



Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VII No. 37 2:30 p.m. Wednesday, March 21, 1962.

5th Session, 26th Legislature

ELECTORAL DIVISION	NAME	ADDRESS
ARTHUR	J. D. Watt	Reston, Man.
ASSINIBOIA	Geo. Wm. Johnson	212 Oakdean Blvd., St. James, Wpg.12
BIRTLE-RUSSELL	Robert Gordon Smellie	Russell, Man.
BRANDON	R. O. Lissaman	832 Eleventh St., Brandon, Man.
BROKENHEAD	E. R. Schreyer	2-1177 Henderson Hwy., Winnipeg 16
BURROWS	J. M. Hawryluk	84 Furby St., Winnipeg 1
CARILLON	Edmond Prefontaine	St. Pierre, Man.
CHURCHILL	J. E. Ingebrigtson	Churchill, Man.
CYPRESS	Mrs. Thelma Forbes	Rathwell, Man.
DAUPHIN	Hon. Stewart E. McLean Q.C.	Legislative Bldg., Winnipeg 1
DUFFERIN	William Homer Hamilton	Sperling, Man.
ELMWOOD	S. Peters	225 Melrose Ave., Winnipeg 15
EMERSON	John P. Tanchak	Ridgeville, Man.
ETHELBERT PLAINS	M. N. Hryhorczuk, Q. C.	Ethelbert, Man.
FISHER	Peter Wagner	Fisher Branch, Man.
FLIN FLON	Hon. Charles H. Witney	Legislative Bldg., Winnipeg 1
FORT GARRY	Hon. Sterling R. Lyon, Q. C.	Legislative Bldg., Winnipeg 1
FORT ROUGE	Hon. Gurney Evans	Legislative Bldg., Winnipeg 1
GIMLI	Hon. George Johnson	Legislative Bldg., Winnipeg 1
GLADSTONE	Nelson Shoemaker	Neepawa, Man.
HAMIOTA	B. P. Strickland	Hamiota, Man.
INKSTER	Morris A. Gray	141 Cathedral Ave., Winnipeg 4
KILDONAN	A. J. Reid	561 Trent Ave., E. Kild., Winnipeg 15
LAC DU BONNET	Oscar F. Bjornson	Lac du Bonnet, Man.
LAKESIDE	D. L. Campbell	326 Kelvin Blvd., Winnipeg 29
LA VERENDRYE	Stan Roberts	Niverville, Man.
LOGAN	Lemuel Harris	1109 Alexander Ave., Winnipeg 3
MINNEDOSA	Hon. Walter Weir	Legislative Bldg., Winnipeg 1
MORRIS	Harry P. Shewman	Morris, Man.
OSBORNE	Oble Balzley	185 Maplewood Ave., Winnipeg 13.
PEMBINA	Mrs. Carolyne Morrison	Manitou, Man.
PORTAGE LA PRAIRIE	Hon. John Aaron Christlanson	Legislative Bldg., Winnipeg 1
RADISSON	Russell Paulley	435 Yale Ave. W., Transcona 25, Man.
RHINELAND	J. M. Froese	Winkler, Man.
RIVER HEIGHTS	W. B. Scarth, Q. C.	407 Queenston St., Winnipeg 9
ROBLIN	Keith Alexander	Roblin, Man.
ROCK LAKE	Hon. Abram W. Harrison	Holmfild, Man.
ROCKWOOD-IBERVILLE	Hon. George Hutton	Legislative Bldg., Winnipeg 1
RUPERTSLAND	J. E. Jeannotte	Meadow Portage, Man.
ST. BONIFACE	Laurent Desjardins	138 Dollard Blvd., St. Boniface 6, Man.
ST. GEORGE	Elman Guttormson	Lundar, Man.
ST. JAMES	D. M. Stanes	381 Guildford St., St. James, Wpg.12
ST. JOHN'S	David Orilkow	179 Montrose St., Winnipeg 9
ST. MATTHEWS	W. G. Martin	924 Palmerston Ave., Winnipeg 10
ST. VITAL	Fred Groves	3 Kingston Row, St. Vital, Wpg. 8
STE. ROSE	Gildas Molgat	Ste. Rose du Lac, Man.
SELKIRK	T. P. Hillhouse, Q. C.	Dominion Bank Bldg., Selkirk, Man.
SEVEN OAKS	Arthur E. Wright	4 Lord Glenn Apts., 1944 Main St., Wpg. 17
SOURIS-LANSDOWNE	M. E. McKellar	Nesbitt, Man.
SPRINGFIELD	Fred T. Klym	Beausejour, Man.
SWAN RIVER	A. H. Corbett	Swan River, Man.
THE PAS	Hon. J. B. Carroll	Legislative Bldg., Winnipeg 1
TURTLE MOUNTAIN	E. I. Dow	Bolssevain, Man.
VIRDEN	Hon. John Thompson, Q. C.	Legislative Bldg., Winnipeg 1
WELLINGTON	Richard Seaborn	594 Arlington St., Winnipeg 10
WINNIPEG CENTRE	James Cowan Q. C.	512 Avenue Bldg., Winnipeg 2
WOLSELEY	Hon. Duff Roblin	Legislative Bldg., Winnipeg 1

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 p. m. Wednesday, March 21st, 1962.

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notice of Motion

Introduction of Bills.

The Honourable the Minister of Public Utilities.

HON. STERLING R. LYON (Attorney-General and Minister of Public Utilities)(Fort Garry) introduced Bill No. 91, an Act to amend the Manitoba Telephone Act.

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

MR. SPEAKER: Committee of the Whole House.

HON. GEORGE HUTTON (Minister of Agriculture & Conservation)(Rockwood-Iberville): Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Welfare that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following proposed resolution standing in my name.

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

MR. HUTTON: Mr. Chairman, His Honour the Lieutenant-Governor having been informed of the subject matter of the proposed resolutions recommends them to the House.

MR. CHAIRMAN: Resolution No. 1 - Resolved that it is expedient to bring in a measure to amend the Crop Insurance Test Areas Act by providing, among other matters, for advances to The Manitoba Crop Insurance Corporation from the reserve to which The Reserve for War and Post-War Emergency Act applies or from the Consolidated Fund, sums for working capital. Resolution be adopted?

MR. HUTTON: Mr. Chairman, as members of the Assembly are aware, a reserve was set up for the crop insurance corporation and due to the unfavourable weather conditions this past year the corporation was liable for payments which totalled \$1,585,000, and under the agreement with the federal government the Province of Manitoba, or the corporation, is responsible to the total extent of premiums received plus any reserve they have and then the Province of Manitoba advances \$200,000 and beyond that the federal government provides or lends us 75% of the remainder of the losses incurred. The reserve as provided for in the original Act is fairly depleted and additional monies, or authorization for additional monies, is required in order for the crop insurance program to be able to carry on. In addition to this provision for the financing of the corporation, the bill provides for some amendments. You may remember that in the case where negligence or mismanagement could be proven a contract could be declared to be void. Under the present provisions of the Act where there may be a measure of neglect or loss due to deliberate mismanagement we have no authority to do other than to either declare on the one hand that the protection is void in respect to the total contract or to pay an indemnity with respect to the loss incurred. This is not a good state of affairs--we would like to treat each circumstance on its own merits and provision is made in the bill to declare a part of a contract void where there is evidence that neglect or mismanagement has been responsible for the loss. There is a provision also to change the basis upon which price is determined--that is, the price of the grain that is being insured--from the year in which the insurance is written to the year previous. The reason for making this change is because it is possible from time to time that the Canadian Wheat Board might alter the initial payment, and since the premiums are determined on the basis of yield times price, it is necessary for the Crop Insurance Corporation to have a firm price on which they can calculate the premiums to be charged in respect of a given year.

There is also provision being made giving authority to the Crop Insurance Corporation to make certain decisions, if you like, with the approval of the Lieutenant-Governor-in-Council.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Will the Honourable Minister permit a question? What is the actual amount that Manitoba will have to pay into the Consolidated Fund to meet its direct portion of its share, and what is the exact amount that the federal government will advance which will be a contingent liability on the part of Manitoba?

MR. HUTTON: Mr. Chairman, would the honourable member repeat his question please.

MR. HILLHOUSE: What is the exact amount that Manitoba will have to pay into the Fund and what is the exact amount that the federal government will have to pay into the Fund which of course will be a contingent liability on our part?

MR. HUTTON: in respect of what year? This past one?

MR. HILLHOUSE: With which you're dealing.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): Mr. Chairman, the Honourable Minister explained the need for money in this particular Fund and why they are asking for permission to use the money from the Reserve for War and Post-War Emergency Fund, but what occurs to me, Mr. Chairman, is that the Act referred to--that is, the Reserve for War and Post-War Emergency--gives the government the right to utilize these monies for that purpose without coming to this House. That authority is contained in section 5 of the Act and it reads in part--"The Lieutenant-Governor-in-Council in his absolute discretion may utilize this money." Now my question is, why is it brought in this form to the House? It seems to me, Mr. Chairman, that whenever there is anything of doubtful value or any questionable policy that may come back to haunt the government at some time or another, they want the opposition to commit itself to the principle and then be able to say--"Well, you voted for it and you agreed to it." I think, Mr. Chairman, that this could have been accomplished without bringing the matter to the floor of the House at all.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): I was just looking at the accounts for the fiscal year '60-61 and I note that the total amount in the reserve fund referred to in this resolution stood at that time--that is, nearly a year ago--at about four and a half millions of dollars, of which there was forty-four thousand dollars cash, a million treasury bills and about three and a half million in city, town and municipal debentures. Now I would like to know--I don't think this would be a question for the Minister of Agriculture--but I would like to know what is the state of that Fund as of today? Will the government have to sell some of the debentures that it has at the present time from municipalities in order to obtain sufficient monies to make the advancement to the Crop Insurance Fund? It does seem to me that there is--well there obviously is a gradual depletion of available money in the Post-War Reserve Fund and the question I would like to have answered if it is possible at this stage, Mr. Chairman--possibly by the Provincial Treasurer, as to the state of the Fund as of about this date because of the fact that we're of course in our Public Accounts almost a year behind.

MR. DAVID ORLIKOW (St. John's): Mr. Chairman, I wonder if the Minister could tell the members of the committee the amount of money which was collected in the year 1961 through premiums for crop insurance, and the amount of money paid out to people as a result of crop losses in the year 1961.

MR. HUTTON: Before my memory fails me I would like to answer some of these questions. In answer to the Honourable Member for Selkirk--the advances from the Government of Manitoba total \$474,000 in the current--this is of January 22nd, 1962, and from the Government of Canada, \$479,172.67. In reply to a further question, as I stated the total indemnities paid this past year were \$1,585,644.41. The farmers' share of the premium in 1961 was \$435,016.36.

On the question raised by the Honourable Leader of the New Democratic Party as to the question of monies invested by the Crop Insurance Corporation, that is reserve invested by them. I don't know just how this is handled but they do like to be able to earn monies on the reserves that they are holding and I would expect that provision is made with the Treasury Department so that losses are not incurred when they have to call upon them.

MR. PAULLEY: Mr. Chairman, I wasn't speaking of any reserve that's in the crop insurance fund or organization. I was talking of the reserves that are in the post-war emergency fund--reserve for War and Post-War Emergency Act--the reserves from there. Because according to the resolution, as I interpret it, that we have before us, that the suggestion is made that monies will be coming from the Post-War Fund into the crop insurance organization

(Mr. Paulley, cont'd.) and I was questioning the state of the Post-War Fund at the present time because of its relatively small amount by comparison of previous years as listed in the Public Accounts for '60-61 of \$4-1/2 million. It was that fund I was referring to not the fund of the crop insurance agency.

MR. HILLHOUSE: Mr. Chairman, would the Honourable Minister permit a further question? Have all claims that have been filed against the fund arising out of the 1961 crop loss been paid, and if not, what is the amount of unsettled claims?

MR. HUTTON: As far as I know they have. I'm not aware of any outstanding amounts.

MR. HRYHORCZUK: Mr. Chairman, I would like an answer to my question. We have on several occasions here in this House been told by the government that the opposition voted for a certain measure and must take its share of the responsibility. And I would like to know why the government does not use the authority it now has under the Act--why is this matter brought before the House in this particular form. Is it for the reason that they can say later that the opposition is just as much to blame for it as the government is because they supported the measure or what is the reason?

HON. DUFF ROBLIN (Premier of Manitoba)(Wolseley): Mr. Chairman, I think I can supply some light on this subject at the present time. I believe that both the Treasury and the Comptroller-General's office much prefer to have a specific authorization where it is possible to obtain it rather than have recourse to general powers. I agree with my honourable friend that the wording of the statute--post reserve for post-war emergencies, etcetera--seems to be very broad, and I confess that my first reaction was that it was broad enough to cover this, but on taking advice from those who are responsible in the Comptroller-General's office my recollection is that their opinion was it would be better done this way.

MR. CHAIRMAN: Resolution be adopted?

MR. PAULLEY: Mr. Chairman, I wonder if the Provincial Treasurer might be able to answer the question that I proposed insofar as the state of the fund. This might be taking an unfair advantage of him of this nature at this time.

