

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Thursday, April 22nd, 1965.

MR. CHAIRMAN: The Honourable Minister of Mines and Natural Resources.

MR. LYON: When we adjourned at 5:30 I was midway in the discussion of one of the items raised by the opposition members, namely the size of the Park and was attempting to give some of the rationale surrounding the decision of the government to proceed with the Birds Hill Park and the size that it is. I had summarized I believe the position as we had outlined it in Winnipeg particularly, and in most urban centers where we had seen the loss of neighborhood vacant spaces, the expansion of the City pushing outward, the lack of development of new park areas in step with population growth, and what I was calling the new era of leisure with its increased demands for recreational outlets -- all of these things motivated the department to move as it did on its centennial park expansion program.

The Birds Hill Provincial Park area has an excellent natural resource space for a large multi-purpose park. In fact it can be described as an unique area in the topography surrounding Greater Winnipeg. It consists of an elevated glacial plain broken only by a shallow swale, a swale trough running through the south central section. This trough is the core residential, agricultural area and contains almost all of these uses. Well over three-quarters of the north section of this plane is unoccupied and except for several gravel quarries, and some grazing the character of the landscape closely approximates the natural wilderness condition.

This wilderness plain and its slope lands with their variety of tree cover are as I have said, a unique feature within the whole Red River Valley and provide a natural park setting which is in complete contrast with the prairie landscape which surrounds us otherwise.

Now Mr. Chairman a large natural park fulfils a function that no other kind of recreation park fulfils. It affords a sense of remoteness from things urban and more than any other kind of park it offers the right environment for family and group picnicking, for day and weekend camping, nature studies, hiking and horseback riding. Properly developed it can accommodate golf courses, swimming pools, sports fields and such scientific and cultural facilities as an arboretum and a botanic garden. If the acreage is sufficiently extensive it may even include landscapes in which no human habitation is visible; woods and quiet hills in which no road penetrates; places where man can be alone with his thoughts and forgetful of the work-a-day world -- and remember I'm talking about an area 14 miles from the corner of Portage and Main. There are no natural unexploited areas within or adjacent to the Metropolitan boundaries that offer the contrast in landscape contained within the Birds Hill Provincial Park.

A number of modified ponds and pools have been constructed by private enterprise in various sections of the Metro area and all experience capacity use during the summer vacation season. A great deal of recreational use is made of the Red River and of the Lockport scenic drive, and other highway routes and major streets that offer at least some visual relief from the city. Those who are unable to visit more distant provincial parks, that is such as Falcon, or Grand Beach, or some of the other more distant ones, search over a considerable section of the Metropolitan environments for their recreation which substantiates the need for a large natural day use area.

Birds Hill Provincial Park, 14 miles from downtown Winnipeg, is ideally situated to serve this recreational need. Connected to the perimeter system by Trunk Highway No. 59 the Park can serve all sections of the Metro area and is within comfortable travel distance by bus or bicycle. The Park will serve all of the Winnipeg region on a day use basis and will offer camping facilities for all Manitobans as well as tourists.

Studies that have been made, Mr. Chairman, by the Department of Public Works, and the Highways Branch indicate - and these are only rough prognostications - but they indicate a 43 percent population growth between the years 1960 and 1980. Well over 60 percent of the population of Manitoba is now concentrated within a 50 mile radius of the Metropolitan area, well over 60 percent of our population, and the trend of population aggregation here is continuing in that direction. It would be safe to assume that by 1980 this regional unit, with a radius of some 50 miles surrounding the Greater Winnipeg area, will hold approximately 900,000 people - and that's a vast number of people - almost as many as the whole province holds today. Applying the universally accepted National Recreation Association standards for Regional Natural Parks of 10 to 12 acres per 1,000 persons - I mention those figures again 10 to 12 acres per 1,000 - the area requirements indicate a minimum, a minimum of 9,000 acres as being adequate.

(MR. LYON cont'd).....

While some new progress is being made by the Metropolitan Government in land acquisition for parks, and I referred to that briefly before, the sum total of existing and planned open space in the Metropolitan area is considerably below open space requirements necessary to create a pleasant and a complete urban environment. Playfields, sports centres, so necessary for stimulating inter-school and inter-municipal athletic competitions, are either inadequate or totally lacking. Nowhere within the Metropolitan area can year round training facilities be found for the encouragement and development of Olympic track and field athletes. Nowhere within the 50 mile regional unit are there public grounds and facilities for staging large inter-provincial competitions. There is no doubt, Mr. Chairman, that the lack of adequate facilities is at least in part responsible for the absence of provincial amateur athletes from the national picture. I think that's something we have to keep in mind, when we consider why we are building on this dimension for the future.

Outdoor recreation and competitive athletics in the province are severely restricted by climatic conditions. However modern vehicles and the variety of winter sporting equipment is generating new interest in skiing, power tobogganing and other snow play activities. Highway embankments and the river bank slopes now provide a restricted and somewhat dangerous outlet for growing members of family groups and winter sports enthusiasts. There is a definite need for a large natural area that can safely and conveniently provide for snow play activities. The envisaged developments will require the full 8,387.28 acres as proposed and that is the present dimension of the park after the alterations were made, 8,387.28 acres. While work is nominally underway the full use of the total area will not be realized until 1970, some five years from now.

It was suggested that the Birds Hill Park is unduly large and comparisons were drawn between the size of this park and that of the Assiniboine Park and the two Metro golf courses. Let's look at this comparison that has been made. Assiniboine Park consisting of approximately 450 acres has two main uses: first, to accommodate a zoo, which we understand is already cramped for space; and secondly, to provide for general play and picnic use. The core of the Birds Hill Park will focus on an artificial lake that will cover 80 acres. This lake, along together with supporting facilities such as beaches, parking and general play and picnic areas will cover about 500 acres, or roughly the same area as Assiniboine Park and so you can see immediately that the one recreational area within the park will be as big as Assiniboine Park. But this is only one of the activities that is proposed for the park and it's a very important one.

Other activities in the park will be: first, tent and trailer camping areas, none of which you can get in the city park -- and I don't make these statements in a critical way of the city parks, they are what they are and they serve a useful function but they serve a limited function. But this park will be able to offer the lake complex and the parking and all the facilities surrounding it. Tent and trailer camping areas which is something that this Metropolitan area greatly needs; organized play fields including soccer, football, baseball, and in the future there will also be a modest stadium and a complete track and field facilities, again within the park. Thirdly, group use areas. Now what do we mean by that term? We mean five hundred boy scouts who want to move in on a Friday afternoon and camp as a group in an area, and five hundred boy scouts need a large group area in order to camp and to have the advantages of all of the outdoor area that there is, preferably in a wilderness area. Four, large organized picnic day camp use, nature and hiking trails in natural wooded areas. In time we plan to develop an interpretative program which will serve to introduce people to the most interesting geological and biological features found in this area. The interpretative program will also include an outdoor museum. Fifthly, riding stables, including an area for equestrian events and a variety of riding trails. Six, two small blocks will remain as unimproved nature preserves, primarily for nature study purposes - they won't be touched at all. Seven, provision will be made for other specialized areas such as horticultural gardens, a shrub and tree nursery and a rifle range. Plans are also being made to accommodate as many winter activities as the park topography will permit. And eight, and last certainly, but not least, there will eventually be two full eighteen hole golf courses. I do not believe that any further comment from me is necessary regarding the comparison that was drawn between the total size of the Birds Hill Park and that of each of the two Metropolitan golf courses, because this park will include eventually two eighteen hole golf courses.

As proposed planning guide lines approximately - and these are only rough guide lines -

(MR. LYON cont'd). I hope that members of the House, Mr. Chairman, will appreciate this, that these are rough guide lines that developers are using - about 35 percent of the total area of the park will be devoted to intensive uses, such as sport fields, a small stadium, an artificial lake and accessory grounds, camping facilities for tourists, family and youth groups, extensive picnic areas, horticultural gardens, a production shrub tree nursery, the 36 hole golf course, the rifle and archery range. Now that's the first 35 percent for intensive use. About 30 percent will be devoted to extensive use, extensive, such as large picnic groups, organization rallies, organization and youth day camp. The remaining 35 percent will be developed for a variety of hiking trails, bridle paths, nature study and outdoor interpretative features including the two small areas that will remain as untouched wilderness. I think it is obvious, Mr. Chairman, that Birds Hill Park will offer a far broader range of activities than is provided at present, or that can be provided at present by the parks as we know them within the Metropolitan area.

As I previously mentioned application of the standards for regional natural parks as set by the National Recreation Association and accepted by the United States National Park Service, the American Institute of Park Planners, and almost unanimously by all park planners in Canada, results in a park size requirement of 9,000 acres when the population of the Winnipeg project region is projected to 1980. I believe and I am sure, Mr. Chairman, that honourable members in the House will agree after serious reflection, that it would be very short-sighted on the part of the government and a very short-sighted policy indeed not to consider projected population growth for at least fifteen years when planning a major park development such as this. I think it is axiomatic that this has to be done. You don't build just for today, you must build for the future and we can think of countless examples in the past where we today pay tribute to those who preceded us because of the foresight that they used in developing different natural areas within our city, in developing different public works within our city. And how many of us today would condemn the city fathers of 1910, I think it was, when they built the Greater Winnipeg Water District for a city at that time that they couldn't even see but a Greater Winnipeg Water District that is still servicing the city today, of 500,000 people. This is the kind of foresight that we have to use today, I suggest, in developing our wilderness and our recreational areas for the future.

