -- in fact I feel, Mr. Chairman, that we shouldn't let this department go by without someone mentioning the goose sanctuary at Rennie. Two years ago I spent with my family a very enjoyable afternoon there with Mr. Hole just before the old gentleman's death, and I was very impressed with the work that's being done there. Now I noticed in the last issue of Wildlife magazine that there is mention of extending the area there. They're quite concerned that it's far too cramped, and as the magazine says, with proper management and maintenance this sanctuary should be one of Manitoba's most interesting and worthwhile wild life spectacles. It has been neglected since Mr. Hole's death up until now. Could the Minister tell us if there are any plans afoot to extend the area at the goose sanctuary at Rennie?

MR. WITNEY: The area was extended by order-in-council about two months ago and there is now what we feel is an adequate buffer zone around the goose sanctuary itself, and the buildings will be cleaned up in that area this coming spring and I hope that we will be able to do some landscaping.

MR. CHAIRMAN: (b) - passed; (c) - passed

MR. CAMPBELL: This is a change. I gather that the Minister mentioned it in his opening remarks but there's -- this is a new item, is it not - field operation? Has it been covered in the Minister's explanation? Does it cover all the operations of all the game wardens, forestry people or what is the purpose of grouping it in this way?

MR. WITNEY: This item covers the operations of the seven regions that we will have in the province operating under our new system, the conservation officers under those seven systems, the necessary supplies for patrol expenses etcetera, equipment and renewals, construction and maintenance in the field under those seven areas. Now the construction or such things; we make some small fish dams and docks in our recreational areas, forest access trails, buildings such as the change houses, fireplaces and picnic places, etcetera.

MR. CHAIRMAN: Resolution 57 - passed. Item 6, (a) - passed; (b) - passed; (c) - passed. Resolution 58 - passed. Item 7, (a) - passed; (b) - passed.....

MR. GUTTORMSON: Item 7, Mr. Chairman. Last year the Minister said he expected that the boundary line between the Northwest Territories and Manitoba would be surveyed in its entirety. Can he indicate now whether the survey is completed or is there some left to be done?

MR. WITNEY: Yes, the survey is completed. I've done some re-checking of the figures to be done on the eastern end against the Hudson Bay shore line but the survey is completed.

MR. PAULLEY: Mr. Chairman, in connection with the Mines Branch, I note that the appropriation in that department or that section of the Minister's department has been going down over the last two or three years, the estimates of which I have before me. I wonder if the Minister would be so kind as to inform the committee, and I'm not quite sure whether this particular section deals with mine safety insofar as employees are concerned. If it is, I would like to hear from the Minister as to whether or not any advancements have been made or are under consideration in respect of mine safety. I think I would be reasonably correct in saying that, generally speaking, insofar as our mining operations here in the Province of Manitoba, that we have been very, very fortunate in that we haven't had too many accidents of any disastrous nature. I'd like to have from the Minister if this does include that particular section of the mine development. And I would also like to hear from the Minister -- as is well known, the First Minister the other day was up at Thompson in respect of the opening of Inco plant. We often hear the Minister of Industry and Commerce on the presentation of his estimates make reference to some studies that A.D. Little and other companies had made in respect of steel industries. I'd like to hear from the Minister as to whether or not any real survey has

(Mr. Paulley, cont'd.) been made or any mines located of any nature at all which may justify the installation of iron smelting plants in the Province of Manitoba.

MR. WITNEY: Well Mr. Chairman, the item does include mine safety, and the inspection system of producing and developing mines and quarries and pits continued in 1960. A total of 68 such operations were inspected periodically, and in addition there were inspections of 33 closed down shops during the year. Most of these inactive mine inspections were carried out by temporary staff during the summer months. We have also had on our staff a ventilation engineer. He was placed on the staff last year, and he had managed to -- a survey of the dust and ventilation conditions at the mines were carried out by the Mines Branch; five surveys were made during the year which required approximately 200 samples by konimeter; 20 samples by midget impinger and 36 samples of settled dust for free silica determination by the Department of Mines and Technical Surveys in Ottawa. I think we have expanded, or kept pace at any rate, with the expansion of the mining industry in the province with our mine safety program, particularly with the addition of our ventilation engineer who has been well received by both the working man and by the company people. With respect to Northern Manitoba the whole area north of the 58th parallel has been aero-magnetically surveyed, if my information is correct, and I understand that there are two ground geological parties operating by the Dominion Government over on the northwest side of the province, north of Lynn Lake. I do not know of any iron finds of any substantial quantity in the province to warrant it. . . .

MR. PAULLEY: Mr. Chairman, recently, I had the opportunity of going down to Ottawa to lay the foundation for a political upheaval here in Canada, and while I was down there, Mr. Chairman, I noted that there was a considerable interest in the possibility of the lifting of the price of gold or the abandonment of a fixed price on gold. Now of course I imagine that if that would happen it would have considerable effect on the mining of gold in the Province of Manitoba as it would have in Timmins and other areas as well. I wonder if the Minister could give us any comment he may have in connection with that aspect of mining here in the Province of Manitoba.

MR. L. HARRIS (Logan): Mr. Chairman, I wonder if the Minister could tell me how many of the miners here in Manitoba are afflicted with silicosis after working a certain time in these mines?

MR. WITNEY: Mr. Chairman, I might like to say to the honourable member that if the upheaval is such that he is looking for a job we should be able to find something in the Department of Mines and Natural Resources.

And silicosis - the annual silicosis survey of mines was carried out in 1960 by the Department of Health and Public Welfare, and the use of aluminum dust as a silicosis preventative was continued at one producing gold mine in the province. The surveys of dust and ventilation conditions at the mines were carried out by the Mines Branch and areas requiring improvement were reported to the mine management. Now the matter of silicosis does really come under the Department of Health and Public Welfare. I could not tell the honourable member the numbers that are involved with silicosis in this province. With respect to gold, the only answer I can give on that one is that the San Antonio Gold Mine, the old faithful gold mine in Manitoba is continuing its work; it has developed deeper into the -- its Forty-four Mines Limited at any rate is being developed from the San Antonio shop and their activities over there are still very active and they're going deeper and I believe they are finding a pretty good ore. Just to read it to you. "The most important development during 1960 was the completion of No. 5 Winze sinking to establish six new levels below the former bottom of the 26th level," so they are now down to the 32nd level, which I think indicates that they are still quite active.

MR. PAULLEY: Mr. Chairman, I believe at Snow Lake in the north, it's gold, is it not? What is the situation there now? If I've got the right location I understand that, I thought I read that they had curtailed production there. I wonder if that is so.

MR. WITNEY: Yes, they curtailed -- the Snow Lake Gold Mine closed down due to the fact that it ran out of ore, but fortunately the Hudson Bay Mining and Smelting Company found copper and zinc in the area and Snow Lake was revived by the development of Chisel, Stall and Osborne lakes.

MR. CHAIRMAN: Resolution 59 - passed. Item 8 - passed. Resolution 60 - passed. Item 9 - passed. Resolution 61 - passed.

MR. WITNEY: Mr. Chairman, I think I should thank the committee for its co-operation. I can now go home and go to sleep.

MR. CAMPBELL: Mr. Chairman, I haven't been in the habit, especially this year, perhaps one or two other years I might have slipped a little, I haven't been in the habit of trying to pay the Ministers too many compliments, but I think it's been evident to everybody that the Minister of Mines and Natural Resources has not only the work of his department very much at his finger tips but that he has a very nice way of presenting it in the committee, and I think when he expresses co-operation to the members of the committee, that some of us at least would be prepared to express co-operation to him, for the very nice way in which he handled these estimates.

MR. ROBLIN:Mr. Chairman, that things have been getting on so nicely that my very nice colleague the Minister of Public Works is still on his way to the Chamber, but he will be here shortly.

.....Continued next page.

MR. CHAIRMAN: Department XI - Public Works, Item 1 - Administration (a).