MR. ROBLIN: It's quite all right, Mr. Chairman. I'm glad to answer the question. We always keep the fund fully invested but that's in order to make use of the money and where possible obtain returns from the use of it. But where necessary these allocations to the fund can be distributed to other funds that the government holds. And I don't visualize any difficulty at all in making available in cash the requirements of the Department of Agriculture in this case.

MR. PAULLEY: without selling any of the debentures that I referred to which are classified as reserve? You may not be in a position to answer this but have you any idea what is the state of this particular fund at the present time?

MR. ROBLIN: Mr. Chairman, I can certainly get that information for my honourable friend but, generally speaking, it's just about the way it shows here. I think that in the last fiscal year certain charges were made to the fund in accordance with the need for, I think, forest fire fighting. I think that that charge was made to the fund, but I'll get my honourable friend a statement of it.

MR. CHAIRMAN: Resolution be adopted? - passed. Resolution No. 2. Resolved that it is expedient to bring in a measure to authorize the reimbursement of certain municipalities for amounts paid for bounties on predators. Resolution adopted?

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, I know that this resolution is necessary to--as it says in here--to reimburse certain municipalities for amounts paid for bounties, and I'm not going to oppose it. In fact I know it is absolutely necessary--it annually comes before us. But there is something else that I'd like to draw your attention to and to the members of the House, and that is that in many cases we have reports of damage done by certain predators. Now I'm not going to advocate complete extinction of these predators--the fox, the coyote or the wolf but--I say that a certain measure of control is absolutely necessary in the Province of Manitoba, and I'm not saying there isn't a certain measure of control, but I think it could be improved. We have had numerous reports where wolves and coyotes depleted sheep flocks and also poultry. I've had complaints from many poultry men--(interjection)--no, turkeys--the cry of the foxes don't bother me, probably they know that I am one of the members of the legislature and they wouldn't like any adverse legislation so they leave me alone. But in many areas we have complaints, so I think we should take heed of that. Presently I believe

(Mr. Tanchak, cont'd.) that we have a voluntary predator control plan whereby municipalities may enter if they wish on a cost-sharing plan and I know that existed previous to this government taking office. I have no quarrel with that.

Last year I brought this up and I believe that the government should take 100% control of the predator. As I say, these animals do a lot of good in certain areas--the coyotes will eat mice, foxes too, and so on, and we can't exterminate them. But we all know that the government has means at its hand for making surveys of these predators in different areas; they can lay their fingers on and know just where a control of a certain predator, the fox, the wolf is necessary. I think the government should actually take that in their own hands. We know under the present system one municipality may take advantage of this and an adjacent municipality probably doesn't. Now sometimes there seems to be reluctance within the municipality who does take advantage of it because we know the coyotes and the foxes they don't domicile in any one particular municipality--and I suppose they're not intelligent enough to know where the boundary is--so they'll creep over to the next one. The municipalities say that sometimes they have to pay for predators coming from a different municipality, and I think a uniform policy would be necessary.

So my suggestion would be complete control by the government of all predators in the Province of Manitoba, because they can make a survey of it. Now probably some of my good friends here to the left may say, here he's advocating more expenditure, --(interjection)--and government control of the predator, which is absolutely necessary. Anything that's evil we say we'd have to control. We control some of the criminals in the Province of Manitoba, or we ought to control them, so these predators are criminals too. As far as the cost, I don't think it will entail more cost because which ever way you look at it, it is either one level of government or another level of government who has to pay so the cost is there--the residents of the Province of Manitoba have to pay for it. I'm not criticizing the government, but I would like the Minister to look into this and see if it's advisable to have the government undertake a policy like this.

MR. PETER WAGNER (Fisher): Mr. Chairman, I would like the Minister to answer a question or two. I understand that this poison bait 1080 has been extended into our area and I appreciate it very much. However, my questions are: some of this bait was left through the summer of last year and has not been picked up. Now during the winter of 1961 quite a bit of these baits were set out and as the people report to me, nobody goes to see them whether it's effective, whether any coyote has been killed or destroyed and whether or not these baits will be picked up before the summer arrives, because these baits are amongst habited area.

MR. HUTTON: Mr. Chairman, the difficulty in extending the 1080 program to the organized and unorganized areas was due to the problem of finding a body that could be responsible for any damages arising out of the program. The reason it was carried out in the municipalities, exclusively in the municipalities hitherto, was that the municipal people took the responsibility.

I would appreciate it if the Minister of Mines and Resources would correct me in this respect if I am wrong, but I would suggest to the Honourable Member for Fisher that the reason that the 1080 program was extended to your area was that we had arrived at an arrangement where those who are interested in carrying out the program could take the responsibility that in other jurisdictions was assumed by the municipality, and that, therefore, some responsibility must rest on the local people in respect of this program.

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, in connection with the matter that was just raised by the Member for Fisher, I know the people in the area I believe he's referring to, came to the government requesting that this program be implemented in their area. They assumed the responsibility themselves, I believe, because they discussed it with me and I told them the procedure to follow in order to get this program into their area. Another matter I would like to ask the Minister, is referring to the high incidence of rabies that seems to be occurring in this province at the present time. We have reports of rabies all over the province, from time to time. Not too long ago in the suburbs here we had children warned to stay off the streets until a certain dog believed to be infected with rabies was shot. I know another incidence where cattle have died as a result of being infected by rabies and it is believed that these cattle were infected by rabid skunks. I was just wondering is the government taking any

(Mr. Guttormson, cont'd.) steps to--or trying to figure out a program whereby this menace can be curtailed? I believe the Municipality of Dufferin two years ago were so concerned over the skunks because of the rabies in that area that they put in a bounty program of their own, and I believe they came to the government for assistance on that matter.

MR. WAGNER: Mr. Chairman, it seems to me, or else I take that attitude, that the Minister feels that I do not appreciate the extension of the 1080. I do, very much. But it seems to me the way he was saying that the reason it was extended--I'm happy that reason did come about, only my question was, the Minister also states that people should take responsibility. A man came from the Game Branch and set these baits and if he went out and instructed somebody to look after them I am pretty sure that they would have looked after them because that's for the benefit of the people in the area. But it wasn't the case. He just come up in the area and set it and that's as far as my knowledge is, and the people in the area now question me whether these baits are going to be picked up, and who is going to do the picking up. Since the man from the Game Branch set them up, nobody else knows where they are. But as far as extending the area, we all appreciate it very much.

HON. C. H. WITNEY (Minister of Mines and Natural Resources)(Flin Flon): Mr. Chairman, the Honourable Member from Fisher is speaking on matters now which pertain to the Game Branch because the Game Branch is responsible for the 1080 program in the local government districts, and I suggest to him that we can thoroughly discuss this matter under the estimates of the Department of Mines and Natural Resources when they are presented--later this afternoon. In the meantime though, I shall have this complaint looked into.

On the matter of rabies, I would like to say that the Game Branch is working very closely with the Department of Agriculture and with the federal veterinarian. The problem actually is one of the federal veterinarian and they assume the direct problems in relation to it, but the Game Branch, in conjunction with the Department of Agriculture is prepared to co-operate in any measures that are necessary such as the inoculation of dogs or assisting in the control of some of the animals that are causing rabies immediately whenever it is felt necessary. I think, also, Mr. Chairman, that we can discuss that matter further during the estimates of the Department of Mines and Natural Resources.

MR. D. L. CAMPBELL (Lakeside): Mr. Chairman, I would think that perhaps the same remarks that the Honourable the Minister of Mines and Natural Resources has just made with regard to the discussion of the poisoning program might apply so far as this question that I am asking is concerned, could be discussed just as well under the estimates of the Minister of Agriculture. On the other hand, I think perhaps if I would give notice of the question now that the Honourable the Minister of Agriculture could give some consideration to it and perhaps would be ready to give us a statement on it when we reach his estimates. And that is, to some extent, the question that was raised by the Honourable Member for Emerson--the fact that there is a method by which the municipalities can declare themselves out of the program so far as certain of these predators are concerned, and I'm wondering--like the honourable member who spoke on this subject--if it isn't a fact that a certain municipality getting out of the program imposes an additional strain on an adjoining or close-by municipality, and perhaps rather encourages that municipality to get out also and so render the whole program less effective.

I know that we don't like anymore compulsion than is necessary, but it seems to me that there should be greater uniformity in this program than there is at the present moment, and in case the Honourable the Minister of Agriculture does something that he is rather inclined to do at times, --and say that this change was made by the former administration--I shall beat him to it by admitting that that is the case, and while I--(interjection)--well, and maybe we didn't. I have been compelled to declare that I think in the 40 years that I've been here that I have once or twice maybe been close to being wrong, whether I was right or wrong, whether we were right or wrong at that time. My honourable friends should not be too hesitant to make a change just because the precedent was set by people in whom they repose such great confidence, and so if this program isn't right--I think it's had a long enough trial now--that perhaps the Minister and his officials should be looking at it.

I'm sure it would be at least 15 years ago, maybe a little more, that the then member for --what was called by a different name--but Pembina constituency, the husband of the present member for that constituency, joined with myself--in fact he was the one who made the

(Mr. Campbell, cont'd.) proposal, I believe--in expressing our opinions that within a dozen years or so that red foxes would be as much of a predator problem as were the coyotes, and a good many of the members of the House chortled very heartily at that suggestion. You can look--I've mentioned this on former occasions in this House--you can look at the report that was just laid on our desks recently of the department, and you will find that the amounts of money paid out in the year under review, which I think in this case is the calendar year 1960, was not greatly smaller so far as red foxes were concerned as compared with wolves. And that constituency--that municipality that forms a large part of that constituency is Pembina--is paying out now as far as that particular municipality is concerned, had three times as many foxes taken as coyotes, and evidently that prophesy has more than come true in that area. And the other area that might be taken as being characteristic at that time--the one that I represented, and still do --has paid bounty on well over twice as many red foxes as coyotes in the year under review. And I would suggest to the Minister that it's probable that the amount of money that Pembina constituency is paying out for red fox control, is perhaps because another municipality not too far from there--and I shan't name this one, but it's contained in the report--has availed itself of this legislation to declare those animals to not be predators.

I think there is something here to be looked at--and while, like my honourable friend from Emerson, I'm not in the habit of advocating increased expenditures--I think that what we would talk about here would be increased efficiency, increased results, for the money spent, and that that might be worthwhile the Honourable Minister taking a look at before his estimates come up.

MR. CHAIRMAN: Resolution be adopted? Passed. Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of the Whole House has adopted certain resolutions and directed me to report the same and ask leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield the report of the Committee be received.

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

MR. HUTTON introduced Bill No. 93, an Act to amend the Crop Insurance Test Areas Act and to validate an order of the Manitoba Crop Insurance Corporation and order-in-council 1521/61, and Bill No. 86, an Act to authorize the reimbursement of certain municipalities for amounts paid for bounties on predatory animals.

MR. SPEAKER: We have with us this afternoon a number of school children from various schools. I will introduce the school children from Sperling School, 21 in number, Grades XI and XII, under the guidance of their teacher, Mr. Taylor. This school is located in Dufferin and Morris constituency and is represented by Mr. Hamilton and Mr. Shewman in the House. I also have Isaac Newton School with us this afternoon--49 pupils, Grade VII and Grade VIII under the guidance of their teacher Mrs. Louise Loeb, Miss Velma Motheral. This school is situated in Burrows constituency and represented by the Honourable Mr. Hawryluk. I believe the Indian Residential School have left the Chambers. We had 40 pupils under the guidance of their teacher Leon Joubert. This school is located in the River Heights constituency, and is represented by the Honourable Mr. Scarth. We also have Deer Lodge Junior High School--80 pupils in number--Grade VII and Grade VIII under the guidance of their teacher Mr. L. J. Ofield and Mr. A. Mayer and Miss R. Keyes. This school is located in St. James constituency and is represented by the Honourable Mr. Stanes. I might say that it augers well for democracy when we have a large number of students looking down from their point of vantage on democracy at work and I am sure that students--many things go through their minds when they listen to the debate and we're hopeful that at some future date they may consider graduating to the Chamber and occupying seats and representing some of the major parties in Manitoba.

Orders of the Day.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, before the Orders of the Day I would like to address a question to the First Minister.

MR. ROBLIN: Before the Orders of the Day, Mr. Speaker, I should like to announce that I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: Errick F. Willis, Lieutenant-Governor of the Province of Manitoba. The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of further sums required for the services of the Province for the fiscal year ending the 31st day of

(Mr. Speaker, cont'd.) March, 1962, and recommends these estimates to the Legislative Assembly.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that the message of His Honour the Lieutenant-Governor and the estimates accompanying the same be referred to the Committee of Supply.

Mr. Speaker presented the motion.

MR. ROBLIN: I think members will recognize that this is a message that covers the supplementary estimates that we would like the House to examine, and I am proposing that the Clerk of the House should have these estimates distributed this afternoon and that tomorrow we take them into consideration. Also tomorrow, if there is no objection to this course, I would like to advance the bill that covers the supplementary estimates, plus the bill that covers Interim Supply for which no message is required, a stage or two on tomorrow's Orders of the Day. It may be that we will have to ask leave to speed up some of the stages but the House has usually been accommodating in that respect in the past.