Well, with these standards as a guide, the park area was originally proposed to be 9,300 acres - that was the figure that we talked about last year. Some of the property at the south end of the park upon thorough investigation was found to contain very substantial gravel deposits, the value of which outweighed recreational values. Since it lay on the southern fringe of the park, this area could therefore be withdrawn. I may say as well that we had discussions with the municipality concerning this matter, and they had some interest in the area as well, and it was at their request that part of this area was withdrawn, and it was further at their request that a new area was added on to the park boundary because it would help them with local drainage problems which they were experiencing in an area that is relative to the lake basin that we plan to build. So there is nothing -- I make no apology for having withdrawn this portion, the lands, the gravel values, the mineral values were extremely high. We didn't think it was in the public interest to expend money that would be required to pick up those high value and high acreage areas of gravel at the south end, particularly when there was other property that we could use equally well for the purposes that we needed. So the net result of the withdrawal and the addition on the east side of the park, has reduced the total park acreage from about 9,300 acres to the figure that I mentioned before of 8,387 acres, and you will note this has already dropped the acreage figure somewhat below the accepted standards and any further reduction, Mr. Chairman, would seriously detract from the over-all concept and the planned utility of this park.

Some mention was made, I believe again by the Member for Lakeside, about the combined municipal and Crown land holdings in the park area. These total approximately 3,253 acres. As I have outlined, this area is entirely inadequate for the required purposes, that is if we were to build around that core area, if indeed it could be found to be a solid core. The Crown lands are not located in a consolidated block, while the municipal lands lie scattered throughout the park area so these were not a consolidated block of land which would act as the core, these were spotted throughout the area. It would be completely impractical, I suggest, Mr. Chairman, to allow people who didn't wish to sell to retain ownership and control their holdings within this proposed natural park area. Had such a policy had been followed, certainly we can visualize the resulting proliferation of hot dog stands, penny arcades, and perhaps

(MR. LYON cont'd). even high-rise apartments, scattered throughout a park in a hodge-podge of incongruity. And so I'm merely suggesting that this idea -- all of these things were looked at, but this idea was not a feasible or a practical idea, to use this Crown and municipal land as the core area, and in any case the core area for the Crown and municipal land was too small for the purposes for which the park was being acquired. All one has to do is to visualize a chess board and to imagine that the red squares might be the parts that were required by the Crown and the black squares were the parts that would be owned by the public, and some of the blacks would want to sell, one up here might want to sell, one over there would want to sell, we would buy those but we still wouldn't have a total combined core area that you could work with. Well, without worrying that point any further, I merely say that this was not considered by us then, nor is it considered today to have been a practical or workable alternative to this park site.

Now I don't think much more need be said about the size of the park. Those are the main motivations. We acted on the advice we think of good planners on the basis of the best advice that we had. I think their advice was good and I stand by it. I'm quite happy to stand by it because I think that in years to come a park of this size will not be looked upon by anybody as being too large.

I mentioned before the House adjourned, recessed at 5:30 that one of the great concerns today is to acquire land while it's still in a natural state because if you wait five years, ten years, the land won't be available and I was interested to find that this opinion is not shared, is not held only in Manitoba. Certainly this is a continent-wide opinion and today on the CBC news there was a statement by the Minister of Northern Affairs and Natural Resources for the country, the Honourable Arthur Laing, and his statement on the news release that came out reads as follows: "Canada needs more national parks". This is the news release that came out today. "There is no time to waste, Mr. Laing explained in Ottawa yesterday, because land with special characteristics for national park development should be set aside while it is still available." I seem to have heard those words somewhere before, and of course they are true. And then Ken Mason, reporting on the interview with Mr. Laing in Ottawa, said these words: "The Minister says that Canada's 18 national parks cover most of the country's main geographical features, from the towering Rockies of Alberta and British Columbia to the rugged Atlantic coast, but he added, there are still some notable gaps which must be filled. There is no national park on the Pacific Coast, and there are no major parks in Canada's two biggest provinces, Ontario and Quebec. The same goes for the far north and the mineral rich Canadian shield. One of the gaps will start to close this summer when federal and provincial officials will begin surveying possible sites for a prairie national park in Saskatchewan. They will be covering areas where land, reminiscent of the original prairies remains untouched. Three sites are under consideration, the Cypress Hills, Val Marie, and Lost Mountain Lake. Mr. Laing says national parks attendance is up over the nine million mark and rising, while land values rise still faster as choice areas are bought up for other development. He says time is not on the side of long leisurely looks into the future." And, Mr. Chairman, I would say that we subscribe to that statement 100 percent, and I would think that most honourable members of the House would subscribe to that statement that time is of the essence if you are going to acquire, whether for national, provincial park purposes the land that you require for them. And so I say no more about the size of the park. I think the facts speak for themselves. I think the size is justified and that the decision that was taken by the government will certainly meet with approval.

Well now the third point that was raised -- the first point having been the alleged illegal expropriation, and the second point was the park was too large, according to the Honourable Member for Lakeside

MR. CAMPBELL: That is not correct.

MR. LYON: Well, Mr. Chairman, I can only go by the printed word.

MR. CAMPBELL: Mr. Chairman.

MR. LYON: in Hansard.

MR. CAMPBELL: not what I said.

MR. LYON: Mr. Chairman, on page 1643 of Hansard of April 19th -- I'm quoting now from my Honourable Member for Lakeside speaking in this debate -- in the middle of the page, he said, "Then as I have said on previous occasions in the House and out of it, the area that my honourable friends are taking there is in my opinion much bigger than necessary," and then he goes on, if I remember correctly, "the statement of the Minister 9,300 acres," and so

(MR. LYON cont'd). on. I am sure, and then he went on to say, "Do we know how large this area is? I am sure that if they did realize the amount of land that that is, that they would recognize that it is not necessary, even for the very optimistic plans they have out there. Because, Mr. Chairman, you'll be aware I'm sure of the fact that the Assiniboine Park, which you have had something to do with, looks to the average person as a pretty big area." And then he went on to describe it. And he said later on, "All of the facilities that we had exhibited to us here in Room 200 the other day could be put on a considerably smaller acreage and the farmers and other private owners who wanted to be left out could have been left out, without great detriment to the park, either as regards the topography, which naturally the experts want to capture in as great a variety as they can. I approve of that. That's a fine area, but in the land -- and I hope I am quoting the honourable minister -- my recollection is that possibly half the total area was already owned by the Provincial Government and the municipality taken together. Well that would be 46 or 4,700 acres in round figures and if you had taken and added to that amount of acreage the farms and holdings of the people who wanted to sell, and there undoubtedly were some who were willing to, my contention is that it was unnecessary to deprive these other people of an area that was very valuable to them in its potential and in many cases was very valuable to them as their home at this time." Now if my honourable friend says that he didn't say the park was too large I'll accept his word but I can only go on what he said in the previous debate.

Mr. Chairman, the third point that I would like to deal with is the question, or the implication I suppose is a better word, that the government with respect to this particular land acquisition is not paying the land owners enough money. I must admit that it is -- I'm in an odd position having to defend the government for being penurious with respect to land acquisition, and I think that by the time I've finished some explanation of the procedures that we followed that perhaps that challenge or that statement will be found not to be holding perhaps as much water as some people would like to think it does.

I would stress that these matters are under negotiation. I am sorry the Honourable Member for Brokenhead is not in his seat because I was going to say to him tonight that there may well be individual cases where he wouldn't want to give the name of the person because they received a notice, but I say most sincerely to him or to any other members of the House, if they do see cases where they feel that there should be another look-see by the review committee of appraisers or by the Lands Branch, or by anyone else, please feel free to give me the name on a piece of paper -- you don't have to do it in the House -- and we'll make sure that they are double checked because the effort of the government, I think the effort of any government, whether it's a Conservative Government, a Liberal Government or an NDP Government, on an expropriation or a large acquisition of land is to be as fair as possible to the people whose land is being expropriated. That's one side of the question. And the other side of the question, of course, always is to look after as well as you can while you are expropriating or acquiring land the interest of the other 980,000 people in Manitoba who are footing the bill for it, so you have these two things that have to be balanced, a fair and reasonable price to the landowner whose land is being taken and at the same time a price that is not unreasonable to the public treasury, and that's why we use appraisers and so on, to try to give us land values. And I'll give just a brief outline of the steps that were taken with respect to the acquisition of this park land in the Birds Hill area.

Now first of all let me say this. There are 159 property owners involved, not several hundred, not less than a hundred but 159 property owners involved. I'm advised that roughly, and this is an approximation only, roughly a third of these people are actually in residence on the property, two-thirds of the property is owned by non-resident landowners, municipalities, companies or other people who may be holding it for speculation, or for any other purpose. So roughly only a third or say 50 of the people involved or the landowners involved out here are actually resident on the property.

Now what is another fact that I should bring to the attention of the members at this time in generally considering this matter of expropriation. The statement was made that settlement or that offers of compensation were not made, the formal offers were not made until -- I forget the date -- April of this year, just a week or two ago. That's true, the formal offers went out to all of the owners who up to that time had not settled but I think it's of interest to the honourable members to know that offers were made to, or beginning offers were made to owners in November of 1964 and on through. Now these are the negotiations that go on in any land acquisition. And I'm happy to be able to say that the most recent figure that we have on

(MR. LYON cont'd). settlement, that is owners who accepted the offers that were made orally in the course of negotiations, that 31 of the landowners have had settlement offers made and accepted at the present time. Now that's not an overwhelming percentage. That's roughly -- what -- 20 percent roughly of the owners have already had their offers, have accepted the offers and are in the course of being paid out and so on.

There are 15 landowners whose property was taken in this additional land that we acquired on the east side of the park. Their land was acquired by expropriation in November of 1964 and these 15 have not had offers made to them, but of course they've been told that there will not be any requirement for possession for, I think it's another year, and offers will be made to them this summer. These are the fifteen who, after the bottom part was abandoned, the fifteen new ones who were taken to flesh out the rest of the southwest corner -- southeast corner of the park. --(Interjection)-- Pardon?