HON. JOHN THOMPSON, Q.C. (Minister of Public Works) (Virden): Mr. Chairman, I would like to make a few comments in connection with activities of the year in the Department of Public Works. As you know we are concerned with the administration of buildings and we are concerned with the administration and maintenance and construction of highways. In the past year we have taken certain steps in the reorganization of the department. We have appointed a new Assistant Deputy Minister, Mr. Clare Smith who comes to us from the Treasury Board and who has been named Assistant Deputy Minister of Administration. Mr. Smith in this capacity will relieve our present Assistant Deputy Minister, Mr. Blackman of administrative duties, and Mr. Blackman will be able to confine his activities entirely to highways. Mr. Smith's duties include not only the affairs of the buildings branch of the department, but they also concern the accounting for both divisions of the department. In other words he is the administrator in charge of accounting both in connection with buildings and with highways. In the Highway Department itself we have made certain changes in the administrative staff and we have changed the post of Chief Engineer to Director of Operations. The incumbent of that post, Mr. Stanley, who was Chief Engineer becomes Director of Operations; and under the Director of Operations we have created a new post which is termed Construction Engineer. Mr. Jackson who was the District Engineer at The Pas in District Seven becomes the Construction Engineer of the province. His function is to be in charge of all construction activities and to keep abreast of the developments and progress of all the work projects which go on in the way of construction in the highway field. We have named the post which was formerly called Senior District Engineer to Maintenance Engineer occupied by Mr. Duerkson and he is in charge of course of the maintenance of all roads in the province. So we have the supervisor of operations who is concerned with the whole activity of maintenance and construction of provincial highways, and we have the construction engineer who looks after construction and a maintenance engineer to concern himself with maintenance. In the other division, the building section, the building branch of the department we have altered certain posts. We have now under the Provincial Architect a planning and design engineer and another personnel in charge of operations, and these are concerned, as their name implies, with planning and design in building and with the general operation of building activity at mental hospitals or security institutions, court houses and all of the other provincial buildings which are owned and operated by the province.

It is believed Mr. Chairman, that the foregoing reorganization which I have mentioned will increase the efficiency of the department both in buildings and in highways and will have a good effect and produce good results for the general administration in both these fields. Now in connection with public buildings I probably should report certain major events which have taken place in the fiscal year which is about to close. The first of these is the completion and official opening of the Norquay Building. This of course houses the staff of many of our departments; the building is at present almost fully occupied by the Departments of Health and Welfare, by Agriculture, by Industry and Commerce, by Labour and by Mines and Natural Resources. The building has a capacity of 952 people. The second event of note in the year of course is the discontinuance of the Sherbrook and Portage accommodation. This building was constructed in the 19th century and has been owned by the province since 1890. It is the intention of the government to demolish this structure and this valuable piece of real estate will be put to whatever use seems the most feasible. A third important development in the year is the abandonment of the old university buildings on the Broadway site. As honourable members will well know demolition crews are at present working on this site, taking down these buildings which have served through the years as part of the University of Manitoba, and in more recent years as accommodation for staffs of various departments of this government. It is the intention as you probably well know to make this site a park. It will be, I believe, a place of beauty; it is to constitute a grassland type of park and it will consist of shrubs and flowers and appropriate walks and landscaping. A plan has been drafted I might say which is in my office, a plan of the park, and if any honourable members wish to look at it they are most welcome to do so. The consolidation of staff in the Norquay Building permitted our department not only to discontinue renting space in the Ingram and Bell and Power Building, but also to discontinue the use of the Sherbrook and Portage Building to which I have referred.

(Mr. Thompson, cont'd.) Certain provincial properties and public buildings have been completed during the year. One of these was the Manitoba Home for Girls at West St. Paul. Extensive renovations have taken place with respect to other buildings, and additions to provide expanded facilities in the case of many. Such buildings include the Psychopathic Hospital in Winnipeg, the Hospital for Mental Diseases in Selkirk where a new recreation hall was added and a physicians residence was completed, and the Hospital for Mental Diseases at Brandon where among other improvements the dairy cattle barn was rebuilt in part -- I'm sure those who heard the Minister of Health the other evening recognize the importance of that -- and a new building was erected to house a milk pasteurizing plant. Living accommodation was provided for one staff physician at Brandon and in the Court House and Gaol at The Pas minimum security quarters were provided to accommodate 24 prisoners. Certain additions also were made at the School for Mental Defectives at Portage la Prairie and at the Women's Gaol. In connection with the School for Mental Defectives at Portage additions are still under construction which will house 200 patients and provide dining accommodation for 100 female staff; and a trades building is under construction to provide shops for maintenance staff. These remarks Mr. Chairman, indicate some of the developments which have taken place in the buildings branch of the department.

Of course it is in the field of highways that the greatest amount of money is expended and the greatest number of personnel is employed and it is a field, I am told, which at times can become controversial. Our objective in connection with highways has been, I think I can properly state, has been from the beginning to endeavour to bring our highway system up to a sufficient standard to meet the needs of the day. It has been felt that in the last number of years highway construction has not kept pace with highway use. There has been an expansion in the use of the roads and there has been a need existent for an all-out attack in the improvement of our highway system. For the first eight years of the period 1950 to '58 the annual net provincial expenditure on roads was \$15.4 million. Some increase occurred in the latter part of the '50's when the five years immediately prior to the assumption of office of this administration, showed a net expenditure of \$18.6 million, and the three years immediately before showed an expenditure of \$21.5 million. Our government recognized the need for a new and more extensive effort in highway construction and improvement, and we felt that both for social and economic reasons that highway reconstruction and improvement was urgently required. Now I do not need to tell you that the road is an important part of our economy, that it is a most significant asset in our social life; it is important in our tourist life; it's important in every phase of modern human activity. So we have endeavoured in some measure by providing funds which have enabled expenditures for new roads and for road improvement and by a new look at the physical standards of construction, and thirdly, by a policy of planning and design to prepare for the years ahead we have endeavoured to make an over-all improvement in the highway picture in Manitoba.

I have heard it said that at times our program has not been as good as it should have been. We do not say that it is, that we have moved as quickly as we might have liked to. My honourable friend I believe it was has commented in this House, the Member for Ethelbert Plains, that our program was nebulous. I think that's the phrase he used -- that it is nebulous. Well I just couldn't understand how that term would fit in with the active work, the physical nature of the work which we have accomplished. There's nothing misty or cloudy about a thousand miles of concrete and hard surface which we have laid in the years which we have been in office. That has been an accomplishment. And in the year just closing, in the year just closing we have graded 516 miles; we have gravelled 689 miles; we have applied base course to the extent of 222 miles; prime and calcium chloride 105 miles; sealcoat 30 miles; bituminous mat or pavement 305 miles and concrete pavement 20 miles. So in the last year we have surfaced more than the total mileage of surfaced roads in 1940. In the last two years we have surfaced as much as the total surfaced mileage in the province in 1950. Now there were certain major, what we refer to as major road contracts in the year just closed and these are, of course, the Grand Rapids Road where 112 miles was constructed. The bridge over the Saskatchewan River at Grand Rapids is on schedule, piers are completed, steel is being fabricated and it will be delivered to the site with the opening of navigation on Lake Winnipeg. The deck will be completed this fall and the bridge open for traffic by late 1961. Traffic was opened on the Simon-

(Mr. Thompson, cont'd.) . . . house Wekusko Road this fall, which provides access to our provincial trunk highway system for the communities of Wekusko and Snow Lake and the neighbouring mining development in this area. Section of road from Thompson for 23 miles to the new International Nickel Development is completed and carrying mine traffic. This section also provides access to a new recreation development at Paint Lake which will serve the residents of the rapidly expanding townsite of Thompson. Negotiations and surveys were completed with Atomic Energy of Canada Limited for access roads to the plant and townsite and a new bridge over the Winnipeg River to serve this Whiteshell Research project. The sub-structure of this bridge is now underway and the contract has been awarded for the steel super-structure. Tenders for road grading are being let and it is planned that these facilities will be in operation by late 1961. Paving contracts were awarded last fall for completion of the black top between Atik and Cranberry Portage. This was done to permit the contractors to prepare their gravel aggregate during the winter months in order to do the actual paving work as soon as frost conditions permitted this spring. Even with this enormous effort which we have made we find that we have not yet brought our highway system up to required standards.