MR. MOLGAT: Mr. Speaker, we certainly have no objection to that course of action. We'll be receiving the copies this afternoon and we'll be prepared to discuss them tomorrow and speed them along.

MR. PAULLEY: There will be no objections from our group, Mr. Speaker.

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

MR. ROBLIN: Mr. Speaker, before the Orders are called I should like to lay on the table an answer to a return to an Order of the House No. 14, dated March the 7th, on the motion of the Honourable Member for Brokenhead.

MR. MOLGAT: Today I'd like to address a question to the First Minister or to the Acting Minister of Public Utilities. They have both been down to Ottawa on a conference on the matter of power and the proposed power grid and I wonder if they would be prepared to make a statement to the House at this time.

MR. ROBLIN: Mr. Speaker, I should be glad to make a short statement in respect of the conference that was held earlier this week in Ottawa, and to say that I was well pleased with the progress that was made on that occasion. Members will recall that the meeting was convened to discuss the possibilities of a national electrical grid and the very complicated associated problem of long distance transmission. And I think it should be recognized at the beginning that this matter is complicated, not only from a technical sense but also from a constitutional or jurisdictional point of view, because while I suppose it is quite in order for the federal authorities to take an interest in this question, I think it is pretty clear that the disposition of the natural resources of the country in which hydro-electric power and other forms of power source are concerned, are matters that lie within the jurisdictions of the provinces. It is therefore apparent that unless there was some indication from the provinces of Canada that they too were interested in discussions of this sort, that it was unlikely that anything of any great consequence would take place. I am very happy, therefore, to be able to report to the House that this subject proved to be of real interest to the various provincial governments as well as to the Government of Canada itself. All the provinces, with the exception of the Province of Quebec, were represented at this meeting and I thought that the discussion from all sides of the committee were constructive and helpful and certainly indicated a very progressive attitude, or shall I say, co-operative attitude from various provinces in Canada.

The conference agreed that we were all very much interested in the question of a national grid and in the possibilities of the long distance transmission of power, which is of course one of the key aspects of this whole matter. While we had no trouble in reaching that view in principle—and I think I may say that nobody dissented from that point of view—it was obvious that there were economic questions and technical questions that would require pretty thorough examination before we could decide what course of action and what policies would best be suited to the needs of the country. It seems that there are no overriding technical reasons why the long distance transmission of power should not take place—it's being done in a number of places in the world today—but as well as being a technical possibility it also has to appeal from other points of view as well. Certainly one of the other aspects of this problem has to do with the economics of this long distance transmission, and that is a subject on which we lack considerable information if we are going to make sound decisions on this matter. So the

(Mr. Roblin, cont'd.) conference decided that we should forthwith--and I stressed the urgency, which I think all present were seized of--that we should forthwith instruct the technicians in this field to come to grips with that aspect of the question. As a result, the provinces are being invited to nominate one per province to a technical working committee which will come to grips with the general problems involved in this matter. The conference is asking the technical working committee to set a date upon which they will have a report for us to consider further with the hope that that date will be advanced to as early a point in time as possible.

Manitoba is nominating Mr. D. M. Stephens, the Chairman of the Manitoba Hydro-Electric Board, to represent us on this committee and we are asking Mr. Stephens to make the contribution, which I think he and his associates are well qualified to make, in respect of the whole question from a technical and economic point of view. But we are also asking him, in accordance with the terms of reference given to the committee, to advance the proposition that the development of power on the Nelson River ought to receive adequate priority among the specific proposals which will be studied as soon as the basic lines of direction have been laid down. And while it is premature to say what the outcome of that request will be, I think that I should make it clear that we have accepted an invitation to play our part in examining the basic problems and that we are also making an effort to have this committee place appropriate priority on the possibilities of developing the Nelson River in line with the general statement that I made in the House some little while ago. As soon as this working committee has proceeded far enough to be able to come to worthwhile conclusions, then I anticipate that the Dominion-Provincial Conference on the national power grid and the long distance transmission of power will be called together again so that we may take the next step in this matter.

I myself visualize that it may very well break down--after the basic studies are completed--it may very well break down into sections and that those neighbouring provinces which are in a position of having supply and having demand may, in co-operation with the federal government, may be able to come to some decisions of their own in connection with it. In other words, I do not think we need wait until there is a national grid in being before we can make a useful contribution toward the power needs of other parts of the country. But, I stress again, as I said in my original statement on this subject, that there are many unknowns in the equation, that it would be unwise to jump to conclusions as to what might be the outcome of the studies that are in progress, but merely to say that we are relatively optimistic about it--we are hopeful that much good may come of these studies and that in due course we may find a useful purpose to which we can dedicate the power of the Nelson River.

I think I should also emphasize the fact--and this was made pretty clear by everybody at the conference--that those provinces which were the source of supply would of course require reasonable assurances and protection that their own citizens would be able to obtain those supplies of power that they require as well as taking into account the needs of other parts of the country. I think that's a fundamental part of our view of this whole matter; and we also take the view that we must be able to demonstrate that all concerned--the supplier and the consumer--may be able to see positive advantages in such a proposal. I very much hope that these studies will proceed as rapidly as possible and that in due course we may be able to come to some concrete conclusion, because if it did prove feasible and desirable under the circumstances to develop the Nelson River along the lines which I have previously indicated, I think one can readily see what tremendous influence this would have on the economy of the country, being one of the great natural resource development projects, and one could readily see what a tremendous influence it would have on the development of the economy of this province.

We take the view that if possible that we should make a concerted effort to develop the natural resources of this country for the use of Canadians, and that this proposition with respect to the national grid, the long distance transmission of power, and in particular the Nelson River, occupies a most interesting field to explore.

MR. MOLGAT: I'd like to ask a subsequent question on the statement of the Minister. The news reports indicated there were only two Premiers there--himself and the Premier of British Columbia. Were the other provinces represented by technical experts or by Ministers of the Crown?

MR. CAMPBELL: Mr. Speaker, before the Honourable the First Minister answers I

(Mr. Campbell, cont'd.) would like to ask him if proceedings of the conference will be published and if they would be made available to this House. And in the interval--because I suppose that would take some time--would the First Minister be prepared to give to the members of the House the brief that was presented by the Manitoba Government?

MR. ROBLIN: Mr. Speaker, if I may have leave of the House to deal with these questions. I may say in answer to the Honourable the Leader of the Opposition that all provinces were represented by Cabinet Ministers. Some I think by two, but I wouldn't be positive of that --I'll merely say that they were all represented by Cabinet Ministers. In some cases those in charge of power, in other cases--in the case he mentions and in the case of Manitoba by the Premier, or in the case of Manitoba by the Premier and the Minister in charge. The province that was not represented was the Province of Quebec. I may also say that in addition to that, I think all delegations but one also had pretty high powered technical people backing up the governmental spokesman.

In respect to the question of the Honourable Member for Lakeside, I do not believe that the proceedings of the conference are to be published. The usual procedure there--at dominion-provincial conferences, and this was specifically adopted at this one, was that the proceedings of the conference would be regarded as confidential. An agreed press release would be made, but each delegation would be quite free to report on what it said although not free to report or comment in detail on what other delegations said. The statement made by the Government of Manitoba was not a prepared text. I think none of us spoke on prepared text except the Prime Minister of Canada and the Honourable Minister of Resources. I'm just checking my memory here. My recollection is that most of us spoke from our notes, because as the result of the speech made by the Ministers of the federal government we had to be prepared to make our comments on the basis of what they said and there was no call for a prepared speech on our part.

The Province of Saskatchewan did submit a brief. They didn't read it to the meeting; they made an ad hoc verbal statement as the rest of us did, but they had also prepared a written brief which they presented to members and I don't suppose I'm at liberty to give that out, although perhaps if the Government of Saskatchewan were asked they would have no objection to it being tabled. It looked to me like a perfectly logical document for them to make available to the public.

MR. MOLGAT: Mr. Speaker, a subsequent question on this same subject. Was the Minister able to ascertain whether there would be the possibility of sale of power in particular to the Ontario region. My understanding is that they are at present in a surplus position and have more economic sources closer to them than our own here.

MR. ROBLIN: Mr. Chairman, I can answer that question, if I were able to give the information given to us by the Minister from the Province of Ontario, but I don't feel that it would be proper for me to do so because we have undertaken not to comment or try to express the views of other provinces. One can readily understand why such a rule is necessary.

So without making a particular reference let me say that there is undoubtedly a need for more electrical power in the Dominion of Canada, and members can use their own imagination as to what areas to look to to discover where this need will arise first. One of the tasks that we will, I suppose, be expecting the committee of experts to perform will be to prepare an estimate of power resources available and power needs across the country. But I want to get this point clearly across that there is in the next 20 years a fantastic demand estimated for supplies of power. Now that may be supplied by hydro-electric means; it may be supplied from fossil fuels, which I have learned to call coal and gas and oil and things like that, and it may be supplied from atomic energy. And make no mistake about it, that there's a highly competitive race afoot between the people who have hydro power to dispose of, those who have coal mines to sell and those who are interested in atomic experiment. The progress of technology is so rapid in these fields that one can make no firm prophecies as to what cost relationships will be 10 or 20 years from now. All of which to my mind points up the urgency of our making a satisfactory disposition of our own assets in the form of the water that is now running unused, perhaps one might say wastefully, down the Nelson River to the sea, to the Hudson Bay. It points out what I regard as a real urgency in our trying to determine uses for the power that can be generated there, recognizing that it is in this highly competitive situation to which I

(Mr. Roblin, cont'd.) have made reference.

The feeling of our own people is--and this is something which we must acknowledge has got to be substantiated by further studies. I made this quite clear the first time I spoke--the feeling of our people is that we can usefully dispose of the potential of the Nelson River as the situation stands today and perhaps for the short period that we can dare to foresee into the future. But no one can give an undertaking that over the long run that statement can be made--therefore, how important it is to us that we should at the earliest possible moment come to grips with this problem and ascertain what the facts are.

MR. MOLGAT: Mr. Speaker, could the First Minister indicate the likely time schedule that will now be followed by: first, the committee of experts; second, the conference itself, of leaders?

MR. ROBLIN: Mr. Speaker, I think I've given all the information that I can with any degree of accuracy on that point.

MR. HUTTON: Mr. Speaker, before the Orders of the Day, I would like to read the latest report of the Flood Forecasting Committee which is as follows: "The situation as regards flood prospects for the forthcoming spring breakup period was again reviewed by the Flood Forecasting Committee, its second meeting of the year on the afternoon of March 20th, 1962. The information available to the committee for its appraisal of the situation comprise the following: 1. The results of a snow survey made by the Water Control and Conservation Branch during the period March 9th to 14th in the basins of the Red and Assiniboine Rivers in Saskatchewan and Manitoba. 2. A soil moisture survey made by the same Branch at freeze-up last fall. 3. Records of fall and winter flow in both streams as recorded by the Federal Water Resources Branch. 4. Meteorological information on fall and winter precipitation obtained by the Meteorological Service of Canada at stations in the watershed of these rivers in Manitoba and Saskatchewan. 5. Meteorological information on fall and winter precipitation obtained by the US Weather Bureau covering the United States' portion of the Red River basin. 6. Results of a snow survey undertaken jointly by the US Weather Bureau and the US Corps of Engineers."

The committee was also provided with a detailed account of discussions held at Fargo and St. Paul last week between engineers of the Water Control and Conservation Branch and flood forecasting officials of the US Weather Bureau and the US Corps of Engineers. The report of the committee states that above normal precipitation along with low temperatures which have occurred since the last meeting have worsened the outlook on the Red River. Computations just completed using the above data indicate a peak river stage in Winnipeg of 22 feet city datum as compared to the tops of the major dykes in Metro Winnipeg of 26-1/2 feet city datum. The channel capacity of the Red River between Emerson and Winnipeg is expected to be slightly exceeded causing some flooding of low lying lands adjacent to the river. The committee points out that its computed spring peak flow at Emerson corresponds reasonably well with that given in the most recent spring flood outlook for the Red River, issued by the US Weather Bureau, which was received from Fargo late in the afternoon of March 20th, 1962.

"The situation on the Assiniboine River appears now to be less favourable than at the February meeting due primarily to heavy snow in its upper watershed. Some flooding of valley lands can be expected along this river between the Manitoba-Saskatchewan boundary and the upper end of the dyking system which starts in Brandon and extends about ten miles upstream. The stage in the vicinity of these dykes will likely be three feet below the dyke tops. Between Portage la Prairie and Headingly it is estimated that the peak river stage will be three to four feet below the top of the dykes in this reach. The committee points out that the presently predicted river levels are based on the assumption of average temperature and precipitation conditions up to and throughout the break-up period. The committee believes it necessary to stress the fact that this year's existing conditions are such that an appreciable variation from normal temperature and the precipitation prior to and during the snow-melt period could considerably vary the predicted levels; and an adverse combination of these factors particularly on the Red River could result in serious flooding problems. The committee will make further appraisals periodically as new information becomes available in both the Canadian and United States portions of the basin. A new estimate based on the changed conditions will be issued by the committee in about ten days."