MR. PAULLEY: Why haven't they been made offers?

MR. LYON: They haven't been made offers because the appraisers have been busy cleaning up the other 142-odd landowners and they want to wait -- preferably they'd like to wait until spring, and there's no push in terms of having the people move off the property. They'll be getting their offers - I would imagine that appraisals of these properties will start any time now that the snow cover is gone.

MR. PAULLEY: Mr. Chairman, I wonder if the Honourable Minister will permit a question on this matter?

MR. LYON: Yes.

MR. PAULLEY: The Honourable Minister says that the reason that offers haven't been made is because of the fact the appraisers are being busy, and then he says that there's no immediate rush for the people to get off of the properties under expropriation. Now this is all very fine. It's on the basis of the government's side, but what about the people who would like to use the time period from last November in order to know what they are going to receive for their properties in order that they might come to agreement in order to purchase other land that they may be desirous of obtaining?

MR. LYON: Mr. Chairman, I'd be the first to admit that my honourable friend has a point. I think he has a point and a valid point. I haven't been told by the department of any people in that area, although there may well be some, who would like to have had their offers earlier, but if there are, I am sure that the appraisers will be out right away now making the offers, because we want to make the offers so that they can get the 75 percent. Even if they don't accept the offer, they can get the 75 percent to help in relocation without prejudice to any future arbitration or whatever they may undertake with respect to the land value that is suggested to them.

Going back to April 10th of last year when the expropriation plan was filed -- I want to make this preliminary remark first. I think it would be almost inconceivable for any government to acquire land, a large tract of land of this size, whether it's for the floodway or whether it's for a provincial park or whatever, it would be almost inconceivable with an expropriation of this magnitude to be completed without differences of opinion between the landowners and the power expropriating the land. I think it would be a heavenly situation but I don't think it will ever take place, and I want to make it perfectly crystal clear that I find no fault with the landowners who are complaining, as they are from time to time, that they don't like the value that the government has suggested would be fair value for expropriation - 'twas ever thus.

I don't know of any landowner who has ever been totally or completely satisfied with prices that are offered, because it's human nature. This is a very subjective thing. Government, whether federal, provincial or municipal, moves in for some public purpose and acquires land for this public purpose and the landowner, his only method of compensation is money, and you're not always going to get agreement between the landowner and the expropriating authority, whether it's federal, provincial or municipal, or of one of the utility companies or whatever, that the price that is offered is a fair one.

So I don't think it's unusual or unique to expect that the landowners would not be totally satisfied with the land settlement offers that were made to them. I don't think that there's anything unique about that situation at all. I want to make it crystal clear that neither myself, the department, or the government, have any hard feelings or anything like that against landowners, because they're acting in a totally natural way. This is a natural reaction of anybody who is having his land taken, but there are going to be differences of opinion. These are all value judgments that are applied, and what I intend to do is to outline to you how the government came

(MR. LYON cont'd).....to arrive, or how the department came to arrive at the values that were subsequently offered to the landowners, 31 of which have been accepted, the balance of which have not been accepted, and formal notices have now gone out on them.

On April 10th, the notices of expropriation of the lands needed for the Birds Hill Park were filed in the Land Titles Office. Now I think some suggestion was made that nothing was done from April 10th until the 15th of July. I would like to correct that misunderstanding because the first thing that was done of course was that all landowners were notified immediately by letter as to the expropriation, and they were told the purpose of it and were told that there would be appraisals made and they were told about the 75 percent and so on.

Now from that time forward the appraisers within the department, within the Department of Mines and Resources, then proceeded with their background studies which I think any appraiser will tell you has to be undertaken if you are going to arrive at a fair appraisal value and try to set ranges within which you are going to make offers for the various types of land that you find within an area such as we have there. It wasn't of course possible to make offers of compensation to the owners immediately because the appraisals had to go forward, and that I think is crystal clear and again axiomatic to anybody who has had anything to do with land expropriations.

Detailed appraisals of the properties had to be made before this could be begun, keeping in mind always the twin masters that the expropriating authority has to serve: First, the landowner, to ensure that he gets a fair and reasonable price; secondly, the taxpayer, to ensure that his contribution to the public treasury is not being handled in a profligate way merely to satisfy a landowner who might end up getting an unreasonable price or an unreasonable value for his land.

During this period the appraisers carried out these extensive researches to establish the formula of land values. Investigations for research include building costs, soil productivity, small holding potential -- and I mention that in particular because there is a subdivision potential within this area, because conceivably in the future it would become part of the urban sprawl and some of it had already started into the area -- a subdivision of small holding potential was built in to the land values that would be offered to the landowners. An examination of sales was made over recent years to determine comparative value of the properties with the properties taken for the park. The conclusions as to value after examining over a hundred sales made during the previous three years were that in addition to the agricultural values of the land, provision had to be made in the estimates for value for potential sales of land for residential small holdings of not less than five acres each.

Now this study in research and background was done by the departmental staff - by appraisers we have on the staff - by our land men who are working with land all the time. The same people by the way who give us appraisals on all land purchases by the government, the same people who gave appraisals to my honourable friend the Member for Lakeside when he was the First Minister of this province. These are the people that the Lands Branch rely upon to give advice, technical and expert advice as to land value.

So we didn't just accept their appraisals, good as we think they are, but to make doubly sure that we were on the right track, before an offer was made at all we called in two outside appraisers, and I'll mention them by name, one was Ted Townsend who is well known I think to many members of the House, a member of the Appraisal Institute of Canada; and the other was Mr. Kirby, also an accredited appraiser. These people were called in, not jointly but separately, and they were asked to review the land values that had been set, the range of land values that had been set by the staff of the department, in order to insure that we were meeting again these two goals just as closely as you can, the two goals of giving a fair and reasonable price to the landowner and at the same time not raiding the treasury.

Well they came back with their suggestions and they made some adjustments I understand. I didn't go into the full details of their report but they made some adjustments or suggested some adjustments to it, and these were incorporated into the value of land that the appraisers then probably would offer to the landowners. This took from about mid-July until mid-September, and these appraisers were out on the land of course during this period. So this was what I will call, for sake of explanation, the second review by appraisers. The first one was done by the departmental staff, then their appraisals were reviewed by Messrs. Kirby and Townsend to make sure that we were giving fair offers, having regard to all of the factors that appraisers look at.

Then in September we were ready on the basis of those two appraisals to start making

(MR. LYON cont'd). offers, but at this time we gave consideration to the question of the committee that you have heard spoken of before, this ad hoc committee that the government decided to set up to look at all land purchases made by a government. I'm referring now to what we call the Price Rattray Committee. That's the committee that Mr. Price Rattray chairs, and the member of the committee is Mr. V. E. "Dick" Driver, the Mortgage Manager of Montreal Trust and is on loan to participate in the work of this committee, and the third member of course is Mr. Harvey Odell, the Past President of the Union of Municipalities and a man well versed in rural land dealings, and may I say a man of great strength on that committee so I'm told by the two appraisal members, because he has a wide knowledge of land values, particularly in rural Manitoba.

So in addition to other lands that the government acquired that were reviewed by this committee, this committee -- one of its main jobs was to review for the third time all of the land appraisals that had been made up to that time of the Birds Hill property. Remember you have the departmental staff first; Messrs. Kirby and Townsend second; and now third, the Price Rattray Commission - Mr. Rattray, Mr. Driver and Mr. Odell - who went out on the land and who went over every piece of the land, that is walked over all of it, and who reviewed every single appraisal that was to be made to every single owner, and whom the government required to pass and approve of the settlement offer before a settlement offer was made.

Now it took this committee from approximately September -- they weren't set up until mid-September -- mid-September until November to complete the third appraisal, and they gave a certificate with respect to each piece of property in the Birds Hill area that we were expropriating. So after the third review our appraisers then went back to the individual landowners and started to make offers of settlement on the basis of these triple appraisals. As I mentioned, some of these were settled - 31 of them up to date have been settled; others weren't.

There came a point where some of the landowners made it known that they wished to talk not only to our appraisers but to this committee, because they were aware of the existence of the committee, so arrangements were then made for any landowner in the area who wished to do so, to come before this final or third committee to discuss his problem of appraisal or the problem of land value that he felt he had, and I'm told that roughly 50 percent of those who chose to avail themselves of this opportunity to appear before the committee and to discuss land values with them, in 50 percent of the cases -- I think that's the figure roughly -- adjustments were made. I think in most cases probably minor upward adjustments because of some minor factors that might have been overlooked. So that was the position then - the three appraisals, and the committee of review talking to those landowners that wished to avail themselves of it and so on. As I say, the offers were started in November of 1964 and we were ready to send out the final notices, the formal offers of settlement in February of 1965.

But then we met with the committee, the Birds Hill -- I think they call themselves the Pine Ridge Landowners Association -- sometime in February met with us to discuss some of the problems that they have, and let me be the first to say that they weren't, at least the executive committee that we met with certainly weren't satisfied with the land values that were being offered to them. Let there be no misunderstanding - they weren't satisfied and we discussed questions of how there might be some resolution of this difference of opinion that existed between the triple appraisals and the landowners themselves.

Out of that discussion arose the suggestion by the landowners that the government should do for them as had been done by my colleague the Minister of Agriculture with respect to the Greater Winnipeg Floodway expropriation, namely, that the government should pay for an independent appraisal to be done by appraisers. After a list of suggested appraisers was given to the government, the government would select two of them; would pay them; and these appraisers would then go and conduct an independent appraisal.