As you are aware we instigated a "need" study two years ago. At that time the Minister of Public Works established the Planning and Design Division and a need study was commenced. This study I intend to place before honourable members this evening in order that you may examine it. It has just been presented to the government and we will refer it to you for your consideration. I should say in commenting on it that it has been a complete study of road needs in Manitoba. The Planning and Design Division with associates from the University of Manitoba, the Professor of Geography, Dr. Weir, other personnel from the Province of Manitoba, and with the help and advice of the American Safety Foundation of Washington, undertook this tremendous comprehensive study of our road needs. The American Safety Foundation is a non-profit organization which is dedicated to education and research for safe efficient highway transportation. They do not work in this field for profit. They have already undertaken studies for 26 states in the United States and for the Province of Ontario in our country. This is the second Canadian province where they have produced a report. This report I say went into the entire framework of our everyday life. It concerns itself with the economics of the province; it looks at industry; at the location of industry; at agricultural development and the types of agricultural development, whether it might be dairy farming or livestock production, or grain farming, or vegetable production, as they all -- the various types of agriculture have an influence on the types and volume of traffic which will result. They looked at the location of factories in the province; they looked at the mining centres; they looked at recreational areas and the possible flow of tourist traffic. They examined all these matters in great detail and then got down and looked at the existing highway system mile by mile. They went over the entire system; they looked at its structure; its measurements; its type of surface; the quality of its surface and they endeavoured to relate not only the present economic and social life of the province and the flow of trade and commerce with the existing roads, but they projected both the economic and social picture and the possible road picture into the future over a period of the next 20 years. So we have a situation which the report indicates will call for 4,501 primary provincial trunk highways in the next 20 years. This total it is proposed in the study that 537 be ultimately developed as a freeway system. This freeway class of highway as the report states will carry 35 percent of the total travel on provincial trunk highways and would be built to the highest design standards, eventually including four or more lanes in full control of access from the abutting properties.

The freeway system which is planned in the report for the future will consist of major interprovincial or international routes having the highest traffic volume. It will connect our major centres with neighbouring provinces and the interstate system in the United States. It would also serve important recreational areas. The eventual provincial trunk highway system proposed in the report will include all communities with a population in excess of 600 and about 85 percent of the people in the province, both rural and urban, will be on or within six miles of a primary provincial trunk highway system. In addition to the primary highway system 503 existing trunk highway routes, which according to the analysis carry lighter traffic, do not meet all the qualifications laid down in the classification study. It is recommended in the study that this mileage be retained as a responsibility of the province and maintained to acceptable

(Mr. Thompson, cont'd.) . . . standards. Of the 5,004 miles that by 1980, according to the report, would compose the total provincial trunk highway system, it shows that nearly all the existing mileage will require some type of improvement in the next 20 years, ranging from simple resurfacing to major development of new multi-lane divided highways with controlled access.

In addition the study showed a heavy backlog of highway work that it says should have been done prior to 1960. Such work alone involves, according to their figure, nearly \$190 million, about 45 percent of the total 20 years capital improvement costs. A highway level of yearly expenditure for many years ahead above recent average highway expenditures would be warranted in order to catch up with the current needs. Further, this study states a considerable number of new mileage will be needed and of the 824 existing bridges 165 should be repaired and 299 replaced. In addition 92 new bridges would be required. This estimated work is based on conditions existing as of January 1st, 1960. To accomplish this tremendous task, to catch up with the work that has been overdue on our highway system and to provide new and additional improvements if the report is adopted, an average annual expenditure would be required of \$27.2 million at 1960 highway prices. This figure does not include municipal grants or work on secondary highways or 100 percent roads, or highway routes in the City of Winnipeg. This figure of \$27.2 million exceeds the average annual amount spent from 1954 to 1959 by \$8 million and from 1949 to 1959 by \$12 million.

I said, Mr. Chairman, that we have made some effort to begin to overtake the highway needs of Manitoba. We have now placed before us a very thorough analysis which indicates that much is to be done. I cannot say, of course, that this report will be adopted by the government. It is a report by an independent group; they have told us what they think should be done. I can only recommend it to all honourable gentlemen and to the municipal people of the province and to all citizens of the province, because I feel that all of us are concerned with doing what we feel to be best for the growth and progress of the Province of Manitoba.

MR. CAMPBELL: Mr. Chairman, the Honourable the Minister has given us an interesting statement of some of the highlights of his department as he sees them, and certainly I am sure that all of us will look forward to this report or study that he has just mentioned. I notice that he emphasized not only considerably, but several times, the fact that in his opinion the government that preceded the present government had not been building highways as quickly as hindsight would indicate that they should have built them, and he went into some detail in showing the average annual figure. I may have more to say about that later on. At the present moment I would like to remind him only that when that government was spending \$16 million a year on highways that the present First Minister of this province was telling us that it was \$1 million too much, and suggesting that a \$1 million of it should be diverted to other purposes.

Now Mr. Chairman, it's a fine thing for our friends in government to come along and tell us what should have been done, but they can't get away from the record of those days, and the present First Minister of this province was the man who was saying at that time we were going too fast, so I'd like my honourable friend to some time take that point into consideration as well when he is dealing with the question of road building in the few years preceding the present regime. Then when my honourable friend discusses the quality of the roads of which his predecessor of course paid a great deal of attention to, and which his predecessor and the present First Minister both used to decry very vehemently, I'd like to remind the Honourable the Minister that within a very few months of this present government taking office, without having done one single turn to improve those roads, they greatly, in fact drastically, increased the weight limits on them just by the stroke of a pen, and those very roads that they had spent months and years of criticizing, somehow as soon as they got into office became extra good roads, and they gave great increases in the weight limits that were allowed. Now if you can get any cases of greater hypocrisy than this, Mr. Chairman, I'd like to know what it is. First my honourable friend tries to put on the record here the fact that the earlier government was derelict in its duty in not building these roads at the very time when his leader was saying, "Don't spend so much," and then he, by inference at least, is criticizing the quality of the roads whereas his government immediately upon assuming office proved that what they had been saying about them was totally unfounded, by drastically raising the weight limits.

Now Mr. Chairman, I am sometimes criticized by members of the government for what

(Mr. Campbell, cont'd.) . . . they like to refer to as "threshing old straw," and it's sometimes necessary that we do that in order to keep my honourable friends up-to-date and in order to go back and read the record and tell them what we said at particular times, and then when we have the experience to go by, to check on just how that has worked out. So I want to refer now to the fact that when the first road program was brought into this House by my honourable friend's predecessor, the then Minister of Public Works, after that government assumed office, in the fall of 1958 he suggested, or laid before this House, a program of \$33 million which he said was completely for trunk highways, all for trunk highways, and we on this side of the House told him at that time that they would not be able to use that amount of money or anything close to it. It was in the fall when he was making these statements, November 5th, I think, was the actual day, he still insisted that a great deal of the work was going to be done that fall; he said that several bridges would be built that fall. We have now had the opportunity to check the record, and the fact is that those bridges were not built either that fall or that winter. I can give the instances in those cases. So, I would like to -- even though I have referred to this before -- put on record, now, my view of the actual financial statement as far as those expenditures were concerned. We said that that \$33 million of capital funds was not needed. We said that he wouldn't use that amount of money. We said that what had been appropriated at the 1958-59 session would be sufficient to carry through, at least until the House met again the next spring.