Mr. Speaker, I think I should at the same time read the comments of Mr. Griffiths the

(Mr. Hutton, cont'd.) Director of the Water Control and Conservation Branch. He says: "From the forecast you will see that while substantial flows are expected in both rivers under normal temperature and precipitation break-up conditions, they are expected to be contained within the channels and dykes except for possible minor overbank flooding from Emerson to Ste. Agathe. However, the critical factors under the conditions existing at this time are the temperature and precipitation during the break-up period. There is a relatively large volume of water in the watersheds particularly the Red at this time, and if this should remain in the watershed well into April and then be released under high temperatures accompanied by precipitation, the flood problem could become serious. In accordance with the Manitoba flood fighting plan laid out by the government a year ago, the Red River flood fighting committee have been called to meet on the afternoon of March 22nd, and the Assiniboine River flood fighting committee should meet on the afternoon of March 23rd. In accordance with the responsibilities placed upon these committees by the Manitoba flood fighting plan they will review and prepare for any emergency measures considered necessary in the light of the presently forecasted conditions in the rivers and make any changes in these plans as revised forecasts may make necessary."

MR. SPEAKER: Orders of the Day.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, before the Orders of the Day I'd like to direct a question to the Honourable the Minister of Health. This morning listening to a news broadcast on the radio--and I must say that I was preoccupied at the time and I might have missed part of it--but it seems that this broadcast stated that the Salvation Army had asked the City of St. James to prepare a referendum I think it was, or a money by-law, for its citizens in order to raise the funds to build a hospital. Now in view of what was said by the Minister on this subject earlier in the session, I wonder if there is any change in the opinion or in the program of the government or is it possible that the Salvation Army and the City of St. James could build a hospital without the government. The commentator seemed to--it seemed to be followed by a comment that usually the government shared in these projects. Could they build with the government or is this an erroneous report--is this a false report?

HON. GEORGE JOHNSON (Minister of Health)(Gimli): Mr. Speaker, the answer to the question--there's been no change in the situation since I reported to the House.

MR. DESJARDINS: Is it possible then that the Salvation Army and the City of St. James could build without permission of the government or without help from the government? Is that a possibility?

MR. JOHNSON (Gimli): Well, Mr. Speaker, the Grace Hospital has been notified of the grants and as to when they will be available, etcetera. I believe they are in the preliminary negotiations with the City of St. James and beyond that I have not been brought into the picture to date.

MR. SPEAKER: Orders of the Day.

MR. MOLGAT: Mr. Speaker, before the Orders of the Day, I would like to address a question to the Minister of Agriculture. If I recall correctly, approximately a year ago there was a disastrous fire in Winkler. At that time the Member for Rhineland constituency brought up the matter and asked on the question of water supply. Yesterday, again, the member brought up the same question and I believe the Minister gave the same reply as he did a year ago, and it is--"I think I'm correct in saying that we are very near to making a proposal to the Town of Winkler in respect to supplying them with water. We have a proposal very near to completion." Now this, Mr. Speaker, was as I say I believe the same same statement as was made a year ago. Is this proceeding with all haste? It seems to be a very slow program.

MR. SPEAKER: Orders of the Day.

MR. KEITH ALEXANDER (Roblin): Mr. Speaker, before the Orders of the Day, I'd like to state that there was an error made in the list of members on the Law Amendments Committee and by leave of the House I would like to move, seconded by the Honourable Member from Arthur that the name of Mr. Shewman be added to the list of those comprising the Standing Committee on Law Amendments.

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

MR. DAVID ORLIKOW (St. John's): Mr. Speaker, before the Orders of the Day, I gave notice of some questions to the Attorney-General on Monday. I realize he has just come back but I wonder when I might get some answers.

MR. LYON: Mr. Speaker, I have just seen briefly some of the comments that took place from a reading of Hansard. I have nothing further to report than was reported by the Acting Leader of the House at that time. I'm sure that by the time my estimates arrive there will be something further that we can report to the House on that situation then.

MR. SPEAKER: Adjourned debate on the second reading of Bill No. 51, an Act to amend the Business Development Act. The Honourable the Minister of Industry and Commerce.

HON. GURNEY EVANS (Minister of Industry & Commerce)(Fort Rouge): Mr. Speaker, you may find that the adjournment was taken in the name of the Leader of the Opposition.

MR. SPEAKER: Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, we have had some discussion so far in the House and in Committee on this matter of the Development Fund, and those in our group still feel that the information that we are requesting from the government should be obtained. We propose that when we reach the Committee stage, we will have some amendments to propose to the bill. We feel as well, that the second provision contained in this bill that is the matter of interest rates should be more clearly stated in the bill, and this again, can be discussed when we reach the Law Amendments Committee. We do not propose at this time to hold up the bill, but we certainly reserve our right, Mr. Speaker, at a later date subject to the comments that I have made--that at this stage we are prepared to let the Bill proceed to Law Amendments.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Minister of Welfare. The Honourable Member for Rhineland.

MR. J. M. FROESE (Rhineland): Mr. Speaker, I'm still awaiting more information, and I'd ask the indulgence of the House to have the matter stand.

MR. SPEAKER: Order stand. Committee of Supply.

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

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

MR. CHAIRMAN: Hospital Services. We're on Item (7). Passed?

MR. ORLIKOW: three short questions. First of all, is there any provision in the estimates or anywhere else for the up-training of hospital administrators particularly of rural hospitals, either through grants so that they can go away to universities that offer courses in this field, or through in-service trainings organized by the department? That's first of all. Secondly, I understand that there is some form of medical auditing done of the hospitals by the department, and if this is so, how is this conducted, and what are the practical results of this medical auditing? And third, could the Minister tell members of the Committee something about the accreditation of the hospitals? Who does it and what hospitals are accredited, both rural and urban?

MR. JOHNSON (Gimli): Mr. Chairman, in answering these three questions--first of all re training of hospital administrators, there is a course put on in this province--a correspondence course and also with attendant lectures during the summer, wherein hospital administration certificates, diplomas can be obtained. Actually members of our commission staff have been taking this course. Other than that, the courses offered--we offer bursaries to any hospital administrator who gets himself registered with a university course--that is for a 12 month period--and the School of Hospital Administration in Toronto, I think, insists that he have a hospital to come back to--be sponsored by a hospital so he can take his internship year following that. That is, if we're to give bursaries which are available. There's considerable in-service training in that therefore they can take these courses at night school at the university and during the winter months and then a few months in the summer at the university.

Re medical auditing--the hospital plan has carried out quite a few studies. We have the standards division there teeing this off, and then there is the consultant that was Dr. Adamson; there's now Dr. Holland, and we've just brought in another doctor to in-train under Dr. Wood and Dr. Holland. These men go over all long stay reports; meet with the medical review committee and go to the different hospitals and work with the admission-discharge committees

(Mr. Johnson, Gimli, cont'd.) of each of the hospitals concerned. These studies are going on all the time.

With respect to accreditation--the accreditation standing is given by the Canadian Hospital Association Accreditation Division, I believe, and the accreditation, of course, depends on many factors--the staff and the standard of hospitalization in the hospital. In the Province of Manitoba--I haven't got the exact figure at my fingertips, but I had a memo on it recently because an article appeared in the Financial Post showing the percentage of Manitoba hospitals accredited--but actually the number of beds accredited was, that was a false picture because our larger hospitals in Winnipeg are all accredited, and it's some of our smaller hospitals in rural Manitoba that are not accredited yet because of the type of practice carried on. For instance a one-man hospital in an out-laying area you can't get accreditation there because of the very strict rules that are laid down re the giving of anaesthetics, the pathological services, and lab and x-ray services in the facility, and so on. However, I think more awareness of this has developed in the last two years of course with hospital administrators in most of these larger hospitals. However, I would be glad to get that information later on as to the exact percentage. I have it somewhere--as to accreditation.

While I'm on my feet, I would like to answer the Member from Neepawa briefly, in that one of the questions he asked as I sat down last night, was the question of premiums required from dependents commencing employment. I've made out a copy of a sheet which I'll pass on to the honourable member, but this is a thing which we've gone over repeatedly in--I remember last year in Public Accounts and so on--and under section 72A of the Hospital Insurance Act, a person who is insured for any part of a benefit period continues to be insured for the remainder of the benefit period without payment of any additional premium for the balance of that period. Thus an insured dependent who becomes employed during a period thereby losing dependent's status is not required to pay additional premium for the balance of the benefit period in which he becomes employed, but is required to make installment payments on the premium for the next subsequent benefit period. This means that if an insured dependent becomes employed during the first month of the benefit period he would be insured to the end of that benefit period without the payment of any additional premium for that period; and he would only be required to make installment payments for the next subsequent benefit period which in view of the prepaid nature of the plan, would amount to two monthly installments, or \$4.00 in the case of a single person. The number of monthly installments required would therefore increase by one for each succeeding month in the benefit period that elapsed prior to the employment, and only if the insured dependent becomes employed during the last month of the benefit period, would the seven installment payments be required in order for the dependent to retain his insured status for the next subsequent period. I think that will clear that matter.

I just wanted to clear a statement--another question that was asked, were the earnings on differentials. Last year in '61, we just have an approximate figure of one million two. The distribution of this money is that 50% or approximately 600,000 of differentials is deducted from shareable costs in accordance with federal legislation which makes it mandatory. (2) Ten percent, or a hundred and twenty thousand, is retained by the hospital for new equipment, and the 40 percent of the remainder--and this was the decision that the hospitals made at the time this rule was brought in--it's retained by the hospital to cover capital costs, that is, the interest on capital loans and repayment of such loans. Should the amount so retained be insufficient to meet their obligations, this is paid from MHSP funds. I think that makes that differential point clear. As a matter of fact this is what we refer to as about the most generous form of any of the plans in Canada.

MR. CHAIRMAN: Passed.

MR. FROESE: Mr. Chairman, I'd like to ask another question or two. In what way--or are hospital boards covered against lawsuits resulting from probably the negligence of a doctor in the hospital? Is there any protection given to hospital boards in that way?

MR. JOHNSON (Gimli): Yes, they're usually incorporated, Mr. Chairman.

MR. CHAIRMAN: passed

MR. GUTTORMSON: Mr. Chairman, at the last Session of the Legislature, the First Minister made an announcement in the House--I'll read it in part--when he was introducing the hospital premiums plan he said: "This measure of relief will be retroactive until July of this

(Mr. Guttormson, cont'd.) year, 1961. Any citizen who has paid premiums since July of this year at the old rate of \$6.00 and \$3.00 will be entitled to a refund of the payments that are in excess of a rate of \$4.00 and \$2.00. This means, Sir, that while the reduction is retroactive until July of this year, the new tax--the additional 1% on personal income tax, will not come into effect until January 1st, 1962, which I think will be appreciated by those who will have to pay it." Now at that time I rose to my feet to disagree with the First Minister, saying that this was not the case and that there was no rebate on premiums paid retroactive to July 1st because the plan didn't go into effect until January 1st. This was contradicted by the First Minister who said: "I'll just repeat what I said when I introduced the bill and that is that people who have paid premiums from July 1st, 1961, will get a rebate, and people who have not paid their premiums for that pay period and who come up to pay them directly in November, will be paying \$24.00 instead of \$36.00."

Now, Mr. Chairman, I was taken to task by the First Minister for raising this as I was wrong--that this wasn't the case and that people would be getting a rebate retroactive to July 1st, 1961. Suddenly in November the First Minister made a press statement on November 17th: "Premier Duff Roblin said Tuesday the reduction in Manitoba Hospital Services Plan premiums is applicable to the coverage period beginning January 1st. The Premier said many people are confused about the reduction because they think the lower rates are retroactive to last July." He earlier described the rate reduction as being retroactive.

Now, Mr. Chairman, I think the First Minister owes an apology to the House for misleading us and then when we tried to clear up the matter he accused us of not understanding what was going on, and now in November after we leave the House he concurs in everything that we said on this side of the House.

MR. CHAIRMAN: Passed? Passed.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, that does raise the point that I asked of the Minister last evening, and I think it's the only question I did not receive an answer to. I wanted to know the sum total of the cash rebates that were made to subscribers of the plan as referred to by the Honourable Member for St. George, because it wasn't shown in the supplement that we had before us. Perhaps I should frame it this way--were there any cash rebates made by reason of the fact that certain individuals had paid the higher rate of premium? Were there cash rebates made in any cases at all?

MR. JOHNSON (Gimli): I can't explain it any further, Mr. Chairman, than what I did last night. The figures on the sheet indicate the loss in revenue from premiums as reflected in this sheet. No cash refunds were made--the refunds were carried out, as I am sure the honourable member is well aware.

MR. CHAIRMAN: (7) passed. (8) Health Units, passed.

MR. MOLGAT: Mr. Chairman, on 7--there were no cash refunds in other words? Now this seems to me completely contrary to what the First Minister said and I think the point taken by the Member for St. George was certainly quite in order. This was not what the House was told. Subsequently the Minister made a statement but when we were here in the House he would not make such a statement--now we're told by the Minister finally that there were no rebates whatever, and I think--

MR. JOHNSON (Gimli): Mr. Chairman, that is not a true statement the Honourable Leader of the Opposition has just made that there were no rebates made.