Well now keeping in mind, Mr. Chairman, the fact that we had already gone through three processes, I said I didn't really think that this would add much to it, but having done it in the case of the floodway we thought that it was only fair to do it in the case of the Birds Hill property and so we authorized the fourth appraisal to be done.

Now I think my honourable friend the member from Brokenhead raised some point about the government -- he alleged the government had backed down on its promise. I can tell my honourable friends in the House, Mr. Chairman, that that isn't the case because the substance of the arrangement we had, certainly that we felt we had with the landowners, was that they would get an independent appraisal on the same basis or footing as had been given to the property owners in the Red River Floodway, and in that case of course Manitoba appraisers had

(MR. LYON cont'd).....been used. There is a good reason for using Manitoba appraisers because they are familiar with land values in the province; they know the area; they don't have to come in from outside and familiarize themselves with a lot of factors that are known to all of our appraisers.

Furthermore, I don't think there is anything wrong, I don't think any members of the House think there is anything wrong with the 40 members of the Accredited Appraisers Institute of Manitoba, and so when we got some word that they were considering using out-of-province appraisers, I wrote them a letter immediately before the list was received and suggested that if they were thinking of this they had better give us a list containing Manitoba names as well because we wished to have this fourth appraisal done by Manitoba appraisers. Now I haven't heard from them since. I hope that they will supply that list because the government stands ready to pick out the two, pay for these appraisers, and have this fourth appraisal done and to look at it quite carefully and to satisfy the people that we hope the values we have been offering are realistic and fair to everybody concerned.

Now, in the meantime, I mentioned -- going back to the point that we were on about formal notices -- we were ready to send them out in February but at the request of the landowners association we withheld the issuing of these 30 day notices thinking that we could get this appraisal under way in a short time. After approximately six to eight weeks had elapsed and we were no closer to getting the list and so on from them, we decided to issue the 30 day notices, not with any idea of intimidating the landowners because of course you can't intimidate them by carrying out the sections of the act and we assured them that these could be issued, it would give them up to 30 days initially to make response and then an additional 90 days after that, and that this would not prejudice the going forward of the fourth appraisal which they had requested.

That very generally, Mr. Chairman, is the situation in which we are today. There have been 31 settlements; I think there have been 106 notices, formal notices of settlement sent out; that is in those cases where offers have been made but not accepted and the formal notices have now been sent out under the act; and as I mentioned before, there are the 15 properties where appraisals will be made this spring.

Another matter of interest, because I think the expression was used by someone in the course of the debate that these were all small people and that the government of course expropriates -- I think this is the term -- expropriates from the small and negotiates with the rich. Well I merely want to use some of these figures without any names attached to indicate that formal notices have gone out now -- or settlement offers have been made of this magnitude. One offer is between 120 and \$130,000, one offer for a piece of property in the park is between 120 and 130,000; another offer is between 60 and \$70,000; 5 offers are between 40 and \$50,000 within the park; one offer is between 30 and \$40,000; 10 offers are between 20 and \$30,000; 19 offers are between 10 and \$20,000; and the balance, 106, are from \$10,000 or less.

So I merely want to indicate to honourable members of the committee, Mr. Chairman, that while there are certainly a number of small landowners in the area, I think the size of these offers would indicate that there are perhaps one or two who own rather sizeable or expensive holdings in the area as well, and that these people are being treated on exactly the same footing as any of the other owners in the area.

The problem that is faced in land acquisition by any level of government is not an easy one, and as I have mentioned before I think you are always bound to have disputes between the person whose land is being expropriated and the expropriating authority. In this case the allegation is made that we are not paying enough. In other cases the allegation is made the government pays too much and in each case it's the subjective opinion, it's the value judgment that has to be given. By and large in this administration, and in the administration that preceded it according to the records that I have checked, it has been the practice of government to rely on government appraisers.

Now my honourable friend the Member from Lakeside when he was the First Minister of this province, I checked back over a number of the land purchases that were made in his time, not by him personally but by his government, and I found out that in most cases land purchases, and they weren't of this magnitude at all, but land purchases were negotiated after the land experts in the Lands Branch, in most cases but not in all cases, after the land experts had set a value on the land and there would be negotiations. In some cases, not in our department but in some cases in public works of course there had to be expropriation because they couldn't get settlement, so this is the usual procedure that has been followed, that is when the

(MR. LYON cont'd).....negotiation method is used. When expropriation is used, you file the expropriation plan as we did here; you go out and get, in this case three different sets of appraisals before we made the offer in an effort to be fair and reasonable to the landowner and fair and reasonable at the same time to the public treasury.

Now the member for St. George mentioned the name of one individual who owns property there and I think that the property that he mentions is perhaps symptomatic of the kind of problem that you face when you're trying to acquire land, because in this case, by this landowner that he referred to, 120 acres of land were bought by this landowner in the fall of 1963 - this would be some six to seven months before the government moved in on April 10th with the expropriation - this landowner bought 120 acres at \$6,000 or an average price of \$50.00 an acre. Now I've seen this land and it's uninhabited land, it's nicely treed, no buildings on it and so on, surrounded by a road, but remember the price -- \$50.00 an acre was the price that was paid seven months before the expropriation.

Eighty acres of this land was expropriated on April 10th, 1964. Under the formula that was used for values of land taken under expropriation, an offer was made for the 80 acres taken by the government on this basis, a total offer of \$12,320, which works out to roughly \$154.00 an acre. Now these were the range of values that were being applied by the three sets of appraisers and this is the range within which this property came. Remember this property had been bought by the landowner seven months before at \$50.00 an acre. The government is now offering \$154.00 an acre for the same property.

Now it can hardly be said, at least to me as a person looking at it, that the government can be said to be unfair when no improvement has been made to the land and an offer of three times the price that was paid for it six or seven months before is made. In this case we are told that the owner who of course -- the owner apparently says she doesn't wish to give up the land and the owner has put a price of \$1,000 an acre on the land. Now there has to be some happy medium in between, and this is why you use government appraisers, this is why we've gone to this extra trouble in the case of the Birds Hill expropriation to have the three sets of appraisals that I've described to you and it's why we are willing to have the fourth appraisal done by two independent Manitoba appraisers when the landowners will give us this list. So that basically, Mr. Chairman, is the picture, the general outline of the procedures that the government has followed.

Now I come back again to the three, the burden of the three comments that have been made against the government with respect to the Birds Hill land acquisition. No. 1, that it was illegal. All I can say in that regard is that according to all of the advice the government has had in this regard, it is not illegal; this was a legal expropriation. If on the other hand anybody disputes that, of course they can go to court and dispute it all they wish, but we act on the same advice that we acted on in 1961 on the Floodway where the same procedure was followed. I think it's good advice and that's that, there's no point in arguing. I can say it as often as I want and my honourable friends opposite, if they want to be barrack room lawyers they can say it different, but that's it.

No. 2, the size of the park. I suggest that I have shown, or attempted to show a justification for this park, for the size that was acquired by the government. We're building it not just for today, we're building it for populations that we envision 20 years from now, and we think the people 20 years from now will look back on what this Legislature permitted us to do by voting and say, I hope they will say they built it better than they knew, because I think 20 years from now nobody will be arguing about the price that was paid for the Birds Hill land. They'll be quite happy to have the park and I think all of us will be quite happy to have the park, and this business of acquiring land in a block, it's acknowledged to be the right process by every authority on the North American continent involved in recreational land acquisition.

Third, we're not paying the landowners enough. That's a value judgment, and may I say of the judgment that again finally, and I hope there won't be too many cases, but again finally, if the landowner just can't agree, he has all of the machinery that is set forth in The Expropriation Act for arbitration. I don't recommend arbitration as a lawyer because I think ultimately when people go to arbitration there are costs involved and I don't, certainly as a practising lawyer I never encourage people to go to arbitration, I encourage people to try to settle because I think that's in the best interests of everybody concerned.

But for those who can't see their way clear to settle at the price offered after the triple appraisal that we've had done, I think there's very little other alternative and we will have to abide, that is the government, any government has to abide by the land values ultimately that

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(MR. LYON cont'd).....are set either by the appraisers and settled with the landowners, or in the few cases that go to arbitration that are ultimately set by the court and ordered to be paid by the government. These are value judgments. There's no right side or wrong side on it. It's a value judgment all the way through.

I make the comment, Mr. Chairman, that we have tried to be as fair and reasonable as possible, going through these triple appraisals. We stand ready to have the fourth one done. We think that we've been fair and reasonable to the landowners. I certainly don't think that we are underpaying them. I've cited the one example as symptomatic of the type of problem that you run into, in land acquisition, and I think on all counts that the land acquisition should be approved of by this committee.

..... Continued on next page.

MR. GUTTORMSON: Mr. Chairman, the Minister has talked for over an hour and given us a lengthy discourse on the advantages of parks, etc. This isn't the point at issue at all. Nobody is questioning parks or the advantages of parks. We are discussing the method the government handled the acquisition of this land for the park, and that's the point at issue.

I said in my remarks on Monday that the government had taken the land illegally, and that stands; and he can say that it isn't true. Well I'll read the Act. You don't have to be a lawyer to understand it. Section 13 of The Expropriation Act says, "it is abundantly clear upon the plan of any land taken for a public work being deposited, the Minister shall cause to be served by registered mail upon all persons shown by the record of the Land Titles Office to be the owners of the land so taken, unless the owner has agreed upon his compensation, with the Minister, a notice setting forth the compensation which he is ready to pay therefor, together with a description of the land taken or of the powers to be exercised with regard to land described therein." It's quite clear that when the plan is filed, the Minister must stipulate the compensation he is prepared to pay. He can argue all he likes that it isn't true but it's right there in the Act. I have checked this with some of the finest legal minds in the city on this point to make sure I was right on it and there's no doubt in their mind that the government acted illegally, and judging.....