Now here's what happened, and I put these figures on the record now so that my honourable friend will have the opportunity to check them over this evening, then if he finds that they are not correct, he can tell us in what respect they are deficient. In the 1958 session this House voted: Appropriation 51, \$11,068,330 -- from here on I won't give the odd figures -- plus one item, and I'm taking one only, of Appropriation 52 or 53, \$697,000 odd; we had capital supply of \$23,967,000, a total, as I add it up, to roughly \$35 and three-quarter million. Now the report of the Department of Public Works for the year ending March 31st, 1959, shows that the total expenditures for those purposes was \$34,622,000 odd, practically 623,000, which means of the amount of money that had been appropriated at the spring session of 1958, and taking out all of these expenditures that there was more than \$1,100,000 left over. Now I know that my honourable friends can say, "Oh yes, but we had some contracts outstanding." Well that's why I'm putting these figures on record, Mr. Chairman. I would like the Minister to tell us what contracts were outstanding at the end of March, 1959. Members will remember that we met that year -- we were later than usual in meeting, because there had been a school vote which took some time, and we didn't meet until March 12th, but even so, even with that late meeting, we had met in time that we could have passed further supply had it been necessary.

And then I want to take the figures on from there, Mr. Chairman, and I'd like the Minister to check these figures so that he can tell me if these are incorrect, because he will agree with me, I am sure, that it's not easy to pick all of these figures out of the estimates, the supply votes, the public accounts, and all the rest, and I may err in some regard because I don't guarantee these figures. The then Minister of Highways told us on November 5th, 1958, as I have previously mentioned, that this \$33 million program was going to be needed before the House would meet again, that it was all for trunk highways and that it was \$11 or \$12 million more than the comparable items of our program which we had last laid before the House, and so I'd like to just mention how those programs work out, and again these figures are taken from the report of the Highways Branch of the Department of Public Works, but they're my own figures as to trying to get the items in there that apply to highways only and to exclude the others that deal with drainage or any other buildings or any other matters that are not comparable for these purposes, because the statement was that this was for trunk highways only, and here are the figures, as I take them out of the two reports that we have before us. 1959, the year ending '59, the highway figures, trunk highways alone as I collect them from these reports, a total of \$21-1/2 million, and as I have mentioned earlier, there was lots of money in the appropriations that had already been passed to cover those completely and leave more than \$1 million untouched. In 1960, taking the comparable figures, I make it to be just over \$27 million, and here's what had been voted in the meantime Mr. Chairman. We had started with \$1,100,000 that I mentioned had been left over from the year previously. We had had that

(Mr. Campbell, cont'd.)...\$33 million that was voted in the fall. In the spring of '59 we had passed an interim supply but it was later on covered by the Supply Bill that we passed in the summer of '59 so that we don't pay any attention to the first one, but in the summer of '59 we had in Appropriation 51, \$11.8 million in the current estimates, and we had a capital supply of \$19.3 million, and as I add those all together we had, the department had available to it for these purposes more than \$65 million. What did they spend? The report of the department for the next year shows \$41.8 million. So it looks as though at the 31st of March, 1960, there should have been something in the neighborhood of \$23 1/2 million on hand and once again, and once again the Minister can say quite properly, "Oh yes, but there were contracts outstanding and we wanted to be able to place those contracts," and so I would like to know from the Minister what was the amount, the total amount of contracts outstanding at that time of year as well.

The other remarks that I have to make with regard to highways I think I shall leave until the highways items, the Highway Branch is reached, and if my honourable friend prefers, I have no objection to leaving it until the capital supply item. I'll meet his wishes in that regard but he won't be surprised, I'm sure, to know that I have some other matters that I would like to discuss at that time.

Now as far as the present item is concerned, the administration, I have only one other matter to discuss, but I would like to under this item raise the question of Winnipeg's City Hall. The Honourable the Minister has reported on government buildings, and of course the department is not responsible for the building of the City Hall. I have the conviction that the government has been largely responsible, at least partially responsible for the delay in a start on the City Hall, and inasmuch as it is reliably reported that the government has paid a substantial sum of money to the City of Winnipeg in order to get them to not go through with the plan of building on the area across Broadway Avenue here, and inasmuch as it is reported that the government is purchasing that one little corner of property that the City owned over on that site, or maybe both properties that they owned, I think it's only right that under this item we should have a statement from the government with regard to the negotiations that have taken place concerning the City Hall, because I think, Mr. Chairman, that if it were not so tragic it would be really humorous to see what has been happening with regard to the plans for the Winnipeg City Hall. It's a tragi-comedy, I would think, and I have a few, just a very few of the clippings here that have appeared at different times in the press. I do not intend to read them all or even a major part of them, but I think that -- and certainly they're far from complete and not necessarily in chronological order -- I think that if anyone just pauses and reviews most casually the negotiations that have gone on with regard to the City Hall over the years, and then particularly since my honourable friends have been occupying the Treasury Benches of this province, they will have cause to wonder if the City Hall is really going to be built at all, or if it's going to be built at all will it be built on the site that at present seems to be the main choice.

Now I recall that my honourable friend, the First Minister, when questioned in the House not long after assuming office here, said that the government had no views on this question of the City Hall. Well for a government that had no views on the question they've sure messed it up beautifully, Mr. Chairman. For a government that said they were going to leave it completely to the City of Winnipeg and the elected aldermen to do it, to deal with, I think that their continuing interference in this question has been quite remarkable, and yet my honourable friend, the First Minister said, "No, no. No, we have no views on the matter at all." But the fine hand of my honourable friend and his colleagues seems to appear in negotiations time after time after time in spite of the fact that he had no views -- had no views; but he eventually turns up to be willing to spend \$800,000 of the taxpayers' money in order to get the City Hall question just as complicated as it has ever been in the last twenty years or whatever time it's been under discussion. Well now, I'm not going back any further than June 15, 1959, although you can go much further than that, and apparently my honourable friend's gratuitous intervention in this matter started very, very soon after he assumed office here; but I haven't the clippings that deal with his first approach to the City Council of Winnipeg suggesting that they might consider some other site; and this from the man that had no views on it at all. But this is the report, big heading, "Main Street Site for City Hall?" June 15, 1959. And the panel consisting of Mr. Thrift, Mr. Moody, Mr. Adamson, had turned down the Point Douglas renewal program with the City Hall as its focal point and suggested last fall by Premier Duff Roblin. That certainly seems to have been the case. And there's a great deal of comment in

(Mr. Campbell, cont'd.)...here -- "Provincial Press conference" -- this is the same article -- "Provincial Press conference Monday morning; Premier Roblin said the next step in the City Hall plan is up to the city." Well that's what he said right along, "It's up to the city." Still is. "Mayor Stephen Juba said the City is going to be faced with difficult problems." Well that was an understatement. "If it tries to carry out the reports, recommendations, the fact is," the Mayor said, "the ratepayers have made their decision. That's going to be the number one problem." I think it would be. "The city ratepayers have already voted \$6 million for a new City Hall on Broadway. We'd have to go back to the ratepayers and ask their permission. If they reject permission, then where do we stand?" Where do they? It's a good question. If they didn't go back to the ratepayers. And there's a lot more. And then we have the next day -- that one by the way was the Free Press article. The next day we have a Tribune editorial, "City Hall Site." They refer to the panel suggesting that the Point Douglas area is unsuitable. "The survey was essential once the Manitoba Government had made its offer of financial help toward re-development in the area." This word, term, "re-development in the area" runs all through several of the articles here. "If these recommendations are taken seriously, and undoubtedly some of them will be," says the Tribune editorial, "Winnipeg will be right back where it was in 1912, squabbling about the kind of new City Hall and the site." I won't read anymore of that one. It seems to have a familiar sound.

Then on February 6, 1960, Tribune editorial headed "A Simple Decision. It's now nearly eight weeks since the plans for the new City Hall were approved by Council. It's about seven weeks since the plans were sent to the Provincial Government for approval. What has happened since? It seems that the Provincial Architect's office has been building a new model of the proposed City Hall because the scale of the model already built didn't fit in with the provincial model of the Legislative Building area". And there's a lot more along the same line. Then there are two Tribune editorials on February 13, 1960 -- one on the City Hall site where the late Ted Gardner had criticized the Tribune for urging an early start on construction of a new City Hall on the Broadway site. He stated that this was shocking and irresponsible. He described the Broadway site as a "blatant example of uninformed blind picking." "This", says the Tribune article, "was hardly complimentary to the 24,918 Winnipeg voters who picked the Broadway site and to the aldermen who voted unanimously in favor of this location." Then there is another editorial on the same page dealing with why Broadway is rated the best, and it shows the rating of the sites that it says still holds good today, where the Town Planning Commission, Citizen's Advisory Committee had, both of them, rated the Broadway site on the top. And here are the reasons that it offers, and this is a Tribune editorial, as saying that this is the best site. "The offer of a free site is almost immediately available. Erection on this site will involve no inconvenience to city departments since they can continue to function in present quarters. It is close to the centre of gravity of population; close to the central business district. It is ideally suited to be seen by residents and visitors alike. It is well related to transit lines. It will become a part of the imposing complex of provincial and civic buildings already in the locality." And this one I emphasize. "Its proposed underground parking will produce more parking facilities than have heretofore been available on this site." And a good bit more along that line.