MR. MOLGAT: I said there were no cash rebates made, Mr. Chairman, from the statements made by the Minister. Mr. Chairman, I have another objection at the manner in which this whole matter was handled. I am referring now to the political propaganda that the government indulged in in this matter of the reduction of premiums. When we were here in the House in October the bill was presented to us, therein the heading of a section--mind you not a part of the bill as such, in spite of our request--but the heading of a section "Hospital Services Tax" page 5. This indicated, or attempted to indicate, that the increase in income tax was a hospital services tax. Then, Mr. Chairman, subsequent to that, nothing was heard about that tax anymore. My honourable friends proceeded then to have all sorts of advertising--here's one among the daily newspapers: "deadline November 30th for hospital premiums at the reduced rates"--"reduced premiums from 26 to 34". More advertising--"Reduced hospital premiums as they affect you." In all the newspapers in the country, both the weeklies and the

(Mr. Molgat, cont'd.) dailies, ads of this sort. Employers were sent great cards to hang on their bulletin boards--"hospital premiums suspended for December, January and February--great premium reduction." In addition to that, employers were sent cards to be included with letters to--or their employees apparently with their pay cheques, also saying "Hospital premiums suspended for December, January and February--premium reduction." Then employers received letters which they were also apparently supposed to send to their staff, "How reduced hospital premiums affect you" and on and on and on like this, Mr. Chairman. We get the report of the Hospital Commission this year--not a word in all of this about the hospital services tax--not a word.

My colleague, the Member for Gladstone yesterday mentioned--I looked through carefully--I find on page 7 a reference to new reduced premium rates effective for the benefit period commencing January 1st, '62, are shown below (Premium rates which are payable for the year '61 are shown in brackets.) Then we go on--on page 19, the quotation that my friend used--"In 1961, following new fiscal arrangements between the federal and provincial governments, the Government of Manitoba announced a reduction in the premium rate from \$6.00 to \$4.00 monthly for families and from \$3.00 to \$2.00 for single persons." And, Mr. Chairman, in all this not a word about an increased income tax. In all this, when they sent all this material to the employers to tell their staff what a great government this was because it was reducing premiums back to the rates that they had been originally, not a word that they were increasing income tax. Surely the least they could have done, if they were going to be straightforward and direct with the public of Manitoba, was to put on these cards--"There will be an additional income tax to cover the difference." But not a word in all this, Mr. Chairman--pure use of this whole reduction for political purposes and I resent and reject very much the position that the government has taken in this regard.

MR. CHAIRMAN: Passed.

MR. MOLGAT: No, Mr. Chairman, I think the Minister owes the House--the people of Manitoba an explanation in this. Why did they not tell the public about the increase in income tax? Why did they not supply employers with cards at the same time so that they could tell their employees why their deductions were increased--if this was in fact a hospital services tax?

MR. CHAIRMAN: Passed.

MR. MOLGAT: No, I'm not satisfied, Mr. Chairman, with the position of the Minister in this. Why was this information not given to the public?

MR. JOHNSON (Gimli): Our purpose in sending out the posters and the advertisements were simply to inform employers, municipal agents, and so on, as to the exact nature by which we were bringing the benefits of a lower premium to the people in the employer groups and those who pay through the municipal agents. I think the fact that the new tax arrangements were implemented were only too evident in the newspaper coverage at the special session when this was announced. I act on the advice of people who are administering the plan. They feel, those who are sending out the premium notices, that they have to have some supporting material to inform the people just what it's all about. There was a suspension of premiums for three months. We wanted the employers clear as to this whole matter, and on the whole we received excellent co-operation from the employer groups and I don't know what further--I don't think we're under any obligation to put on the card--I think that's what the Leader of the Opposition is saying--the effects of the new arrangement.

MR. MOLGAT: If it was so important for the government to explain why the reduction, or how the reduction, does he not think that it would also be important for the employer to be able to explain to his staff why the income tax has gone up; why on the first pay cheque in the month of January the employees were getting less money than they were before? There was no explanation at all forwarded by this government and I submit that in all this advertising they were using the Hospital Plan merely to make great fellows of themselves as is exactly the policy of this government in so many fields, using this for propaganda purposes.

MR. JOHNSON (Gimli) hundreds of thousands of people of Manitoba who were grateful for the reduction in hospital premiums and we wanted to just be clear. As this debate in this House has indicated, it has been most confusing to explain this to the Liberal Party since the day we first brought it in, and certainly if the proper advertisements--or the proper

(Mr. Johnson, Gimli, cont'd.) explanatory material had not reached the employer groups and the municipalities and the Secretary-Treasurers, I think it would have made it a very difficult task, but as it was the transition went through very smoothly.

MR. MOLGAT: I take it then the Minister feels that it was unnecessary to explain the full program--just the parts that are pleasant insofar as the government is concerned and not the parts that indicate an increase in taxation. Well, if that's the policy of this government, fine.

Mr. Chairman, I'd like to ask the Minister another question. When we met here in the October session, did he at that time know that he would be limiting the hospital budgets in the months very shortly after that?

MR. JOHNSON (Gimli): I think I have answered this question quite thoroughly, if the honourable member will be a little reasonable about the whole thing. As I said in the explanatory material, the year before--in the past two years as we absorbed these large increases under universal hospitalization--as the member is only too well aware--we anticipated for the coming year approximately, as our estimates showed, around a 5.2% increase, with the preliminary review of the budgets. The Commissioner and his budget committee advised me that they thought a very adequate standard of care could be maintained by suggesting to hospitals that they try and operate this year with a general 3% increase. Of course this was directed to 18 hospitals as you know in the high cost institutions in the province, the remaining smaller hospitals were more or less on preliminary talks and so on, were pretty well in line, but some of these where standards had to be raised and so on as I indicated earlier in the House, rates were up to 15%. But in these larger hospitals over the past two years, it had been pretty well felt the year before that around a 4 or 5% increase up to 5.2% might be anticipated generally in the next year. These financial estimates were predicted on the assumption that the large hospitals in the allowances item, as you notice on that financial statement of 5.2, in that particular item that they could well live within that. With the need in certain smaller hospitals to raise standards, as I say, with increases up to 15%, this would offset the whole general picture. Also hospitals are aware that where legitimate deficits accrue that these are looked at at the end of the operating year and legitimate deficits are picked up. However, we do have this continuing responsibility and I was very pleased with the way in which this was received by the hospitals. Members of boards of larger hospitals did tell me that in many instances they welcomed the fact that they were beginning to get some guide lines as to just how much increase they could anticipate in the forthcoming year.

I read last night a letter to the House from another smaller hospital saying how willing they were to get this co-operation. It isn't a matter of certainly restricting necessary care, it has just been a move to try and keep costs within reasonable limits and I think it is our responsibility to do this. Again I say, we've had the most excellent co-operation from the various hospitals in this regard and we would hope to continue to work with them. I think after adjustments are made at the end of the year that they will average around 1-3/4%, 1-1/2, 1-3/4 plus the 2%. And this in turn is quite adequate, and I would just say that I think in this very expensive and complicated area of financial responsibility, this letter was written in that spirit.

MR. MOLGAT: Mr. Chairman, did the Minister know that that letter would be written at the time that the House met in October.

MR. JOHNSON (Gimli): I'm sorry. No, I didn't. No, this came up last fall when we were discussing our entire program.

MR. MOLGAT: It was unknown then at the time that the House met? Is that correct?

MR. JOHNSON (Gimli): The House met in October didn't it?

MR. MOLGAT: Right.

MR. JOHNSON (Gimli): That first letter went out in September, I believe. That's right.

MR. MOLGAT: But the final letter -- the first letter was merely a warning, September 19th. The final letter of December 7th was a specific statement that those hospitals with 60 beds or more be based on the policy that total over-all expenditures for '62 cannot exceed '61 by more than three percent. Now it's quite true what the Minister said that that applies only to hospitals of 60 beds or more, but I think if he would give us the figures that it will show that the hospitals of 60 beds or more account for by far the largest amount of hospital space, do they not, or hospital beds?

MR. JOHNSON (Gimli): That's true.

MR. MOLGAT: So in effect, the reduction when you consider it not on the basis of so many hospitals, but on the basis of hospital beds, it does affect the the majority of the hospital beds in the Province of Manitoba.

MR. JOHNSON (Gimli): Frankly, when this letter went out in September which I authorized, Mr. Chairman, we thought with the new budgets coming in that it would be helpful to us as we said in our new budgets to have knowledge of the general financial outlook and some definite indication of the public funds likely to be available. Hospitals were asking for this. And we bring out the many factors involved. Then in the latter part of November, as the budgets began to come in, in this particular area of allowances the Commissioner advised me that certain budgets were coming in that were quite in excess of what he had anticipated they would be requiring, having discussed their previous budgets with them not too long before, when they had agreed with the commission that the large increases had largely been absorbed -- as you know, 65% to 70% are wages. His advisers and the people that he works with daily, especially in the larger costlier facilities, indicated that in the area of allowances they didn't anticipate the same general increases they had in the past two years. And when the Commissioner began to receive preliminary budgets again he advised me that he thought he should give them a definite figure, and he has met with most of these people in the budget committees following this letter and it has, I think, led to a better understanding. Before, you see, we never indicated to the hospitals what general increase we thought should be available. However, they had the financial estimates of the plan available to them and I think, in general, everyone agreed that in the next year or two after the initial bulges that a 4 to 5%, 3 to 5% increase would be in order. And with that in mind, the Commissioner asked me if he could send a letter with respect to the budgets, of this nature, which I concurred in.

MR. MOLGAT: Mr. Chairman, when this estimate -- this forecast was made, was this done in consultation with the hospitals, were hospitals consulted in establishing these budgets?

MR. JOHNSON (Gimli): I don't believe with any individual hospitals; I think the budget committee, as you know, spent most of their time with the people running the hospitals and it was on the basis of -- I think we reviewed this in Public Accounts, a general increase per year over the past ten years predicated much of these costs, and also built into these costs the increased cost of new facilities coming into service in '62 and '63, and had to guesstimate in that particular regard. However, in the particular area concerning this letter, this concerns the daily allowances that particular item of the onward going program. Certainly there's no question of new facilities or new necessary additions to staff. In some cases the three percent is certainly going to be exceeded -- up to 4.5 with some of the larger hospitals. This was just an attempt to give the hospitals a barometer as to the amount of the increase that we thought on our general studies in comparing all the hospitals as they come in, that hospitals could adequately get by with during '62.

MR. MOLGAT: They were not really consulted in the preparation of this booklet then, I take it from the answer of the Minister? Have the hospitals of Manitoba received their 1962 budget approvals yet?

MR. JOHNSON (Gimli): I believe all but seven budgets have been processed at the present date -- that was, I think, my information the other day. That could stand correction, but I think that's what the Commissioner informed me.

MR. MOLGAT: When the Minister says processed he means accepted by the Board or by the hospital plan and hospitals advise that they can proceed?

MR. JOHNSON (Gimli): Yes, they send in this budget. We send it back and usually this brings the hospital -- usually they come in again and finalize the budget.

MR. MOLGAT: Mr. Chairman, prior to the last federal election, the Prime Minister had indicated, in fact promised, that if he were elected he would take in the mental and TB and contribute 50% in the same way, or roughly 50%. In other words, that they would be included the same way as other hospital costs. Has the Minister anything further to report on that matter?

MR. JOHNSON (Gimli): Unfortunately, Mr. Chairman, I haven't. I certainly feel it would be very wonderful if we could have mental and TB costs included as shareable, but we

(Mr. Johnson, (Gimli), cont'd.) have no indications at all at the present time.

MR. MOLGAT: Has the Minister been pressing his friends in Ottawa in view of their solemn promise?

MR. ROBLIN: Why doesn't my honourable friend just let federal policies take care of themselves. He knows as well as anybody knows that we went up before the Royal Commission and made a very thorough statement in connection with these shareable costs between TB and mental and whatnot. And yet he comes and asks the Minister what's he doing about it. Why doesn't my honourable friend keep abreast of what the government is doing which is public information?

MR. MOLGAT: Well, if the Honourable the First Minister doesn't care about a few million dollars from his friends in Ottawa, that's his business. I am concerned because this means dollars to Manitoba. And his friends made a promise in this regard and they should live up to it. It's as simple and as short as that. This promise was made some four years ago and we still haven't got what was promised to us, and I submit that the question I asked is perfectly legitimate. I want to know whether this government is putting pressure, and has been for the past four years, in getting what was promised to us or is he still protecting his friends at Ottawa.

MR. ROBLIN: Mr. Chairman, my honourable friend chooses to put his own interpretation on whatever promises are made by politicians in the federal sphere. I don't accept his interpretation. He's entitled to them but he needn't advance them in this House as being facts that we have to pay any attention to, because they're not. My honourable friend knows perfectly well that there's a decided difference of opinion among federal politicians as to what the undertaking was, and I don't think that he has any right to come here and make a declaratory statement that he knows what the facts are.

MR. MOLGAT: Well, Mr. Chairman, then seeing as the First Minister has to get involved in the discussion, could he tell us what the promise was from Ottawa. Was it not that they would share in the costs of mental and TB in the same as other hospital costs?

MR. ROBLIN: Mr. Chairman, I'm going to let the federal politicians fight their own battles.