MR. LYON:I could save my honourable friend an awful lot of time if I were to make this statement to him. I'm sure that nothing that I have said will convince him that the expropriation was legal. He has that view. He had it in 1961 and my heaven, in a democracy he is entitled to have that view, even if I think he's wrong, and I am a lawyer and he isn't. So he can talk till he's blue in the face. I think he's wrong, he thinks he's right, but what's the use of arguing about it.

MR. GUTTORMSON: Mr. Chairman, I never made this allegation in 1961, just for his information. If he acted illegally at that time I wasn't aware of it. But he certainly has in this instance because it's abundantly clear in Section 13 of The Expropriation Act that you must stipulate how much you are going to pay when you take the land. Now he says we've accused the government of not paying enough money for the land. This isn't true. We said you didn't deal fairly with the people. Had the government, or the Minister, told the people what they were prepared to pay, they could have gone and sought land elsewhere in the district, but he waited until April of this year, a year later to tell them what he was prepared to pay--(interjection)--Formal, you didn't give any formal notice until April. You may have said something verbally but a landowner can't take something that's said verbally to the bank and borrow money on that basis.

MR. LYON:had already settled on it.

MR. GUTTORMSON: Settled on it?

MR. LYON: Settled, yes.

MR. GUTTORMSON: They signed an agreement. But what about those that weren't satisfied? He says under the Act the government can pay 75 percent -- 75 percent of what though. If you don't get a formal offer you get 75 percent of nothing. Had the Minister given the people a formal offer when he filed the order expropriation, even if those people were dissatisfied with the amount of money that the government was prepared to pay they could have gone to the bank and borrowed on the basis of that offer and bought another place in the area; but they never got that formal offer and therefore it prohibited them from going elsewhere to buy land. It certainly did, because they didn't get formal notice, a formal offer in writing until April 9th, this year.

We're not suggesting for one moment that the government should pay huge sums of money for this land. All we say is you should have dealt with them fairly and if the government would have dealt with them fairly at the time of filing the expropriation plan these people could have gone and bought other premises in the adjacent area. As a result of the delay they have been unable to do this and this delay has caused uncertainty, and the uncertainty has resulted in the prices going up, and therefore the prices the government is prepared to pay today is not enough for them to buy land in the surrounding area. Had they made a formal offer a year ago they could have bought some of the land in the area. At the special session last summer on Wednesday, August the 26th, I directed a question before the Orders of the Day to the Minister and asked him about the delay in the Birds Hill area. And this is what he said, "Madam Speaker, the negotiating team from the Department are just now as I understand it completing their assessments in the area and I am hopeful - I have the same comment as my honourable friend - I am hopeful that these enquiries of these people will be answered very shortly."

(MR. GUTTORMSON cont'd). Well shortly is about eight months later--(Interjection)-- Three months? April, from last August is not three months. Now these people as a result of this delay will never be able to recover the losses they have suffered.

He talks about the mineral value. He talks about this woman that I referred to in my remarks on Monday as wanting \$1,000 an acre. This isn't true. She said that - what she did say was, she didn't want \$1,000 an acre because she wants to retain the land. She isn't interested in selling it at any price. What the government has failed to do in negotiating with the landowners - many of them had the mineral rights and they were not told about the mineral rights and this woman I referred to has the mineral rights and with the mineral rights the property could conceivably be worth a great deal more than the government is prepared to pay. However, in her case it wasn't a matter of money, she just didn't want the land to go, she wanted to retain it. So he can talk all he likes about the appraisals that went on. This trouble would never have existed had he made the formal offer in a legal manner last April when we filed the plan of expropriation. Those people, even if they were unhappy with the amount that was offered by the government, could have gone to the bank -- for example if a person was offered \$10,000 for a piece of property which the owner felt was worth \$20,000, they still could have got -- the government is entitled to pay them 75 percent of that \$10,000 and they could have accepted it without jeopardizing their bargaining position and they could have gone to another piece of property in the adjacent area. But by not giving a formal offer these people were prevented from going elsewhere to buy their property, and some of them are still waiting to have this settled and they still can't go elsewhere for their land.

So the Minister can say, describe this as a legal expropriation. It's right in the Act, Section 13 says you must file it. As I say, we are not suggesting for one moment that you should pay exorbitant prices. All we say is if you had treated these people fairly at the start, you would not have had this problem today and the people would have been able to buy other property.

MR. HUTTON: Mr. Chairman, I wonder if the honourable member would read that section of the Act again and point out to me where there is a time limit in the section that he is.

MR. GUTTORMSON: I would be happy to read it to him. Section 13 reads "upon the plan of any land taken for a public work being deposited, the Minister shall cause to be served by registered mail upon all persons shown by the records of the Land Titles Office to be the owners of the land so taken, unless the owner has agreed upon his compensation, with the Minister, a notice setting forth the compensation which he is ready to pay therefor, together with a description of the land taken or of the powers to be exercised with regard to the land described therein." And Section 14, it reads, "where any person so entitled and served with a notice is dissatisfied with the amount offered, he shall within one month from the date of the notice notify the Minister of the fact in writing and shall in his notice name the amount which he claims and make a full statement of the fact in support of his claim." So these people had, under the Act, should have notified him one month from the time they received an offer. They never received an offer until April of this year.

MR. LYON: Mr. Chairman, I reiterate again because I don't wish to waste the time of the House, the Hansard reporters and everybody else, the newspaper reporters, of this argument, if it may be called that - may be graced with that name - as to whether or not the expropriation was legal or illegal. Five hundred pieces of property were expropriated for the Greater Winnipeg Floodway under the same section of the Act in exactly the same way. It wasn't illegal then. One hundred and fifty-nine were expropriated for the Birds Hill Park in the same way. It's not illegal now. My honourable friend can have a different view and he's entitled to it. I merely tell him the advice that government has received on these two major expropriations and that's that.

I think he has an unfortunate misapprehension as to how land acquisition negotiations are carried on. He says that people in the Birds Hill area were unable to get 75 percent of the offer because no formal offers were made to them until April 10. What he conveniently overlooks or is perhaps inadvertently unaware of, is the fact that I mentioned in my remarks that offers - we started to make offers after the triple appraisals - and you couldn't make the offers before the appraisals had been done, with all due respect to my honourable friend. At least I don't think any government in its right mind would try to make offers on the basis of no appraisals. That's what took the time, the appraisals. You can't make the appraisals before the expropriation because if you do you defeat the purpose of the expropriation and let

(MR. LYON cont'd).....speculative pressures come to bear. So I think that should be clear to him. But the verbal offers, the land agents going out to visit the landowners started in November, were pretty well completed, drawing to completion January and February of this year. And to point out exactly what I'm meaning, my honourable friend said they could have gone to the bank. They didn't have to go to the bank because once the offer was made to them verbally they're entitled immediately to apply for 75 percent of that offer and the government will pay it. And I can tell my honourable friend that the proof of the pudding again is in the eating because 25 of these people applied for and are in the course of receiving or have received 75 percent of the value that was offered to them, on a verbal offer, weeks and months before the final notice was sent out on the 10th of April - applied for and are receiving on the basis of the verbal offer. That is how it works. Perhaps my honourable friend isn't aware of it but that's actually how the system works. Twenty-five people took 75 percent of our settlement offers well before the formal offers went out. I think that should indicate to him that those people who wanted it could take the 75 percent, and there was no prejudice accruing to the landowners. I'll be the first to say -- let me add this, I'll be the first to say that if we could have had those appraisals completed in two months, three months, and the offers out earlier, I'd be just as happy as any of the landowners in Birds Hill; but I've detailed to you the triple appraisal that we had done in order to ensure that when we did make an offer it would be a fair and reasonable offer. I don't think my honourable friend would find the government at fault for taking this triple assurance that the offers that they were making were fair and reasonable, because - and this is what took the time. And I make no apologies for it.

We could have started the offers in September as he mentioned the quotation from Hansard in August. Sure, we could have started them in September, if we hadn't then decided to have these reviewed the third time by the Price, Rattray Committee. And we did make that decision and I think it was the right decision, and that delayed the making of offers until November. So I think it should be clear to any unbiased observer as to why the delay occurred; what verbal offers mean - you can get 75 percent of them; and that the formal offers are only sent out - my honourable friend should really appreciate this point - formal offers are only sent out under expropriation practice after negotiation has taken place, after verbal offers have been made and there's no chance of settlement. If he reads the Act carefully, he'll see that right in there. I pardon myself, because I'm not going to get on to that argument; it isn't worth arguing about; but if he'll read it sometime at his leisure he'll see that; and there's really nothing to be gained by talking about it.

MR. GUTTORMSON: The Minister says, I think you quoted the figure 31 people had settled. This may be true. I don't know the circumstances of those 31 people, but it's quite possible those 31 people didn't require to borrow money to go ahead and buy other land. I'm referring to some people who don't have any additional money except their own holdings to use to buy other land, and those people can't go to a bank with a verbal offer. They must have something in writing. The Minister says that you can't give a value without appraising it. The Act says you must stipulate it. If the people don't like the amount that the government offers they have other recourses, but at least some offer is made and they have something to go by. But until the government makes a formal offer they have no idea at all what the government's prepared to pay and they're left high and dry. He says, oh yes, they've paid up to \$60,000 for a piece of property. This may be true. The chances are though that the person who is being paid \$60,000 is someone who's got a summer home out there as I know there are people of wealth that do have costly homes in the area. I'm concerned about the small owner who lives out there, who derives his living from perhaps a small market garden and he is the one that suffers as a result of this action. He is depending on his holding for his livelihood, and these are the people that we have to be concerned with.