Here's a Free Press article of March 11th, 1960, "Fear Delay Could Mean No City Hall Ever." It's by Warner Troyer. Quite an interesting article. Here we have, April 26th, 1960, Free Press article headed, "Start on New City Hall Scheduled for 1961." And then we get a long history of what's been going on. And then we have the Free Press on July 25th, 1960, headed "City Hall. Premier Roblin has made an enticing offer to Winnipeg City Council." Here's the man who had no views on the matter. "If council abandons its plan to build a city hall on Broadway the Provincial Government will contribute \$500,000 to a slum clearance program. The amount offered may be open to further negotiations, with the City naturally asking for more. But the proposal in general deserves strong support." It's quite a long editorial. I shan't read it all, but it ends up with this short half a paragraph, "Premier Roblin and Mayor Juba merit commendation for their joint efforts to reach an amicable settlement and to conserve the Broadway property as a civic park and scenic approach to the Legislative Buildings." Then, of all things -- that was on July 25th in the Free Press -- and here we have on July 27th an editorial, "Wrong Decision. City Council in its wisdom has decided to go ahead and build Winnipeg's new city hall on the Broadway site." Here we are -- quite a little editorial, second last paragraph,

(Mr. Campbell, cont'd.)... "What has the City lost? The opportunity to have a new park in the area of the Legislative Buildings and the Cenotaph. Half a million dollars to be applied to a slum clearance project." And considerably more along the same line.

And then here we are on August 24th, 1960, "City Committee Agrees to Sell Broadway Site". Going to sell it to the people that had no views on it. Here's a picture of the Premier of the Province and the Mayor of the City of Winnipeg. "In agreement at last are Premier Duff Roblin and Mayor Stephen Juba, who Wednesday morning hammered out a compromise proposal. And so on and so on and so on. That was good. Here's the Free Press of August 25th, 1960. "A good agreement." I won't read very much of this but the concluding paragraph, "In less than an hour of discussion a meeting in the Premier's office on Wednesday repaired the damage of three years' wrangling. All the participants, Mr. Roblin, Mr. Juba and the aldermen who are members of the committee, deserve the gratitude and congratulations of the community." That's good. So here we are on September 7th, 1960, "Off Broadway," and the Free Press says that "in spite of the acrimony that attended the debate in City Council on Tuesday night, there'll be widespread public approval of council's decision by a wide margin not to build a new city hall on Broadway. Instead Council will accept Premier Roblin's offer of \$800,000 for the Broadway land. Now look elsewhere for City Hall site." And the concluding paragraph begins with this sentence, "Council has shown a commendable flexibility." I certainly agree with that. They've certainly shown a lot of flexibility.

Then we have January 18th, 1961. We're getting right up-to-date and I must say I've certainly by no means exhausted the bibliography in this regard and I'm hurrying through these. But here we are on January 18th, 1961. "The province is selling the City Hall site. They ask tenders on the old Health Building and the City wasn't even told." After all this approachment they didn't even tell the City. "And the Honourable John Thompson," says this article, "the Minister of Public Works, expressed some surprise Tuesday when he was asked if the province had notified the City. He said that he did not recall that this site was one of the seven under consideration as a location of the new City Hall." They've been working on seven sites. "Professor John Russell of the University of Manitoba School of Architecture, who heads the Committee to study possible sites, said his group had considered and was considering the Sherbrook Street site along with the other six. Said he had received no indication the property was to be sold. Mayor Juba said the Sherbrook site had been mentioned in discussions between the City and Provincial Government, but he did not know whether or not Professor Russell was prepared at this time to write the site off. And Professor Russell said, of course, this would take"

Now I haven't very many more on the City Hall site but here's one on January 17th, Free Press editorial, January 17th, 1961: "Professor John Russell has promised a final report on the selection of a site for the new City Hall by mid-February. This is encouraging. On what basis has a site been selected? On the basis of a building that will house only the diminishing needs of the City, now that Metro's taking over the responsibilities that once rested with the City Council, or on the basis of providing a permanent home for Metro as well?" And they say that these matters should be discussed. Well they likely will be. There'll be lots of time. And then, my final submission in this regard, is a Tribune article of March 4th, 1961, because this reviews the history in a little bit different way to what I have. I'll read a little more of it. It's by Jim Hayes, Tribune staff writer. "Fourteen months ago a jubilant new City Hall Committee announced to aldermen that Winnipeg was finally in a position to start construction of a Civic Centre. A site had been secured; a design approved; and only a few details remained before work actually began, the committee advised. Next week at an expenditure of over \$100,000 the committee, minus both site and design, is beginning again. Committee would meet shortly to consider report prepared under the direction of Professor John Russell which proposes acquisition of the St. Paul's College property for a city hall site. This report cost \$10,000. Today City Hall sources said there appeared to be little likelihood that the recommendation would be adopted, at least without a long fight. This special committee, largely with the same membership, has been sitting regularly since October 1957, when the ratepayers approved a \$6,000,000 money by-law for a new City Hall and voters chose the Broadway site in a referendum. A year earlier the province had offered the Broadway property as a City Hall site free of charge. Under the eye of the special committee Winnipeg held an international architectural contest to find a design. The original appropriation for the contest was \$60,000. Later another \$9,000 was

(Mr. Campbell, cont'd.)... added. The final cost was \$66,000 odd. Professor Russell said this week that the winning design which won praise from architects, architecture authorities across Canada, is lost. It was meant for the Broadway site; it cannot be transferred to another. The architect's fees were \$15,000. While the contest was in progress Winnipeg spent another \$10,000 for a survey of the Point Douglas area. Premier Roblin had suggested a site in that area be considered. Council rejected that proposal." And there's a lot more, but I shan't weary the committee with reading any further.

Now Mr. Chairman, I think we should have a statement by the government as to what arrangements they have made; what arrangements they have for the site over here now that they have repossessed it. Did they buy the two small properties that were owned by the City of Winnipeg? And what are their plans with regard to developing the site?

MR. THOMPSON: Mr. Chairman, I would like to reply to the Leader of the Opposition at this time or -- (Interjection) -- I'd be glad to listen to some further criticism.

MR. PAULLEY: Oh, I'm not going to criticize, Mr. Chairman, I come here to praise Caesar, not to slay him. I might, Mr. Chairman, just say a word or two. I listened with interest to the Minister of Public Works introducing his estimates, and as I listened to them it appeared to me that once again this committee that is considering the estimates of the Department of Public Works received an oration of a very grandiose scale which still doesn't seem to be within the realm of achievement. Much of the criticism, Mr. Chairman, that has been offered by the Leader of the Opposition thus far finds agreement with me. One or two disappointments, I frankly confess, and I hope that before the committee has finished the consideration of the estimates of the Public Works Department that we may have, in order that my disappointments will be dissipated, I had hoped and trusted that my friend the Leader of the Opposition may have on his initial statement introduced some of the charges that he had made previously in the House. However, seeing that at the present time they have not been interjected, as I say, I'll reserve comment on them until that time, if we do indeed arrive at that particular time. -- (Interjection) -- You're leaving them for capital. Oh I thought because of the fact, Mr. Chairman, that my honourable friend the Leader of the Opposition had some of these to deal with, maintenance gangs and the likes of that, we might have even had them now, but if he's going to leave them until capital, oh fine. Then I'll reserve any comment that I would have on that aspect of the Public Works Department until that time. And I think it will be possibly enjoyable.