MR. MOLGAT: I would think that if there's a promise made to the people and that this involves money for Manitoba that you should be interested instead of just saying that you're going to let the federal people worry about their own battles. If they've made a promise to us, we should get it. This means money to Manitoba. Why aren't you doing something about it?

MR. ROBLIN: Mr. Chairman, we've received far more money from the present federal government at Ottawa, millions more than -- (Interjection) -- nonsense, my friend says -- why doesn't he examine the facts. He goes around the province explaining to the people how badly we've been treated by the federal government. He makes no reference to the fact that under the present tax rental agreements we're getting \$4 1/2 million more than we would have received under Mr. St. Laurent's plan. He makes no reference to the fact that under the shared grants we're receiving, what is it -- from 8 to \$24 million more since the federal government came into office. He ignores all those facts. Well he can't get away with it.

MR. MOLGAT: Well I wish the First Minister though would come back to the point. Were we not promised that this would be included? This is the point, he says it wasn't. Now if he'll tell us whether it was or it wasn't then we'd know. -- (Interjection) -- Well fine. If my friend wants to continue protecting his friends at Ottawa, that's his affair -- we have no such intention.

MR. CHAIRMAN: Resolution 7 -- passed.

MR. MOLGAT: No, Mr. Chairman. We have some more questions on 7. When this projection was made, Mr. Chairman, a number of factors were included. One of them were construction plans. Now the construction plans are listed on Page 49. Could the Minister tell us whether all of those that were listed there, for the various periods, have been constructed, and whether this has been followed?

MR. JOHNSON (Gimli): Yes, I think they have been. Yes.

MR. MOLGAT: We can take it for granted then that Page 49, the construction indicated in the first three columns

MR. JOHNSON (Gimli): I might qualify that. I see the rehabilitation has started

(Mr. Johnson, (Gimli), cont'd.) operation March 5 in a preliminary way -- it will be a month or two before they're fully going. The figures here, at the end of '62, an additional hundred. This is pretty well accurate -- would have to qualify. Just at the bottom here there's chronic facilities. As you know, we have 200 beds at the Assiniboine in Brandon; 200 at St. Boniface Sanatorium now; and 65 at Clearwater. Yes, I think we would pretty well say these will all be in operation by this time.

MR. MOLGAT: These are net additions are they not, Mr. Chairman? In other words, where we show, say Dauphin General, in the 12-month period ending 31st, 1961, 13 beds, actually there was substantially more beds than that but this is the net increase over their previous beds which have been discontinued. Right? So, we can say that roughly that to 31st of December, '59, there was an addition of 359 beds; in the next 12-month period, 1960, 328 beds; and in the 12-month period, '61, 352 beds. We're on schedule.

MR. JOHNSON (Gimli): I would have to check these out more fully but I believe, from just looking this over, I think this is pretty well on schedule. It might be a little bit -- No, that's pretty well on schedule right now from my knowledge.

MR. MOLGAT: And the proposals for '62 as listed here will be carried on?

MR. JOHNSON (Gimli): Mr. Chairman, as I indicated in my study that I submitted, there will be some long-term facilities coming into play in Dauphin. There are further plans with respect to the municipal hospitals that we're going ahead with. We're in preliminary discussions with the St. Boniface Hospital in the Greater Winnipeg area and then the two other sites -- Morden has brought a certain number of beds in already and are proceeding with preliminary discussions for expansion to readjust the situation; and Steinbach -- as you know, the Survey Board report recommended very strongly that we have three or four pilot projects proceed forthwith in key centres throughout the province under separate administration with respect to the medical philosophy of the care facility, and these are going ahead. I anticipate that we will be able to go ahead in this area. With the rehab hospital coming into full play this year, plus the provision of outdoor physiotherapy at that facility, the considerable cost involved there that we anticipated pretty well, I think.

MR. MOLGAT: Mr. Chairman, when this survey or plans for three years was produced, the government was anticipating that there would be some added services and that they would improve the standards presumably over the period. Have the added services that they anticipated, and the standards that they intended to improve, actually been carried on.

MR. JOHNSON (Gimli): Yes. Standards are continuously going forward and new services as I have indicated. For example, the maintenance of standards in our large teaching hospitals and in all hospitals has been going forward by maintaining the staff ratios and by a gradual improvement by the introduction of new services. For instance, in four designated facilities this year, we're declaring physiotherapy and occupational therapy an insured service, and the introduction of the universal availability of sitology smears in addition to the universal biopsy service, financed partly by consolidated revenue and partly through the Hospital Services Plan. It is our hope to continue to maintain those minimum and those adequate standards of care -- I shouldn't say minimum -- that we anticipated in this brief.

MR. MOLGAT: Mr. Chairman, then the forecast that my friends made on Page 10, we can expect -- at the end of the last paragraph -- the three factors that were included in the increases were increased cost levels, which presumably have gone ahead at least as fast as was anticipated; added services and improved standards -- the government has, according to the statement of the Minister just now, proceeded at the rate at which it anticipated, so that increase of 2% presumably is to be expected; and if they have proceeded to add the number of beds that they had planned on, which he said they did, the increase attributable to additional beds, and presumably increased volume also, is expected to be correct. So those forecasts made on that page then have all been lived up to and we can expect that they're at least as high as indicated there.

MR. JOHNSON (Gimli): I really think, Mr. Chairman, they will end up being minimum.

MR. MOLGAT: Mr. Chairman, I have a question on another subject now, and that's Third Party Recoveries. In those cases where a person is injured in an accident and the person responsible for the accident has only minimum insurance, \$10,000, and the claim of the injured person is greater than \$10,000, the hospital plan still charges back to the injured a

(Mr. Molgat, cont'd.) part of the hospital costs. Is that correct?

MR. JOHNSON (Gimli): In these particular cases when we have a claim against a limited fund such as that, the Commissioner of Hospitalization usually negotiates with the parties concerned and tries to be as reasonable as possible.

MR. GUTTORMSON: Mr. Chairman, on (7) (c), I see where last year there was \$3,035 allocated for Red Cross Nursing Service - Northern Areas. There's nothing allocated this year. Has this service been discontinued?

MR. JOHNSON (Gimli): I explained this last night in the House, Mr. Chairman. This was just something which, just briefly, the Red Cross nursing service had hoped to get a nurse established in the Waterhen in the past year and they have not been able to recruit personnel. When I contacted them this year re estimates and they hadn't claimed their money, they suggested that it be withdrawn for the time being until they could find someone. They didn't anticipate getting anyone this year.

MR. ORLIKOW: Mr. Chairman, I would like to ask the Minister a question. This afternoon's paper announced that St. James and the Salvation Army are proceeding with plans to build a hospital in St. James even before the provincial grants are available. I'm wondering if the Minister can tell us what will happen to the present hospital which the Salvation Army is operating. Is it planned that that hospital will continue in operation or is it planned that that hospital will be closed? There's a very substantial section of that hospital which, it seems to me, was just completed, and if it's the plan that that hospital building be closed, I don't want to be critical and I don't claim to be an expert, but it would seem to me that there's been a very sad miscalculation. It would seem to me that this was money poorly spent, because it seems to me that the hospital was just completed very recently.

MR. JOHNSON (Gimli): My honourable friend from St. John's is anticipating problems. This whole matter was discussed at great length during the -- it was reported on by the Survey Board and most of the story is in there. At the present time, until it is known the wishes of the Grace Hospital with respect to St. James as to just whether they're going ahead there or not, we're in no position -- we will have to make that decision at that time. I would just say that I am, at the present time, in negotiations with, and discussion with the Grace Hospital authorities, and as soon as I have a little more information -- I just don't know when I will get this information. However, I can assure my honourable friend that, until that is decided, the exact course of action with respect to the present facility should remain in abeyance. Certainly there is a new million dollar wing there and it's very excellent accommodation.

MR. ORLIKOW: I don't want to pursue this question too long, and I'm not being critical of the provincial government. It may be that, if the Salvation Army and St. James go ahead on their own, that there isn't anything that this government can do, but the fact is that the money, one way and another, comes from the people of this country, whether the government gives them money or the Salvation Army goes out and collects the money. Now it doesn't make much sense to me to have just completed a million dollar wing on a building and then to move somewhere else. It may be that we can use the building for some other facility, but I'm sure that to build expensive hospital beds in one place and then use it for an Old Folks' Home is a very poor way of operating. Now I don't know what influence the Minister has on the Salvation Army -- I hope he has more influence than I have -- but I just think that this is a little bit of too much.

MR. JOHNSON (Gimli): Any hospitals built in the province must be approved by the Minister.

MR. MOLGAT: This question of Third Party Recoveries -- I appreciate the answer the Minister gave me that the Commissioner makes arrangements, but wherever the injured party is limited by the fact that the insured person has an assessed amount and does not get himself what he should get, or gets just the figure, then, in fact, the hospital plan is charging that individual and not the insurer. Now the plan is taking this out of the injured person's pocket, in fact, and yet that person has been paying premiums to the plan the same as any other residents in the province of Manitoba. I can quite appreciate that the plan, where there is a surplus, would go after the insurer. This is certainly quite legitimate and is a normal insurance practice, but where the individual who has been injured does not get himself full claim or is limited by the coverage of the other person, then surely the Plan should not charge

(Mr. Molgat, cont'd.) anything back to that individual if he has been paying premiums.

MR. JOHNSON (Gimli): I think what the honourable member is saying -- where a person who is a victim of an accident and there is limited insurance available and he becomes impoverished paying his many -- where there's a limited amount -- would he suggest a limited amount in this case -- a case of privilege?

MR. MOLGAT: Well, it seems to me that if it's the insurer who is paying then the Plan is perfectly at rights to go after it, but if it's the injured who is paying and the injured has been paying his hospital premiums, then he should not be charged back any amount. He can quite legitimately say: "Well, what's the point of my paying hospital premiums if, in the case of an accident, I am charged back part of the hospital costs. That's why I carry hospital premiums. That's why I pay. My duty has no choice -- it's compulsory." Well, there are still a few evading it, but the fact is that he is covering himself and should not be charged back with any portion coming out of his allocation.

MR. JOHNSON (Gimli): I'd like to check, Mr. Chairman, as to just what the policy has been. My interpretation is that where there is a legitimate claim for the Plan, where an insurance agency has purchased protection for an individual and he's hurt or injured, that it is incumbent upon the Commissioner to try and claim his expenses back. The point that the Honourable Leader of the Opposition raises, I am just a little fuzzy on at the moment. It's a very complicated legal section which I've had difficulty with, but I'll certainly pursue it with the Commission and give him a report.

MR. SHOEMAKER: Mr. Chairman, I can understand the Minister being concerned over the high cost of hospital care, as is most of the individuals in this province. My question is, how does the per diem cost of hospital care in Manitoba compare to the national average say?

MR. JOHNSON (Gimli): Average, I believe.

..... Continued on next page

MR. CHAIRMAN: Item (7) passed. Item (8) ---

MR. E. I. DOW (Turtle Mountain): Mr. Chairman, I take from the figures that are established in these estimates that there's not too much likelihood of added Health Units being formed in the Province of Manitoba, and on looking at the list of names that are established there it looks like practically all southern Manitoba, particularly south of No. 2 Highway, west from the Red River to the Saskatchewan border, is without the services of Health Units. I do not wish at this time to offer all criticism to the present Minister, but this has gone on now for possibly 20 to 25 years. Applications and advancements have been made by most municipalities and towns in southern Manitoba and for some reason or other, unknown to residents there, we can't get Health Units established. I would like to ask the Minister if the reasons for this is that the health of southern Manitoba is so good that we don't require Health Units; or is it so bad that it's beyond any help of the Health Units; or is there any hope at all for future applications of getting Health Units; or do we just go ahead and operate and try to get all the facilities for partial Health Units to the best of the ability of the municipalities that they can afford in that particular area. That takes in the area -- I'm sure, if you draw a map -- pretty well from the Red River to the Saskatchewan border south of No. 2.

MR. ORLKOW: Mr. Chairman, maybe the honourable member covered the whole field, but I would like to know what percentage of the province is not yet covered by Health Units. Does the government have a policy of encouraging the establishment of Health Units or do we have to wait for the local areas to ask for Health Units; and then is the approval of those dependent upon having sufficient money in the estimates in any particular year to include them? If the policy of Health Units is conducive to the improvement of the general health of the area, then it would seem to me that any government should be encouraging the development of Health Units which would cover the whole Province of Manitoba.

MR. JOHNSON (Gimli): It is certainly my ambition to eventually see the province covered -- certainly with Health Units. I would point out it isn't entirely as bad as we would think. I think there is an area in the Interlake and the southern part of the province -- a small area in the Interlake and in the south -- where we have no organized Health Units. There is a northern Unit, as you know, at Flin Flon, and north of 53 we have our Northern Health Services giving the same service throughout the Health Units. The proportion is in the Royal Commission Report. If you add the figures there of the population within Health Units outside Greater Winnipeg, it comes to over -- I think around 450,000, and you add Winnipeg, there is not much left in population. The area that is left is the area referred to by the Honourable Member from Turtle Mountain, and a pocket along the area represented by the member from St. George. The net expenditures here on Health Units, from '58-59, it might be interesting -- have gone up over this period by \$287,000 from 492 to the present 779. Certainly there are, within the department, studies going on that I am not prepared to discuss today, with respect to methods of tackling this program -- newer concepts that we are looking at. Studies have been made, and I would hope in the future that this program would go forward.