MR. HUTTON: Mr. Chairman, I would just like to say a word here, because my department has for obvious reasons been deeply involved in the acquisition of property, and it seems to me that the Honourable Member for St. George is interpreting the word "upon".....

MR. GUTTORMSON: What word?

MR. HUTTON: The word "upon" in that clause as meaning "at the same time" as the plan is filed. Now, if he's interpreting in that way, it's not ridiculous, it's ludicrous - ludicrous - because what he's saying is that at that very instant - this is the way he's interpreting it - that very instant that the government files a plan they must send out this notice and an offer of compensation. Now I don't think that he can believe that; and if he doesn't believe that, then what does "upon" mean? At the same time, at that instant. Now this is ridiculous,

(MR. HUTTON cont'd)..... just utterly ridiculous, and ludicrous, especially for any lawyer to suggest, because how are you going to make an offer of compensation unless you've had even a day to go out and appraise the property. And when you're buying as we did, 12,000 acres of land for the Floodway, or 9,000 acres of land for the park at Birds Hill, nobody in their right mind would ever suggest that we would be in any position to notify at the same time, at that instant. And this is what they are arguing, because if it doesn't mean this, then what does "upon" mean? It means "subsequent to", there is an onus upon the government to make an offer. We amended the Act last year to define "upon"; and what does "upon" mean under the new definition? It means "within one year." And was there a reason for making it one year? Yes--(Interjection)--Well, it was defined. Well, we have been trying...--(Interjection)-- Mr. Chairman, the word "upon" was not a clear definition and that is why the Act was amended a year ago, to make sure that there was an onus on the government to make an offer within one year. Now, there's a very good reason for having one year. When you go out to negotiate with people, not where you're taking a strip of land along a farm for a highway - they're happy to see the highway there; it improves the value of their property, and they're just too happy to see it come. In most cases land taken for a highway -- there are some exceptions, but in most cases it takes a relatively small part of the property. But in the case of the projects, the public works that we are discussing here, you're taking the whole property, and people, with good reason, are apprehensive, fearful, about finalizing an agreement between themselves and the government which is going to transfer their property, probably a good part of their estate to the government, they want time to think about it.

The Honourable Leader of the Opposition sits over there and smiles. Yes, he sits over there and smiles. Well, he doesn't know very much about human beings or about public relations when he thinks that amicable negotiations can be carried on where the party, the owner, is put under an onus to make a sudden decision. I can say to him from my experience in the department that it has really paid off to give people time to get used to an idea. It has! I haven't got the figures with me tonight, but there were 553 cases, separate files, in the acquisition of the Floodway, and the number of cases that went to arbitration -- there are eight cases pending arbitration right now, and I don't think there were half a dozen other cases that went to arbitration. The reason that we didn't end up in the courts with all these cases, or a great number of them, was simply that we attempted to reach negotiation, not by putting pressure - and this is what that notice does you know. The minute that notice goes out, the owner has thirty days to make up his mind--(Interjection)--Well, the Act is there, I didn't put the statute on the books. It was there when I came in, and it was a dandy Act when that bunch over there were in. They didn't see anything wrong with it then. The thirty days was just fine. But somehow the whole thing is changed. Well, I say to you that, personally, and I think from a policy point of view, that you don't contribute very much when you put pressure on people who may be parting with their home, for the most part the greater part of their estate, when you put them under this kind of pressure. So there's a very good reason for having that year in there, which allows for every opportunity of negotiation towards agreement to take place, and it allows for the very careful approach to make sure that you're being fair to the people and that you're being fair to the taxpayer of Manitoba. This is why we have this policy. And I say to you that far from criticizing a statute that was put on the books long before we were responsible here - I say far from criticizing it, it was all right. I think it's fine. I don't think you should use a club unless it's absolutely necessary. I say if you would think a little about the very delicate circumstances that you have to take into account when you are buying up land for the kind of public projects we are and their impact on the community and the people that happen to live in the area, I think it doesn't hurt to take a little time.

MR. MOLGAT: Mr. Chairman, I'm sure the House will be highly appreciative of the lecture given to us by the Minister of Agriculture. He has given us some very fine education. He speaks first of all about public relations and how people feel. Well, if there's a government or a group of men who need education in that I can think of no better group than the group you sit with, because if I've ever seen a dismal failure anywhere, it's the way this government has treated people from whom they've bought land - an absolute dismal failure - an absolute revulsion, arrogance at its very height. Nothing else can describe it. The way you have treated the landowners in Birds Hill; the way you've treated the landowners in the Red River Floodway - and you speak to us about public relations.

MR. HUTTON: Mr. Chairman, I wonder how the honourable member felt about the negotiations that were carried on with him. I wonder if he would tell the House the attitude

(MR. HUTTON cont'd).....that the members of the department, their treatment of him as an individual in the purchase of land that had to be made from him -- if these adjectives would apply?

MR. MOLGAT: Mr. Chairman, I don't think what the Minister is talking about has anything to do with the case at all.

MR. HUTTON:ask the Honourable the Leader of the Opposition.I would just like to know how he felt about.

MR. MOLGAT: Mr. Chairman, have I got the floor or has he got the floor? The Minister expropriated land from me; didn't buy land from me. He expropriated it.

MR. HUTTON:question, Mr. Chairman.

MR. MOLGAT: Certainly.

MR. HUTTON: The land was expropriated. That was to make sure that the Honourable Leader of the Opposition was an.....person of the Legislative.....

MR. MOLGAT: Is this a question.....

MR. HUTTON: I have a question.

MR. MOLGAT: Well, make your question.

MR. HUTTON: Is it not true that the price was arrived at or the settlement was arrived at from negotiation and not by arbitration?

MR. MOLGAT: As a matter of fact, Mr. Chairman, my original position on the matter is that I was prepared to give the land. If my honourable friend will go and check with his staff he will find that that's exactly the case because I didn't want to have anything to do with the whole affair. In the final analysis, if he wants to delve into my personal matters I have no objections at all because I have nothing to hide. The department insisted that they had to have that particular land. I suggested to them they go elsewhere. They said no this suited them better and the price that they finally paid me was what they would have had to pay elsewhere, all over my objections.

However, that has nothing to do with the situation, nothing at all. What I'm talking about is Birds Hill and the Portage Diversion and the Winnipeg Floodway and the Bain Estate and the Art Centre and the whole operation of this government in land purchasing. An absolute dismal failure. No policy, no plans, no idea of where they were going, just absolute confusion; and that's the problem that we've been faced with in this province. He talks about public relations. Let him go and see the owners at Birds Hill; let him go and see the people in the Floodway area; let him go out to the Portage Diversion -- and he comes here and gives us a lecture on public relations. I have never seen anything worse than the way this government have treated these people.

The other point on which the honourable member gave us a lecture was the matter of the English language. Well, Mr. Chairman, English isn't my native tongue, I must confess, but if "upon", if the word "upon" means "within a year," then I think we'll have to rework the dictionary, because upon surely means "at the time." And if you look at the Act and look at the sections involved it's obvious what the intent of The Expropriation Act is, because The Expropriation Act sets up quite clearly that the government has the right to take over land. You start off with Section 3. Section 3 says that the Minister "may" for and in the name of the Crown purchase or acquire and so on, and expropriate any land which he deems necessary for any public work or purpose. So it's clear that the Minister has the right. What does it go on today then. It says if the Minister is going to do this insofar as expropriation under Section 10, "where the Minister desires to expropriate land under the powers conferred by this Act, he shall deposit in the Land Titles Office for the Land Titles district in which the land is situated a plan signed by himself or his deputy and by a surveyor, and that land shall thereupon become and be vested in the Crown." It's very clear that the only way he can expropriate is by depositing a plan.

Now the Minister says "how could we know." Well obviously if the government decides tonight that it's going to expropriate something tomorrow it has no idea of values -- and that's the trouble with my honourable friends, they don't seem to have any plans, they seem to make their decisions overnight and proceed and jump in. Because how else can you explain this whole operation of the Birds Hill property. How else can you explain that the present member who sits there as Minister of Mines and Natural Resources, who became the Minister of that department in December of 1963 and who in April of 1964, barely three months later, decided to expropriate that property in October of 1963, sold some of the land in that area. And he did. He denied it the other day and his colleague the Minister of Municipal Affairs got involved in a

(MR. MOLGAT cont'd).....discussion with him and so on. But the facts are clear, Mr. Chairman, very clear, because the land was sold, a portion of that land was sold. The Minister says it wasn't our property. It's true it wasn't your property. That only put that much more onus upon you to take care of it because you're handling there as Attorney-General of this province lands belonging to someone else. You were handling lands belonging to a person who was mentally incapacitated, and under the Estates of the Mentally Incompetent you proceeded to sell. You were the Minister then in the month of November 1963; the receipt is dated November 1st, 1963; and you sold the land.

The same individual becomes the Minister of Mines and Natural Resources and six months later he decides to buy the same land back for a park. Now that's the problem, and the Minister of Agriculture was right. They weren't able to make any appraisals and they weren't able to make an offer to these people in spite of what the Act says, because they had no plan, they didn't know what the right hand was doing. They didn't know in advance what they wanted to do quite obviously, because how else can you explain that the same Minister in the month of November is selling land which six months later he wants to buy back for the purpose of a park. What's the logic in that. How do you explain that sort of an operation if you have plans in advance. That's been the trouble with this government. They seem to jump into these things without knowing where it is that they want to go.