Now my honourable friend, the Minister of Public Works, mentioned the fact of the highway development in around the Thompson area and how our highway system in that particular area is expanding. I would like to know from him as to whether or not Inco is making any contribution to the construction of the roads in that area. I don't recall the exact terms of the agreement that was entered into by the previous government and Inco insofar as the development of that area is concerned, but if memory serves me correctly there was to be some contribution from Inco in respect of construction of roads. In that Mr. Chairman, I may not be recalling correctly. Now I'd also like to know, and I agree with the Honourable, the Leader of the Opposition in this Mr. Chairman, when he refers to the question of the considerable number of roads that were of no value at all, that were built by the former administration, that were made Class A highways by Order-In-Council of the present government. We did discuss this question at the last sitting of the committee a year ago, I'd like to know from the Minister how many more of these terribly built roads were not up to standard, built by the former government, have since last year by Order-In-Council been made first class highways, because we did have a number of them, as we well know, at the time of the consideration of the estimates of the Department last year. I think the Honourable the Leader of the Opposition was perfectly correct, and we discussed this matter thoroughly last year, of the typical conservatism of colouring estimates insofar as expenditures on highways are concerned. I'm not going to go into that again. If I recall correctly last year, we in our particular group raised the issue; my honourable friend joined us, and I join him this evening of that criticism.

Now I would like to say briefly, Mr. Chairman, a word or two in connection with the main argument of my honourable friend, the Leader of the Opposition, in respect of the development of the City Hall in Winnipeg and the attitude and action of the government respecting the same. It seems to me, Mr. Chairman, that the Leader of the Opposition has accused the government,

(Mr. Paulley, cont'd.)...and I think correctly so, of interference in the affairs of the City of Winnipeg, and from listening to him this evening, it reminds me of a circumstance that occurred under his administration; it seems to me that the city is having as much trouble today finding a site for a City Hall as the former Liberal administration had to find a site for the Home for the Girls. I think maybe there is a parallel, because if we recall, Mr. Chairman, the former administration shunted the Home for the Girls from the Academy Home of the Veterans out to Dyn-ever at Selkirk and hither and yonder, and it seems to me that the City is having the same trouble as the former administration had in respect to the Home for Girls, that as the result of the actions of this particular government at the present time, the City is having just as much trouble insofar as finding a site for the City Hall after that had been approved by a majority vote of the electors of the Province of Manitoba. Mr. Chairman, I must object, and I do object to the Treasury of the Province of Manitoba, of paying to the City of Winnipeg the sum of \$800,000 for the property just north of this building. The people of the Province of Manitoba back last June, by Order-in-Council of the government, were forced into paying double for their hospitalization premium. It seems to me, Mr. Chairman, that if the Government of Manitoba had \$800,000 to pay for land and to give to the City of Winnipeg merely for the purpose of building a park site across Broadway Street, then they could have made a far greater contribution into the funds of the Manitoba Hospital Service Plan. I appreciate very, very much the desirability of some of these things, but I do say that the \$800,000 that the government is prepared to offer to the City of Winnipeg belongs to all of the people of Manitoba, and while there may be some justification in making our area here attractive, while there may be some merit in saying that we want green spaces around this particular building, a good view from Portage Avenue, I think under present circumstances that amount of money could have been far better spent in the interests of the people of the Province of Manitoba in either retaining and maintaining the former hospital premium rate or in the construction of housing for the purpose of slum-clearance or some other venture that would be a far greater benefit to the citizens of the Province of Manitoba. We are faced at the present time, Mr. Chairman, with a problem of large scale unemployment here in the Province of Manitoba. Had the plans as approved by the ratepayers of the City of Winnipeg been proceeded with, many who are at the present time on Unemployment Insurance Benefits, may have been receiving wages in the construction of a City Hall in the City of Winnipeg.

The Honourable the Leader of the Opposition pointed out the huge expenditure that has been wasted by the Treasury of the City of Winnipeg because of these delays. I suggest, Mr. Chairman, that because of the attitude of the Provincial Government the various investigations and surveys made by the City of Winnipeg authorities to the degree of \$140,000 or \$150,000 on plans and sites, has just been money thrown down the drain. It appears now that the City have decided to rebuild on the present location, and it may be that they are right and that the people who voted in favour of the Broadway site were wrong. I'm not a resident of the City of Winnipeg, but I do say that due to the attitude and the actions of this government a burden has been placed, and a wasteful burden, on the citizens of Winnipeg, so Mr. Chairman, I say that while at all times I do not agree with my honourable friend, the Leader of the Opposition, I think the remarks that he has made are pertinent. I am convinced that the people, the taxpayers of the Province of Manitoba we're supposed to represent here, should not be faced with a capital expenditure of \$800,000 for the purchase of the site. As I mentioned a few moments ago, that amount of money could have done so much more for the benefit of the people of the Province and the people of the City of Winnipeg, and I raise also in protest to this expenditure -- people of the City of Winnipeg, as I mentioned, had, rightly or wrongly, decided what they should do. This government interfered, in my opinion, in the affairs of the City of Winnipeg, it has been suggested in some quarters, on the whim of the First Minister of the Province. I'll let him answer as to whether or not it was a whim.

Now there is one other question I would like to direct to the Minister of Public Works. I recall that when the Conservatives were in opposition and seated just to my right, that they consistently proposed resolutions in this Assembly calling upon greater Federal grants for highway construction and secondary highway construction here in the Province of Manitoba. I know that they were very, very critical of the former administration. Indeed, Sir, so was I, but they were very, very critical on this particular point, and I would like the Minister of Public Works at present, to indicate to us what progress, if any progress, or what representations have been made

(Mr. Paulley, cont'd.)...to Ottawa now particularly that there is at Ottawa a government of the same flavour as my friends opposite, in respect to contributions to highways, secondary highways, here in the Province of Manitoba.

Now Mr. Chairman, I'm going to conclude my remarks now on the introductory remarks of the Minister and his salary. I'm sure that there will be other members of my group. Indeed I may get back into the discussion myself again on the department, as we come to further items or after we have listened to the replies of either the Minister of Public Works or the First Minister of the Province.

MR. PETER WAGNER (Fisher): Mr. Chairman I see that the Honourable Minister doesn't feel -- to answer questions -- he said he's willing to stand criticism. I at the outset must say that I'm surprised and disappointed in the Public Works Department and the highways and the market roads and the fifty-fifty basis roads in Fisher constituency. We were discussing the Education estimates and I heard some of the honourable members from that side saying that there is buses going on the network of the highways, and the highways are being built in every part of Manitoba, in every constituency, and I must say here that it is not true -- not in Fisher. Not one scraper load bid and expensive highway built in Fisher outside of a bituminous mat was laid from Komarno to Fraserwood. Not one half mile that the highway was extended, and to my surprise and disappointment, I must admit that the former Minister had in his program in 1959 summer session a highway to be built from Fisher Branch to Hodgson, and it was not built. The new Minister came along and stated that it had been re-scheduled and I was surprised and disappointed -- why it was to be re-scheduled. The Minister told me that the highway to Grand Rapids was being built and that's why it had been re-scheduled, and when I asked the question whether it's going to come in 1961 the Minister stated that it shall, and I want to quote what exactly took place.