I can't answer my honourable friend from Turtle Mountain. I waited for one at Gimli for 15 years and now he's on the docket. However, they are a very wonderful thing. I would point out that one of the other things that we're looking at generally in the department is the combination of the Health Unit and the Laboratory and x-ray Unit, and with the changing concepts in health care, this is a matter where certain reorganization and a lot of thinking has gone on. I can offer no other explanation than that.

MR. PAULLEY: Mr. Chairman, I was just going to ask under (9) -- I refer to the last sentence of the Honourable the Minister in respect of Laboratory and x-ray Units -- (interjection) -- Well, they're co-related, Mr. Chairman, in this sense, that I'm wondering how many of the Health Units as listed here have the x-ray facilities and what are the plans for these Health Units in respect of the extension of the services to make them complete units with the x-ray and Laboratory facilities. Is there a planned program for this or is there some delay in making these facilities available in the Health Units themselves?

MR. FROESE: Mr. Chairman, before we leave Item 8, could we have a breakdown as to the amounts allocated to the various Units?

MR. HRYHORCZUK: Mr. Chairman, could we get information as to the per capita costs in these Units?

MR. JOHNSON (Gimli): Per capita costs, I believe, are in that first section on the Royal Commission on Health Services -- spelled out in detail. I just forgot it off the top of my head. The per capita cost is outlined in that -- per capita costs here -- I'll have to get these later. We tried to show in that brief that our costs were very low. I'll have to get that later, I can't give that at the moment.

The other matter, with respect to a breakdown of these Units, did you want the cost of operating each individual Unit in the province?

MR. FROESE: The amount, out of the total amount allocated, to each Unit.

MR. JOHNSON (Gimli): No, I'm afraid I can't give the member that particular breakdown. I have the breakdown in all the salaries, etcetera, for each Unit, which I would have to add up. I think I've had it every other year at the time of _____ except when I need it. I could indicate to him that the staff -- for instance in Brandon there are 12 staff; 9 staff at Dauphin; 14 staff in Kildonan, or will be; 10 in Neepawa; 12 in Portage la Prairie; 9 in the Red River; 15 in St. Boniface. The St. James-St. Vital Unit, which covers those two suburban municipalities, 23; Selkirk, 15; Swan Valley, 7; Northern Unit, 7; Stonewall, 10; Virden, 10; and Birtle-Shoal Lake, 9. This gives you some idea of the staff requirements. This includes the Medical Director, Public Health Nurses, Sanitarians or Health Inspectors; and in addition to that there are supplies in each Unit, largely travelling expense, cars and necessary office supplies, etcetera. I can say here the 14 Health Units now in operation give full-time health service to 440,000 people outside the city or over 70% of the population exclusive of Indian Reserves and the City of Winnipeg. During the past year Selkirk was enlarged -- or that was last year -- we've added more since then. The minor additions this year are indicated in your annual report, but I could get the actual figures and tell members it's just the matter of some arithmetic. Roughly, that is the composition of the budgets of these different units and what it's made up of. The municipalities in the health unit area participate by one-third of the cost.

In the lab and x-ray units -- the Leader of the NDP has been asking. I think I reported to the committee a year ago that we experimented for a year in developing lab and x-ray technicians of one year's training to place in small hospitals throughout the province before we could organize a lab and x-ray unit, in those areas where we hadn't yet organized. Through the hospital plan, with more funds available in the health field than ever before and the ability to shore up the x-ray equipment in the smaller hospitals, we're anxious to get them technicians in these facilities, because as you know, through the hospital plan 60% of the charge of the lab and x-ray is an in-patient service at the present time. We experimented for a year and developed some technicians, but it has been felt that these people are happier to receive the full Canadian radiological training of two years as it gives them more versatility in the field. So in quite a few hospitals in the past year, I think we've placed combined technicians or laboratory and x-ray technicians where we had the personnel. Then I did announce the plans that are going forward for the provision of further laboratory and x-ray technicians at the Tec-Voc School where we're going to get a composite training program going at that institution, working with the different hospitals. Whereas now we're graduating, I think, a total of around 37 to 40 technicians a year, we're planning for up to 75 for the full two-year course. They would affiliate with different hospitals from this training program. So (a) the availability of qualified staff has always predated the speed with which you could introduce these technical services in the country, in the smaller hospitals. (b) The implementation of the MHSP has placed certain inequities upon the arrangements re lab and x-ray services throughout the province, in that people in laboratory and x-ray unit areas coming to the city, where they are prepaid at the local level, are not prepaid in the city because they are outside their unit area and so on. These are some of the difficulties that we've been trying to overcome. But by and large, all the hospitals in the province now have pretty adequate x-ray machinery and, by and large, most of them are getting technician services which was the reason why they formed lab and x-ray districts in the past. We now are looking again along with health units at these newer ideas that we have in mind. Again, this is referred to in the Royal Commission brief. Quite a bit of work has been done in this area between the Hospital Commission and the Health Department with respect to our future policy and program in this whole area.

MR. PAULLEY: Mr. Chairman, I thank the Minister. Could he tell me whether or not there are any laboratory and x-ray units directly connected to the health unit as against to

(Mr. Paulley, cont'd) hospitals. And if so,

MR. JOHNSON (Gimli): I think they are all connected with the units, Mr. Chairman. It's just that the facilities are always placed in the hospitals in the community.

MR. PAULLEY: In other words, the facilities in the health unit centres as such.

MR. FROESE: Mr. Chairman, could the Minister give us an idea as to the capital involved in an average unit to set it up -- say a unit that would employ ten people?

MR. JOHNSON (Gimli): Just off the top of my head, I would say around \$125,000 to get started.

MR. CHAIRMAN: Item (9) - passed; (10) - passed; (11) --

MR. PAULLEY: Mr. Chairman, I wonder whether the Minister could indicate how many are being assisted through bursaries under this item.

MR. JOHNSON (Gimli): Dentistry, 10; Medicine, 6; social workers, 11.

MR. SHOEMAKER: I wonder if the Minister could suggest to us what, in fact, Professional Training Grant 606-2 means? Is there any provision there for nurses in training? Are nurses in training today paid any amount or is that left entirely up to the hospital in which they are training? Just on Sunday last I brought a girl in from Neepawa to her hospital in which she is in training. I asked her if she did receive any money at all, and I think she said she got \$2.60 last month for her month in training there. Now I believe that she did qualify that by saying that she had broken a thermometer or something and she was deducted so much for that, but the net take-home pay was \$2.60, I think. It seems to me, and it has for some time, that these very dedicated people are certainly underpaid. I would like to know what the program is in this regard.

MR. JOHNSON (Gimli): As a member of these associated hospitals, I can assure my honourable friend that we're not back in the middle ages charging girls for minor equipment. I would not expect it. I never saw it in my time. But the questions asked are -- nurses training programs. In professional training, last year some of this money that is mentioned here was used to help the payment of 83 nurses in our service to attend institutes. Three attended short courses; 6 took extension courses; 19 completed a full academic year of public health training; and 23 are on course at the end of December '61. This is how some of the professional training grants were used in this area. No. 2 -- All I can say to the honourable member is the MARN has consistently followed a policy of suggesting that hospitals pay no stipend to nurses in training. However, some hospitals have been paying small stipends, as I understand it, and this whole matter is under review. We still haven't received the report of the -- as you know the second phase of the Hospital Survey Board study was the study of personnel, and I understand this isn't too far off. They've had numerous meetings with nursing associations and are looking at the whole matter of requirements for personnel in the health field in Manitoba. However, this is all the information I can give the honourable member now.

MR. PAULLEY: Mr. Chairman, the Minister was kind enough to say that in the bursaries there were bursaries to 11 social workers. Could he indicate whether or not the social workers are being trained in a specific field of social work, such as special training for psychiatry and the likes of that, or is it just general; and these, when they graduate, will be available to any department of the government.

MR. JOHNSON (Gimli): We're trying to get some appeal into the Health Department so we can sneak them into psychiatric social work. But these are really some of the personnel that have been with the department where it has been found most successful for people, say with their BA, who come to the department and work a year or two and see they want to take their formal training in social work. These are, I think, the large bulk of the people we are giving bursaries to now. In social work, the average award was \$2,027 for these 11 people to take their year at the school of social work, following which they come into the department, either into the psychiatric or anywhere.

MR. CAMPBELL: Mr. Chairman, I'm afraid that I may not be strictly in order in asking this question on this item, but I've heard most of the discussion and I've not noticed if the question was asked anywhere else, and I'd like to have an answer to it. Has the Minister reported at any time during the discussion of these estimates -- there's been a pretty full opportunity to discuss them, I admit -- has he reported at any time the number of hospitals in Manitoba that still train nurses, that conduct training classes?

MR. JOHNSON (Gimli): Mr. Chairman, I haven't got that here. I'd be glad to get that information for the honourable member. I don't believe any nurses are being trained at Dauphin at the present time. Brandon has a school and all the hospitals in Winnipeg, but I'll get the precise information for the honourable member.

MR. CAMPBELL: Is it a fact, as far as the Minister is aware at the moment, that only Winnipeg and Brandon are training nurses now? It seems to me, Mr. Chairman, that this is a pity in that -- goodness, I don't pose as an expert in this subject but I have been exposed to quite an interest in nursing training because I have had one daughter, several nieces and many friends taking training. A lot of them, besides my daughter, made their headquarters at our home and I saw quite a lot of both the type of young ladies who went into this work and the rigorousness, if I could use that term, of the course that they used to go through. Once again I suppose the committee will think that I'm becoming a real radical if I side with my honourable friend from Gladstone and say that I think maybe the time has come when the nurses should get a little bit of salary while they're training, because it seems to me that they have to be dedicated people to start in to that to begin with; they have to be pretty interested to stay with the course; and the penalty, I think, of lack of any amount of money at all during that three-year period falls on the parents rather than on the girls. When so many other avenues of training are open to them, it seems to me that we could get more people into this service, that I consider to be one of the very best, if we had even a nominal amount.

But to come back to the other subject, I simply place myself on record as believing also that it would be good for the nursing profession, good for the community, good for the hospital and even good for the patients, that some more of these hospitals should have training courses. It seems to me that there has been a move among the nurses' organization to do what so many other professions have done, to set the qualifications higher and higher and higher, and I suppose that's the order of the day, but I think the department should use its best endeavours to see that the training courses are not too greatly restricted.

MR. CHAIRMAN: Item (12) -- passed. (13) -- passed. (14) --

MR. ORLIKOW: Mr. Chairman, I've been looking at the report prepared by the department and the picture is a black one. "Eight out of every 10 elementary school children have untreated decayed teeth; nearly half of the children in Manitoba have never seen a dentist at any time in their lives; and the over-all state of dental health in Manitoba is an unacceptable level, with only 25% of our population visiting the dentist in the course of 1 year." Naturally the situation -- this is all quoted from the department's report and naturally, without having the exact figures, the situation in the rural part of the province and in the small towns is infinitely worse than it is even in the deplorable situation we have in the City of Winnipeg. Now I know that we have opened a dental college and I suppose that in the long run, maybe 25 years, this will help to improve the situation in the Province of Manitoba, but I wonder if the department is giving any serious consideration to plans which will help. The report talks about the fact that we have embarked on a vigorous program of inspection. Now I don't want to minimize the work of inspections, but how much good does it do to carry out a comprehensive inspection program in a town or in a school and to tell the children that -- well, 60% of you, or 70% of you, or 40% of you have cavities in your teeth which should be looked after, if the closest dentist is 25 or 50 or 100 miles away? It seems to me this only adds insult to injury for the people. I'm wondering what the department -- in brief -- what the department thinks can be done about this situation.

MR. JOHNSON (Gimli): Yes, we've said a great deal of this in the Royal Commission. What we've done now -- the Director of Dental Health Services feels, and we have these positions filled, of 4 Regional Directors in four large regions of the province outside of Greater Winnipeg, where the program is (a) of dental education; and (b) working towards the emphasis on the pre-schooler and in the first year of school, in trying to give some curative dentistry in addition to prevention. The advice of the department is that the only way this can be beaten is with more dentists and more preventative dentistry aimed at the younger children. In this respect, the Director of Dental Health Services has been taking all final year dental students at our college out to the Health Units and seeing preventative Public Health Dentistry in action, and trying to interest the new graduates in a career in Public Health dentistry. We're utilizing 6 full-time dentists in the field and this past year had recourse to 10 private physicians on a

(Mr. Johnson (Gimli) cont'd)part-time basis. However, I think we have a very excellent Director in the province and he is working on this basis .

MR. PAULLEY: I don't know whether the Minister will have this information or not. As we are aware of the fact that, as a result of a long harangue between the denturists and the dentists, there was a clinic set up in the City of Winnipeg. I wonder if the Minister has any report as to how well this clinic is being patronized and whether that plan, which was somewhat to me of a compromise between the denturists and the dentists at the time, is working out. Now I can appreciate the fact that this being a private organization the Minister might not have the full report, and can give it to me at a later date. If he has any comments on this I would like to have them.