Surely the intent of The Expropriation Act was clear. The intent was that if you are going to expropriate, you had to deposit a plan of expropriation, and once you did so you obviously had to do it on the basis of some plan, you had to analyse the land yourself beforehand. How else could you make a plan of expropriation; how else could you decide what you wanted, what area you wanted to take over unless you had a pre-arranged plan. If you did that, then you had under the Act the legal obligation to make an offer to these people and this the government did not do. The only possible explanation for its failure to act is that it did not know in advance what it intended to do and the Minister who presently sits for this department sat in both capacities during the operation. In November he sells land and in April he buys it back. I say that this government just has no conception of where it has been going or why in its land purchasing.

MR. LYON: Mr. Chairman, my honourable friend of course is still addicted by that unfortunate disease that leads him to believe that if he huffs and puffs, raises his voice enough, flings around a few wild hyperbolic adjectives that he's going to make a great impression on the press gallery first of all, because that's what he's doing, headline hunting; and secondly, that he's going to really appear to be the defender of the right, no small person.

MR. MOLGAT:tell us about the Act.

MR. LYON: There's nothing, I wouldn't -- I'm not going to use the word demean because that would be a bit too condescending even for my honourable friend - but I'm not going to waste the time of the House with any further argument with barrack room lawyers about the meaning of sections of the Act.

We went through this argument, Mr. Chairman, four years ago on the Floodway. The same arguments we heard then we're hearing again tonight. My honourable friend from Brokenhead I think was one who was raising the point at that time. We went through the whole thing. But then the interesting thing is of course that none of the 500 owners or their legal advisers on the Floodway saw any merit in the argument of my honourable friend or otherwise they'd have the government in court saying you're acting illegally. None of the 159 owners in Birds Hill or their legal advisers feel that the government has acted illegally, because if they had, they'd have the government in court. And that might be a place to settle it as I said today. That's the only arena where you can finally settle these things. But we have our legal advisers, my honourable friend is entitled to take legal advice from the Member from Lakeside or whom-ever he wants, but there you are. We have that great legal mind the Member from Lakeside who is obviously giving advice to my friend on this because he concurs. But in any case I really don't think it's worth arguing about. It's one of these minor points, you can't always convince laymen as to what different sections in the Act mean and that's one of the hard facts of life. I just don't intend to waste any time on it because it isn't worth it.

The Member for St. George raised the point about mineral rights, he mentioned this point the other day. I meant to tell him as a matter of fact in the course of my earlier remarks that one of the matters upon which the appraisers in Birds Hill have been spending a considerable amount of time is on gravel values, and I want to tell him in addition that several thousands of dollars have been spent, out of the public treasury, through the agents of the

(MR. LYON cont'd) Department of Public Works who were called in in July to start backfilling and to start drilling in different areas where gravel values were claimed in order to determine whether in fact there were gravel values on the properties concerned. I want to tell him that some of those properties still haven't been settled because some of the drillings, not all of the tests are back in and a considerable amount of money has been spent -- I think rightly so by the government to ascertain where a landowner says there are gravel values to ascertain if in fact these gravel values exist and what reasonable price should be set then by the appraisers for this kind of an asset. So I repudiate his suggestion that we have been blind to the mineral rights of different owners in the Birds Hill Park. Quite the opposite is the case and I'm sorry I didn't tell him that before because that is the hard fact. The Department of Public Works and the drilling teams have been out there to the best of my knowledge since last July working on the different gravel properties and so on.

I don't intend to waste any time on the allegation by my honourable friend that the Department of the Attorney-General sold the piece of land he alleges in November and then the government turned around and bought the same piece of land back. This was a matter that was handled through the estates of the mentally incompetent where the landowner unfortunately was confined to a mental institution. The land was rented out as I understand it for a few years. The owner or someone on his behalf had expressed a desire to sell the land. The land was eventually put up for public tender by the Administrator of Estates and was purchased by Mrs. Molly Ives, a person who is not unknown to my honourable friend the Leader of the Opposition and others in his party. It was bought by her for \$6,000, on the open market; open bids were put in as I am advised. It's true the government didn't buy the land at that time. The government didn't buy any of the land in Birds Hill at that time. The plans hadn't been finalized at that time I'm the first to admit. I wasn't the Minister of the Department at that time. The size of the park had not been delineated and so on. Many things hadn't been done. If you were to follow my honourable friend's argument through to its logical conclusion, if in fact there is any logic to it at all, he would suggest that six months in advance of when the government does anything, it should be out buying land just in case it might do something with respect to land about an area that it's thinking of doing something on. Now that's the height of ridiculousness and even someone like my honourable friend should be able to see through that. From time to time we hear about red herrings. Well my honourable friend can drag that one all he wants and sniff at it all he wants but that's all it is just a nice little red herring. I cited the case because my honourable friend from St. George mentioned the landowner in question. And I cited the case of the values that are being paid there; I cited the case of this particular landowner being left with 40 acres and getting twice as much as was paid for the total parcel; and yet we're told that we're not being fair with the landowners in Birds Hill. Mr. Chairman, I just fail to see how any logic obtains in that argument at all.

MR. CAMPBELL: Mr. Chairman, my honourable friend the Minister of Mines and Natural Resources doesn't consider me a good lawyer. But I notice that he's very anxious himself to escape discussion of this question of what the law is in this regard and even had to get my honourable friend the Minister of Agriculture and Conservation to come to his rescue. Now.

MR. LYON: Mr. Chairman, I might tell my honourable friend, and I hope save him a lot of words, I am anxious really to avoid discussion on a non-legal basis. I think on a legal basis I would be quite happy to discuss it with somebody qualified, that's what I was thinking and I don't mean anything disreputable to my honourable friend, but I'll say to him quite honestly -- and I will stand here tonight and accede to the fact that my honourable friend knows 1,000 percent more about agriculture than I do. He knows about leafy spurge and he knows all about shorthorn cattle and The Horned Cattle Purchases Act and all of these things, and I know nothing about them and I wouldn't presume to argue with him about leafy spurge. I'm merely suggesting that perhaps, perhaps on reflection, he shouldn't presume to argue with lawyers on a point with which he is not too familiar.

MR. CAMPBELL: appreciate the advice and I assume that I'm getting it free and I think that's about what it's worth.

MR. LYON: No charge. No charge. I never charge my honourable friends.

MR. CAMPBELL: Mr. Chairman, without worrying about offending my honourable friend's sensitive ears by raising our voice or any uncouth action of that kind, let us review this question once again. The Act is as read by my honourable friend, at least the Act was as read by my honourable friend at the time that this expropriation took place, and that Act says

(MR. CAMPBELL cont'd). that upon the filing of the plan, etc., that a notice must be given and the compensation must be stated.

Now my honourable friend the Minister of Agriculture and Conservation is quite insistent that the word "upon" is not capable of definition, but the fact that it was intended to mean that the compensation should be stated immediately is that the very next section goes on to say that if the owner of the land is not satisfied he must say so within 30 days, which indicates that it was definitely intended that an offer should be made.

Now I'll tell my honourable friend the Minister of Mines and Natural Resources what I think happened. I think on checking that he will find that it's pretty accurate. In 1964, because of difficulties that had been pointed out to him or to the government, mainly by the officials of the Department of Agriculture and Conservation, that they changed the Act to strike out that part about "upon the filing of the plan" and put in "within a year" -- within a year, etc. this should be done. I think that my honourable friend's officials, not himself because he can't be handling all these deals, I think my honourable friend's officials just neglected to notice that that new amendment hadn't come into effect until the 16th of April, 1964, and that they proceeded on it instead of following the Act as it had been and still applied.

Now I would just like my honourable friend to check and see if that isn't exactly what happened, but I would guess, arising from my legal knowledge, that the expropriation itself is not invalidated because of the mistake that was made, but that a mistake was made I am absolutely confident, and the fact that that mistake was made, it means that the Act was not observed as it should have been. I would like my honourable friend the Minister of Mines and Natural Resources to furnish us the legal opinion, presumably from the Department of the Attorney-General, to confirm the opinion that he states in here that this transaction did take place according to the Act as in force at that time.

Now my honourable friend says that we went all through this in connection with the Floodway expropriation. This was not the point we were discussing at the time of the Floodway expropriations at all--(Interjection)--No, definitely not. No, it was not, but I will agree with him in this, that it was because of the Floodway expropriations and because of the difficulties that my honourable friend the Minister of Agriculture and Conservation encountered in those regards that that amendment was brought in last year and that the change was made making it one year.

As a matter of fact -- my honourable friend the Minister of Agriculture and Conservation shakes his head, but if he will read his own report he will find that it's so stated in there. --(Interjection)--Yes. Well I don't have it with me but I'll bring it later and my honourable friend will find that it's stated right in his report that the officials had recommended changes in The Expropriation Act and that this was the actual reason, and this was the results as well because of what happened in the floodway cases. So will my honourable friend undertake to furnish us the Attorney-General Department's opinion on this matter? We shouldn't need to go to court to get an answer to this question, especially when the Department of the Attorney-General has the resources available to it that it has.

Well my honourable friend in answering my criticisms based, as I understood it, his whole argument on the alleged statement that I had said the park was too large. My honourable friend doesn't see any distinction between me saying it was too large and that they had taken more than was necessary. I was speaking of the difficulties and the unfairness, and in this case the evil of expropriation in the way that it was done, and I was making the point that my honourable friend expropriated too large an amount and I maintain this is right. If it hadn't been for local residents there, I wouldn't mind at all if my honourable friend took nine or ten thousand acres if it hadn't been for the people living there, but my whole argument has been and still is on that point, that there was available there a nice nucleus, in my opinion a sufficient nucleus to start it, which carried all the topographical features that exist out there to start with. I didn't know until my honourable friend mentioned it tonight that this was not en bloc. I would have expected it was en bloc because the central region of this area is, as I can see it, very largely uninhabited still, and I assumed that that was the provincial and municipal part, but even if it was not so, then the areas inside I think could easily have been acquired.