On March 11, 1960, I asked the Minister why wasn't it built in 1960, why it was re-scheduled. Again I repeat myself, due to the Grand Rapids. However, when I was talking here, asking whether it will be made in 1961 the honourable minister said -- and I'm always quoted in this House that I don't understand and misunderstand, and so on and so forth, so Mr. Thompson said, and I quote "No, my honourable friend is quite correct. It certainly is not in the list but in his engineering division, we have a huge program which is going forth this year especially the one from Gypsumville north, and it was simply bound by" -- and there was an interjection -- "recommended by the department that it was impossible to complete the road this year, and it was recommended that it be re-scheduled till the coming year. That is the reason it was done. We were simply unable to include it in this year's program." Now Mr. Chairman, that's why I say I'm surprised and disappointed, because in 1961 program it didn't appear, but it does not appear in 1961-62 either, and just for the information I'm surprised and disappointed because I had an appointment with the Minister on February 17th, and I was pressing the need, and I was urging him that he put in his highway program for '61 at least from Fisher Branch to Hodgson, and I stated that -- in the Hansard I can quote that this was re-scheduled for '61, and today there is nothing, and nothing insofar as the highway in the Fisher constituency is concerned, not one access road, nothing completely in Fisher constituency. No doubt possibly that the Honourable Minister of Agriculture said that I was a poor leader, as long as I'm there the people will suffer. Possibly even the Public Works Minister is thinking the same way, and he hasn't got nothing for Fisher, and I can prove -- I have letters from the former Minister about the access roads, that they were supposed to be built to the same standard as the highway, and I have here a list of the Minister of February 17th where the highway is a bituminous mat and Malonton was supposed to have a bituminous mat in 1960, and I see according to this program not even in '61. Fraserwood hasn't even appeared here. Meleb is a gravelled highway; Rembrandt and Silver not one access road, and I presented also to the Minister, surely, I don't present one road or two roads, I present the whole schedule the road, and then the Minister or his department chooses which he feels is most desirable, and I stress the most needy road, and I stated in here a request is made for the following improvements of highways and market roads and proclamations to be issued therefore, and when I mean proclamation not one market road has been proclaimed in Fisher constituency since this Conservative Government is in power. Yes, a few market roads have been continually built, that has been proclaimed by the former administration, but not one to my knowledge that has been proclaimed in Fisher constituency. I have here

(Mr. Wagner, cont'd.)...bituminous mat from the junction of Arborg and Narcisse. Naturally, naturally we understand that we are going to have a network of good roads, good highway system, and I hate to go back into this political atmosphere because once I'm in here in this House I don't intend to play politics until the election is called, but at this point I want to say, and I still have the paper clippings of the First Minister's picture, stating the 20th century roads that are going to be built. But I don't want to go into that in detail. However, here is the schedule, Mr. Chairman, that I presented to the Minister. Bituminous mat from the junction of Arborg and Narcisse #7, and when I was speaking last year that this chloride or whatever you want to call it, that there is a ten-man crew every day on the road and the road is no darned good. These breaks just come as fast as the repair men are fixing it, and the Honourable First Minister nodded with agreement, that's true, and I believe he is sincere, but however, I don't see anything in this program to alleviate that situation, so I'm calling and urging the Minister of Public Works that at least he will extend the bituminous mat from the junction of Fraserwood on to Chatfield where there is blacktop where those breaks occurred so often.

Continuing from Fisher Branch to Hodgson highway which is in a very deplorable state now. It's worse than the market road at places, and if anybody has any doubts just travel and you'll find out for yourself. A road was promised east of Fisher Branch in 1959 and '60. 1960 there was nothing done, in '59 it was just re-gravelled, but '61 surely I expected that this will appear on the program going east to Vidor -- nothing there. I call upon this, continuation of #69 from Meridian east to Vidor. That's just a nickname where the local people and some engineers call it the #69. This is the Meridian road I'm talking about. Naturally we need that for reconstruction of #68 which comes from Arborg to Eriksdale. There's another highway just worse than a market road at places. A proclamation to be issued that second #68 be considered the highway from #7 to Riverton as the petition outlines, and here I have a petition of the people and I'll just quote the heading. It's addressed to the Honourable Minister Thompson: "Mr. Thompson, I wish to draw to your attention the enclosed petition requesting the proclamation of a highway. This matter has been taken up before the former Minister, the Honourable Errick Willis. At that time we were given to understand that once the road referred to in the petition was completed it would be proclaimed a provincial highway. We trust that this request for proclamation will be made in 1961" -- signed Stanley Pyziak, Valley School District Secretary, and the whole petition went across from Broad Valley right across to Riverton. I was one of the -- well I was the member that was leading the delegation to the Honourable Minister, the former Minister; we discussed about it and he stated then that if the road is going to be completed and gravelled the Highways Branch is going to take it over, so here I have a petition and also the Honourable Minister of Health received a copy of that petition. No doubt because I was informed he was supposed to receive, and just for information of the Honourable Minister of this day, I went into the trouble to give him a memorandum of February 17th, stating on February 25th, 1959 that the following delegation met with the Honourable Errick Willis, former Minister of Public Works, and the delegates as follows -- I don't think I need to read it because he has it on file. Just to show and to help the Minister that this took place. However I doubt very much if proclamation is going to be granted since it is at such a slow pace.

I also recommended the reconstruction of a market road from Fisher Branch west, also Barton and its portion in Fisherton. Now the Fisher Branch West, there is another road, heavy traffic -- the Fisherton people come along, Kilkenny people, and the Scotland farm people, and the people from Ashern; the highway that is connected to Fisherton Road, they swerve down and come around Fisherton Road and into Fisher Branch. The road is in very poor shape. However, I shouldn't be speaking about Fisherton Road because it's in St. George constituency, but I believe regardless of that, we need the road just as equally as the St. George people. I also asked to proclaim a market road and proceed with construction of 1961 and it's out in north country where the people used to go the bush -- sawmill operation -- and Indian Reserves use that road and we call it, formerly known as Kreyyken-Balon Road and that would meet the Forestry Road. In constructing of the market road to Teulon and Erinview, here is another road that everybody, practically everybody uses and one group of people are penalized to pay for it. I would appreciate it very much and I still will, because the Honourable Minister still may change his mind and give some consideration to these roads.

However, the bridges, some bridges that I have noted here are in a very bad shape; as a

(Mr. Wagner, cont'd.)...matter of fact they are hazardous, and we pride ourselves with the highways and bridge work and what not, and right in Fisher Branch, right on the edge of Fisher Branch, the bridge is keeling over into the river. The railing is standing up and there is a big hole alongside of the railing, and yet I inquire in the department whether the bridge is going to be reconstructed -- nobody seems to know. It is under study -- investigation. I also stressed a bridge to Hodgson Town and we've had accidents there. A man was killed there. Another bridge two were drowned -- nothing done. Nothing said even about it, and I do not need to go into the details how many bridges we need, but however, when I listen carefully when the Honourable Minister was saying what kind of roads and plans and what not, it's for tomorrow in other words, but not for today, and Mr. Chairman the 50-50 basis roads -- I thought that the Liberal Government was a tough nut to crack -- (Interjection) -- Yes, they do and they were just -- when they were out electioneering in 1958, I still have clippings, and they surely came out with a big road program, but the Conservatives beat them with the road program, but did they do that with the road policy on the School District Roads? Nonsense. Fifty-fifty basis as was by the Liberals; same thing as the Conservatives. Still 50-50 basis.

Mr. Chairman, I still say and I maintain, and I don't want to repeat myself, but to an average farmer on the school district road, that road is to him just as equally important as to the traveller on the highway. What's happening? The highway comes from the Provincial Treasury. Yes, we pay for the highway -- everybody in Manitoba. But when it comes to build a mile of a road to a school district, or an unfortunate farmer lives two miles away, he's got to put up \$1,000 a mile, or is it \$1,500 a mile, the government will match it. Yes, match it. So this farmer is penalized twice. He pays on the highway once; he pays in his school district a second time. What is the answer? You are disorganized. You are not in a municipality. I try to find out why we are not in a municipality. We can't afford to be in one, but we pay taxes just as equally and I know some people pay less taxes in the municipality than we pay in disorganized territory.

Mr. Chairman, I'll have some more questions to ask when we are going to go down in the estimates. But once again I want to reiterate, I'm surprised and disappointed that these programs that were down on the paper; these roads were built on the paper; the members opposite prided themselves with a network of highways, school vans, school buses -- School vans and school buses -- I have a petition right here, in fact we sent it to the Honourable Minister of Education. The snowplow is not going to plow unless there are five students. What's going on? They were going to build all the roads -- equalization, yes. I still have a ringing bell in my ear when the school divisions were inaugurated or came into being, stating that we will take care of these students, rural or urban. Not to my knowledge -- not in Fisher, I must admit. With this, Mr. Chairman, I express sincerely that I am disappointed in this road program, particularly not one thing for Fisher in this 1961 program.