MR. JOHNSON (Gimli): Yes, a report was given to me. For 1961, 1,300 sets of dentures supplied -- that's processed in '61; and 932 accepted at the dental college for treatment -- 932 last year.

MR. CHAIRMAN: Items (14) to (18) passed. Resolutions No. 49 and 50 passed.

HON. CHARLES H. WITNEY (Minister of Mines and Natural Resources) (Flin Flon): Mr. Chairman, I have decided in introducing my estimates this year that I will be briefer than usual, and I think that the time will help to make me brief because we have only 20 minutes. I thought in dealing with the estimates this year that, the same as last year, I would deal with the various branches under the Department of Mines and Natural Resources and deal first with the one on the estimate list of Forestry.

During this past year we have had one of the most disastrous fire seasons that we have experienced in the province. I believe you are all aware of that fact and I think that more details will come out in consideration of the estimates under the Forestry Branch. We have been able to make good progress in our forest management plans in the Province of Manitoba. The five-year forest inventory program is now completed -- the aerial survey that has been done. We have now been able to complete during the past year the complete forest management plans for the southeastern and Whiteshell areas; and we will have in the beginning of 1962, or soon in 1962, the forest management plans for the Duck Mountain and Riverton areas near complete. We did, during the last year, an aerial photograph of 1,000 acres. We re-photographed in the Ashern area and we will be following up this year with some five ground parties to complete management plans as fast as possible for that area of the Interlake.

The drought this year, while having a bad effect on the fire situation, did help us to get quite a number of our forest access roads and improvement roads completed. We were able this year to complete the new road from Whitemouth Lake to Dawson Road -- or I should say to nearly complete the grade. We were able to complete the gravelling from Moose Lake to East Braintree and the re-building of the west fireguard of the Sandilands road from PTH 12 to Marchand; and also, to complete 25 miles of fireguard trails in the southeast corner. In addition, we got through the fireguard road west boundary of the Whiteshell from the central road to PTH No. 4. We made good progress on recreational activities this year and, under The Parks Act, we sketched out the boundaries for four provincial parks, two of them new; 40 recreational areas; and we will be completing 14 roadside parks this year stretching along Highways 2, 3, 4, 5, 6, 10, 59, 75 and 83.

In the Game Branch we set up two new management areas during the past year, one at McCreary and the Watson D. Davidson wildlife area. The other two wildlife areas had biological work started and the studies have commenced on the two new ones in order to prepare the ground for the various species that are the main inhabitants of these particular areas. During the year, too, we employed two new men on the staff, which I think are of interest to the committee. We employed a Predator Control Officer whose work is principally to work with municipalities, local government districts and the individual farmers, in trying to control the predators in their own bailiwick. We also extended the 1080 program to the local government districts and you heard some discussion about that this afternoon.

We had been doing trapper education program on fur in the north country only, but we brought a full-time Trapper Education Officer into Winnipeg during the past year and we have now extended our trapper education program into the south country as well. The initial meetings that we have had up in the Swan River area, Birch River area and down in the southwest corner, has already had its effect in the production of better fur. These meetings were well

(Mr. Witney, cont'd) attended and we were very pleased with the reception that the extension program received.

The Game Branch accomplished 4,000 miles of flying in the south country on big game counts; 3,000 miles of flying on big game counts in the north country; along with the ground surveys that have been made. We have also been experimenting with cages for trapping deer and tagging them in order to follow their movements more closely than we have been able to and, at the same time, continue the reproductive studies that have been under way in the branch in order to provide more information on what deer we have and what hunting seasons we should lay down. We were able to tag some 500 cariboo during this past year, and from the indications we had while up there, the indications are that the cariboo are in poor shape. I regret to announce this, but the calf ratio was only 9% this year whereas it was in the neighborhood of 24% last year.

In waterfowl, the 1961 duck season was the poorest on record. We are continuing our activities in all the studies we can on waterfowl and it is encouraging to see the snow in the Minnedosa country and in the whole of the province, because the snow that we have and the moisture that will result from it, we expect will have considerable bearing on the waterfowl production this year. We have had men in the United States just recently, on waterfowl studies with the United States officials and other officials from Canada, and the situation still doesn't look too hopeful.

In fisheries, we experienced one of the highest productions on record in the north country during 1961, and during 1961, the fall season on Lake Winnipegosis was exceptionally good, but the fishing on Lake Winnipeg is still on the decline although winter fishing recently has shown some improvement. I regret to advise the committee that on Lake Manitoba we had just about a complete failure. The fishermen's representative has worked closely with the locals and executives of the Manitoba Federation of Fishermen, and acts as a liaison officer between the commercial fishermen and the administration. Assistance has also been offered with respect of local and organizational problems and other matters relating to regional fisheries. During the year, Professor Louis B. of Quebec, a Fisheries Economist and an authority on fishermen's co-operatives, visited the principal fishing areas in Manitoba, attending meetings and advising fishermen's groups on matters relating to marketing. We are bringing this man back within the next month or so to continue his work with the fishermen of the province.

The program of plant and station inspection, conducted jointly with the Department of Health, has progressed very favourably. Industry has co-operated with us to the extent of rebuilding and remodelling many of their stations and, because of this, there has been a marked improvement in the packing and processing facilities throughout the province, and, as a result, better quality products are being marketed.

The Surveys Branch has been active during the year 1962 and they were able to do a considerable amount of the boundaries between Manitoba and Saskatchewan. They surveyed 113 miles of that boundary this year, and then in the year coming they expect that they will be able to complete the remaining 139 miles and this program will be completed faster than we anticipated. The Surveys Branch will be expanding its surveys of base lines in the north country in view of the extended activity that we have had up there, and the need to re-establish these base lines in respect to the 18 claim grouping for surveying purposes that we have embarked on during this past year.

I'd like to sketch briefly the item that was mentioned in the Throne Speech on the federal-provincial aero-magnetic survey. In order to assist in the exploration for metals, the department proposes to enter into an agreement with the federal government in respect to a joint aero-magnetic survey of the Pre-Cambrian area of the province. Six or seven years will be required to complete the survey of the entire Pre-Cambrian area. However, the initial agreement, which will be subject of course to my estimates being passed, will cover flying to be completed in the years 1962-63 and '64. The cost of the whole project will be approximately \$770,000 and it will be shared 50-50 by the Province of Manitoba and the Government of Canada. This year we will be doing 50,000 line miles at half mile intervals, and during the next three years about 3/5 of the province will be completed. From the surveys that are done this year, the maps resulting from them will be prepared for distribution to the public by the spring of

(Mr. Witney, cont'd) 1963.

Four events of major importance highlighted the year in mining -- the official opening of the Thompson operations in March; the commencement of shaft sinking operations and other nickel deposits near Ospwagan Lake some 20 miles southwest of Thompson -- and Ospwagan is the Cree for "pipe"; the discovery of a large copper zinc deposit by Sherritt-Gordon Mines near Dunphy Lake, about 30 miles northwest of Lynn Lake; and discovery of a potentially economic gold deposit east of Sherridon. Major exploration programs were also conducted along the Thompson nickel belt and in the Lynn Lake district. The Sherritt-Gordon discovery up at Dunphy Lake focused attention in that area.

We also had some rather encouraging activity in the oil fields of the southwest of Manitoba. Leasing activity increased sharply during the year in the Boissevain, Melita, Pierson, and Tilston areas, followed by extensive detailed geophysical survey. Exploration drilling resulted in a discovery southeast of Pierson which may lead to a substantial development once geological and geophysical data have been fully evaluated. Geophysical activity increased to the highest number of crew months in several years. Seismic surveys were conducted by Texaco Exploration Company, Shell Oil Company of Canada Limited, Imperial Oil Limited and the British American Oil Company Limited.

The secondary recovery of oil from the north Virden-Scallion field by waterflooding depends upon unitization of part of the field, and negotiations leading to unitization are proceeding. It is estimated that an additional 30 million barrels of oil will be recovered if waterflooding of this field is carried out. Up to the present time, the agreement between the various companies concerned has been completed, and now we must go before a public hearing with the Oil and Natural Gas Conservation Board. That public hearing will be held in Virden on April 18. I hope to distribute to the members a little later a copy of a booklet on unitization which will explain what unitization is. The booklet was produced by the California Standard Oil Company and a copy of it will go to all of the leaseholders who are affected by the unitization of this field. Just to give you an example of what happens on unitization when they put water back down again to force residual oil out and up -- in the Daly waterfield, which has been under flood for some time, the program was instituted in 1953. One well had produced 327,000 barrels in round figures, and I have seen the curve of that well. It dips quite sharply and then, as the flooding takes place, it comes up sharply again and then levels off on to a fairly steady production. Then the three fields that we have there, the big ones, the Gordon-Roselea, the north Virden-Scallion field and the Daly field, these fields have produced approximately 86% of the crude oil to date and they account for over 86% of the estimated remaining recoverable reserves. With the experiments and the success of the Daly field, and when the north Virden-Scallion field flood is finally approved and the experience that has been attained from it, we will be able then to investigate the possibilities of flooding of the third major field, the Virden-Roselea field, and to keep the oil potential in the Province of Manitoba to a good level.

Dealing briefly with the Air Service, we had an expansion of the radio communications in the southwest corner of the province during the year. It was one section of the province that was not covered and, with reorganization, we also included the extension of the communication facilities which are run by the Air Service into that area. You will note that there will be more money asked for in the Air Services, in order to establish a main relay station at Gypsumville so that we can provide better communication between the Dauphin-Lac du Bonnet areas, The Pas and Lac du Bonnet areas, and the aircraft while they are in the air.

The Lands Branch also had a fairly active year this year. I'm just dealing briefly with one or two of the things which they were able to accomplish. The soil surveys have been going on at good pace and the Lands Branch soil survey staff, in co-operation with the Manitoba Soil Survey, have surveyed approximately 2,400,000 acres of the 3 million acres which comprise that portion of southeast Manitoba which lies between the Red River Valley plain and the Pre-Cambrian Shield. Various map sheet areas are now prepared -- the Piney map sheet area which contains the southern portion of the Sandilands Forest Reserve and all of the Northwest Angle Forest Reserve; the Sandilands map sheet area containing the northern portion of the Sandilands Forest Reserve, but it excludes the Whiteshell Forest Reserve; the Whitemouth map sheet area which includes practically all of the Agassiz Forest Reserve; and the Pine Falls map sheet area which includes the northern tip of the Agassiz Forest Reserve and all of the Belair Forest

(Mr. Whitney, cont'd) Reserve. The Piney, Sandilands and Whitemouth map sheet areas and a few townships in the Pine Falls area were completed during 1960-61. During the 1962 season the Pine Falls sheet will be completed and correlation work will be carried out for the whole of the southeastern region, and a start made on other sheets on the west side of Lake Manitoba.

We also had our second year of research into wild rice during the 1961 summer season. The general survey was extended into areas that were not investigated in 1960, so that sampling was carried out with emphasis placed on the plants that grow in association with wild rice. The seeds were collected at a number of locations and have been stored under controlled conditions for experimental growth studies to be carried out at the University during 1962. During this winter season, the ecological study of the collected plant studies as well as the water and soil samples are being made at the Botany Department of the University of Manitoba.

That Mr. Chairman, is a very brief run-down on the Department of Mines and Natural Resources. I have made it brief because we have had an appeal to the Committee that we have to get through our work a little faster, and I feel that the points that the members of the Committee wish to enlarge upon can be done when we go through the various estimates of the various branches.

There's two minutes to go, Mr. Chairman and I have, in the past, had the pleasant habit of speaking a little French, but this year I am not going to. After my efforts last year, I had hoped to take some conversational education in the French language and was unable to do so, and I feel that for three years in succession it would be wrong to besmirch the fair French language with the pronounciational ability of the Minister of Mines and Natural Resources. Monsieur le President. Merci beaucoup.

MR. STEWART E. McLEAN, Q.C. (Minister of Education) (Dauphin): Mr. Chairman, I move the Committee rise.

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

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

MR. MARTIN: I beg to move, seconded by the Honourable Member for Swan River, that the report of the Committee be received.

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

MR. McLEAN: Mr. Speaker, I move, seconded by the Honourable the Minister of Mines and Natural Resources, that the House do now adjourn.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 o'clock Thursday afternoon.

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MR. E. PREFONTAINE (Carillon) Monsieur l'orateur, puis-je en votre nom souhaiter la bienvenue aux élèves de l'école de Lorette et leur dire dans la seconde langue officielle de cette enceinte qu'ils sont bienvenus et je tiens personnellement à leur dire que je souhaite que leur après-midi soit non seulement profitable mais intéressante.

Translation of above:

Mr. Speaker, may I in your name welcome the students from Lorette school and tell them in the second official language of this House that they are welcomed. I personally want to welcome them and say that I hope their afternoon will not only be profitable but interesting.

Page 905:

MR. L. DESJARDINS (St. Boniface): C'est seulement un Acte pour identifier un groupe de personnes spécialement les membres du Club Optimiste de Saint-Boniface. Merci monsieur l'orateur.

Translation of above:

This Bill is simply to identify a group of people, especially the members of the Optimist Club of St. Boniface. Thank you Mr. Speaker.

March 21st, 1962.

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