MR. THOMPSON: Mr. Chairman, I probably should say a word or two to my Honourable Friend from Fisher. At the beginning, I think I made it clear in my remarks when I started our estimates. I think I made it clear, and I think I stated that we had not been able yet to catch up with the backlog of work to be done in our highway system. I think I said that clearly. Certainly there are roads that have not been built. There are roads that will be built, but we certainly can't build all the roads and meet all the needs in Manitoba in a year or two. The needs study, which I referred to, indicated that we had a backlog which would take \$190 million to catch up in overdue construction.

MR. WAGNER: Mr. Chairman, I'm sorry to interject, but don't you think for one moment that with the 11 miles of highway from Fisher Branch to Hodgson, you are going to have a complete road from Winnipeg to Koodstatak in A-1 shape.

MR. THOMPSON: I'm simply saying that we have a priority of roads. We were advised on where the traffic density is greatest; where roads should be constructed in priority to other works and other roads; and it's simply a matter of the total amount of money available for road construction and the priority which will be given any particular highway. Now on school division bus routes we do pay 100 percent, not only of road construction but of snowplowing on all these school division bus routes. We have over -- there exists, how many students? Well a school division bus route is a route which carries at least five students to a school -- at least five. They get from the point where the fifth student takes the bus. That's been the formula; and the province in those cases

(Mr. Thompson, cont'd)....pays 100 percent of the cost of the road and in unorganized territory, of course, we pay 100

MR. WAGNER: Mr. Chairman, just for clarification, five students if they are going to go

MR. THOMPSON: I thought I made that clear, that a school division bus route begins at that point where five pupils embark on a school bus, and from there to the school the department takes full authority, full responsibility for the road; keeps it clear of snow in the winter; and builds it 100 percent, both construction and maintenance. Of course in unorganized territory, of which you have quite a portion, in unorganized territory we build and maintain the roads 100 percent. In organized municipalities the municipality pays 40 percent of that cost, but in unorganized, the province pays 100 percent of the cost of construction and maintenance of the market roads. You referred to the school district roads. There we pay 50 percent of the cost with the school district. In your case, when you say that not a nickel has been spent on school division roads, on market roads and school district roads, I feel very surprised to hear that. -- (Interjection) -- Well I gathered from you that the province hadn't spent a nickel in your area. Is that true?

MR. WAGNER: On highways.

MR. THOMPSON: On the highways. We've maintained some of them no doubt. We've spent money on maintenance in your area.

MR. WAGNER: On new roads I meant -- new roads.

MR. THOMPSON: New construction. Right. Now that's a different impression from the one I received a few moments ago. Now with respect to the Honourable the Leader of the Opposition, he suggested that I might examine the figures which he raised and refer to them tomorrow, and I'll be glad to do that. I think we had quite an extensive discussion on monies voted and monies expended and carry-overs last year. I'll be glad to re-examine the figures which he has presented to us tonight. Now with respect to one of the questions of the Leader of the CCF. International Nickel contributed, on the highway south of Thompson for a distance of 22 miles to one of their mines, one-third of the cost of the highway construction. One-third was put up by the province, one-third by the Federal Government under the Natural Resources Agreement. Now I didn't get the import of the next question which he asked which appeared to say, how many roads built under the former administration have we taken over as first-class highways? I'm not just clear on what you mean. Would you explain it for me?

MR. PAULLEY: Well, Mr. Chairman, what I meant by that was that we found to our amazement last session or the session before, I'm not quite sure now, we found to our amazement that many of these dilapidated roads that were constructed by the Liberal Administration, and agreed that they were dilapidated roads by the Conservative Party, overnight by Order-in-Council had become Class "A" highways without any reconstruction at all. My question to my Honourable Friend the Minister of Public Works was, in addition to those that were proclaimed and announced a year ago, how many more dilapidated roads built by the Liberal Administration, without reconstruction are now classified by the Conservative Administration, who were very, very critical of the road program of the Liberals, has since last session been classified as Class "A" highways?

HON. STERLING R. LYON, Q.C. (Fort Garry) (Attorney-General, and Acting Minister of Municipal Affairs): By Order-in-Council.

MR. THOMPSON: What was the question again?

MR. PAULLEY: Would you please clarify the answer.

MR. THOMPSON: I'm afraid I'll have to add up all those miles. I'm not sure. By classification I think you're referring to the change in weight loads. There was no change in highway classification. They were, and still are, Provincial trunk highways.

MR. PAULLEY: But the Minister's going to look this up overnight or before we meet tomorrow? They are roads that couldn't handle 32,000 pounds and just by Order-in-Council they became fit to carry 52 or 72,000 pounds.

MR. THOMPSON: How long ago did this happen? About three years ago?

MR. PAULLEY: No, since your party took over the administration. These roads have been constructed by Order-in-Council, and I want to know how many more have been constructed

(Mr. Paulley, cont'd.)...by Order-in-Council since the last time we met.

MR. THOMPSON: Oh, fine. But it's occurred to me that I think we have had at least five sessions and discussed this matter. Now the charge, I think I should call it that, by the Honourable the Leader of the CCF that we colour our estimates, I'm sorry that I can't accept that statement. I can't see that in any manner that there could be any suggestion that our figures, if that's what you mean, are coloured in any way or are drawn up in any way to twist their true meaning. We have, I think -- on the estimates last year I set out dollar for dollar the expenditures that we had entered into; the amount of votes of money that were passed by this Legislature for road construction; and we've given, it seems to me, in the past, the entire picture not only of monies expended but of miles built. Your report, certainly your report which you've had for a month -- what's coloured in the report of the Public Works Department, which doesn't set out in great detail every expenditure which has been entered into by the Department of Public Works?

MR. PAULLEY: Mr. Chairman, just so there's no misunderstanding, I appreciate the fact, and I'm not trying to establish the fact that the department doesn't give us a true picture, but I was pursuing the point raised by my friend the Honourable the Leader of the Opposition where -- (Interjection) -- no, in this case he's right. He's been wrong so often but I'm going to give him credit this time for being right. But I was pursuing the point that he has raised, of where we've been asked in this Legislature for many millions of dollars more annually than has been expended in the current year, and must have created quite a surplus. It may have been wiped off; it may not have been; but that was the point that I was raising.

MR. THOMPSON: Mr. Chairman, we could deal -- last year I believe we dealt with that under Capital -- whichever way you like or we can discuss it tomorrow when I reply. Now in connection with Federal grants, naturally we have been most anxious to obtain as much federal support for the highway system as possible. As you know, the Federal Government joined in the construction of the Trans-Canada Highway and paid 50 percent of the cost and 90 percent of the cost for ten percent of the mileage across the province. We have had some discussions with officials of the department. There has been an exchange of views at different times between our officials and the Federal Department. There is no immediate plan for extended Federal Government assistance to highway construction, but I do feel that developments will take place in the future. I'm not able to give any idea at the moment in what form or to what extent that Federal aid may take, but I think all the provinces generally expect that there will be some after the Trans-Canada Highway Agreement is completed, or perhaps before, there will be some new Federal-Provincial policy developed with regard to road construction.

MR. PAULLEY: Just while the Honourable Minister is on this point, might I ask, Mr. Chairman, whether any formal request has been transmitted to Ottawa, for contributions on this, from this administration.

MR. THOMPSON: No. We have made no formal request in that sense. -- (Interjection) -- Yes. Well I was thinking directly on highways. There has been something in the tax-rental discussions but we have made no formal request. We hope to be able to work out with the Federal Government, and the other provinces, some Provincial-Federal agreement. Now I think that's all I have to say at the moment.

MR. ROBLIN: Mr. Chairman, due to the hour, I think that the Committee would probably like to rise. I move the committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions and asked 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 of the Committee be received.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Public Works, that the House do now adjourn.

Mr. Speaker put the question and after a voice vote declared the motion carried and the House adjourned until 2.30 Wednesday afternoon.