My point was and is that the local residents, the two or three actual farmers that are there, the two or three people that have built very fine modern homes in that area should not have been expropriated, particularly because they were on the edge of the park as it existed at that time. I could mention them by name and I have no objection to doing so -- I wouldn't want

(MR. CAMPBELL cont'd). to deal with somebody else's business.

One of the actual farmers there I am not acquainted with and he appears to me to be an actual farmer and to have been established for some time. Another actual farmer has an excellent holding -- I could give the names here if anybody wants them -- an excellent holding; a large cattle herd of his own, not a feeder, a cow-calf operation; some good agricultural land and was developing a sod-selling enterprise which showed promise of a good deal of money for a specialty line of farming. The two other men - one of them also had a fine modern home, expensive home, and had a tree farm, and I know that my honourable friend knows the one that I refer to. The last one of the four has a very small acreage and an extremely expensive home on it. In that case I think that the acreage is so small that it's simply uneconomic for the department to take that fine modern home, which is very expensive, for the amount of land that they get, and it happens that all of these places were on the outside of the park as originally delineated.

Now my honourable friend based part of his argument at least on the fact that if you had some people within the park it would be difficult, but these were all on the edge. They could have been left out. The sense in which I say that they took too much is that they could have started with the land that was available through the province and the municipality, they could have added to it those who wished to sell and they could have had a very large holding with practically all the topographical features that they now have and have avoided this tremendously difficult situation that has arisen.

I subscribe to what my honourable friend the Leader of this party has said with regard to the public relations of my honourable friends simply because they went in there with a wholesale expropriation. They would not have had that difficulty if they had taken the land that was available plus the land of those who were willing to sell, and I am sure there were a good many of them, and left out the ones on the edges at least that had these establishments that I mentioned.

Now my honourable friend made some point of the fact that I had talked about the size of the parks and the golf courses in Winnipeg here. I did that to indicate the size of this park, and when my honourable friend mentions that provision is being made for two golf courses, the two big fine golf courses that we have, the municipal golf courses here do not amount together to 250 acres, so this isn't a very large amount of land that he's talking about to have to fit in there. There is a tremendous amount of area there that they had to work on and they could have avoided a great deal of this unpleasantness and unfairness, because it is unfair to the people who have established homes in there to be placed in this position.

I want to reiterate the question that was asked by some of the other members about the assistance that was given to these owners by telling them what their mineral rights were. My honourable friend the Minister says that they have been making some checks to find out whether the gravel does in fact exist in commercial or economic quantities there, but did they tell the people whether or not they owned them? Did they tell them that? My information is that they did not.

My honourable friend mentions the fact that they want local appraisers, not ones from the outside. I would think that under these circumstances it would be a good thing to bring in some outside appraisers and see what they would say in a situation of this kind. I agree with my honourable friend that other things being equal we would use Manitoba people, but my honourable friends have been doing so much land acquisition that they have at one time or another employed a great many of these appraisers, perhaps all of them, and to that extent they have been committed to the government work.

The government itself has not shown any prejudice against bringing in outside people, because when it wanted to make the Metropolitan investigation it didn't hesitate to bring in Mr. Cumming from Ontario and for the Municipal Enquiry Commission it brought in the Honourable Mr. Michener. It might be a good idea in this case to allay the fears of the people who are being expropriated out there by bringing in some outside appraisers, and I would suggest to my honourable friend that he reconsider that request of the landowners.

My honourable friend the Minister says that if they wish to these people can go to court, and I was glad to hear him say that as a practising lawyer he didn't usually recommend that procedure. I wouldn't recommend it either, generally speaking, because the unfortunate position that an individual is placed in when he or she goes to court is that he or she will be fighting with their comparatively limited resources against the resources of the taxpayers of the province as a whole, and I'm sure that's one of the reasons my honourable friend has

(MR. CAMPBELL cont'd)..... advised against it.

I don't think it should be necessary to go to court. I think that the government should lean over backwards to be fair, not to waste any money or to throw it away -- and for goodness sake my complaint has not been that they aren't paying enough money, it's the way in which they have been dealing with these people. In some cases maybe not enough, in some maybe too much, but it's the basis on which they're being dealt with, the fact that they have not -- well in some cases that they have been expropriated at all when they should have been allowed I think to stay out -- but in other cases because they were not told that they were the owners of the mineral rights, which in many cases I think could be extremely valuable.

It's not a case of me arguing about the amount of money as much as the basis on which this is done, and this is the difficulty with expropriation. It's a procedure that should be undertaken only as a last resort, and I think that the tendency that has grown up recently of expropriating en bloc is wrong. Expropriation should be conducted in my opinion on the basis of negotiation, and if it becomes impossible to negotiate with a few or a small percentage of the people, then expropriation can always be resorted to, but I do not like the sentiments behind en bloc expropriation. This I think is where this particular venture got off on the wrong foot.

So I would suggest to my honourable friend that he bring us the legal opinion that will confirm his opinion about the Act having been lived up to. He and I will be no more likely to agree on it than the Honourable Member for St. George and the Minister, but I would be very interested in the opinion of the Department of the Attorney-General.

MR. SMERCHANSKI: Mr. Chairman, I'm rather intrigued by the mention of Project Pioneer. It seems that the Honourable Minister at the outset has a great deal of concern for the people and with the people in reference to geological or mineral exploration. I for one would like to certainly compliment him on his optimistic approach and his good enthusiasm, because that I truly enjoy. However, Mr. Chairman, the search for mineral occurrences in any part of the Precambrian Shield at best are in the realm of possibility, and it would be good if we took a more realistic approach on this matter and analyzed it in the face of what we are trying to accomplish.

Now Project Pioneer is not turning the clock back. It is a progressive step but it is not such an outstanding progressive step in that it is something exceptionally new. I appreciate what the Minister said about the method of magnetic, electro-magnetic, gravometric, structural -- these are all very interesting and they all have a very definite and distinct meaning and I am pleased that something of this line is being undertaken. This is good work.

However, I would like to point out to him, Mr. Chairman, that in this area we're talking of 36 townships; we are talking of a hundred -- we're talking of 1,278 square miles; we are talking roughly of 20,000 mineral claims, and if you divide this into the \$300,000 that has been appropriated, we're talking of roughly something in the vicinity of \$15.00 per mineral claim.

Mr. Chairman, in private prospecting this is about the cost of recording and getting the necessary form work prepared. To stake and acquire a claim runs you something in the vicinity of \$35.00 to \$40.00 per claim, so that it is a move in the right direction but it is not as fantastic or fabulous as one would have the impression, or get the impression from the remarks of the Honourable Minister.

Now I also agree with him that in this particular area detailed geological mapping is long overdue. This is something that is being done in Canada, in other parts of the Precambrian Shield by other provincial governments, and it is this type of work that does produce results. It does produce results in that it does give the prospector, the enterprising mine companies, a foundation from which to start. However, the study of geology, although as interesting and challenging as it is, there is never any old method in investigation of geological interpretation. It is always a new method, Mr. Chairman, because anything that is learned in the universities or in the research laboratories, there is no other science comparable to the science of geological investigation of mineral occurrences that is more up-to-date than geological mapping and interpretation. Also, irrespective of the unique imaginative approach, there is this type of an approach being undertaken to geological work at all times.

Now I would also like to point out to the Honourable Minister, and I don't know whether he did this intentionally - I don't think he did - in that although the word geophysical, whether it be magnetic or electro-magnetic method, they are very impressive terms. They are very impressive in terms of working with a known method of instrumentation and trying to interpret the unknown features of a mineral occurrence. But let me point out, Mr. Chairman, that this

(MR. SMERCHANSKI cont'd)..... is done every day in terms of prospecting and geological sub-surface investigation, and remember that these new methods will only penetrate to 100 or 200 feet; and also remember that there are many ore bodies in the Precambrian Shield that are only a few feet below the surface, as has been well demonstrated by the important discovery of Texas Gulf in the Timmins mining area that was within easy reach and that within a matter of four months of exploration yielded something like \$260 million worth of ore as a possible potential mining development enterprise.

However, we must bear in mind that in this particular area there has been much underground development; there has been much underground mining; and I am highly pleased -- as a matter of fact I give the Minister full marks for having undertaken, or his department for having undertaken to re-examine, to re-study, and to re-assess and to revalue this area. Mr. Chairman, this means roughly five geological parties for a period of three years. It is good work but we should not use the word "fantastic" because this is not the situation. We also have much in the way of geological features in this province and at all times they're a challenge, because nobody knows what is below the surface; but we have the tools and we have the knowledge of the science in which we deal as to how to explore these deposits and try to make them an economic operation.

I would also like to remind the Honourable Minister that I think a more realistic approach should be taken in terms of mine access roads. I do not think that it is good business or it is a good policy to lay down a blanket policy in reference to the assistance to mine access roads. We do not have such an active exploration program going on in our province that we are bringing in a mine more often than once in three and possibly one in five years. Therefore, these access mine roads should be determined and a policy laid down after examining each specific case. Mr. Chairman, a new mine is far more important than a new industry, and when you take an average operation of 300 to 500 tons of ore per day, we are speaking of a community about the size of Bissett at the San Antonio Gold Mines. This is a community that we can understand, because as the Minister has pointed out, this is the community that has been assisted and this is a community that is an important part of the rural area of Manitoba. Therefore, I would strongly recommend that any mine access roads be decided on and a decision of assistance made in the light of the development at this mine and in the type of circumstances that this development will find itself in.

Now, in reference to the San Antonio mine, it is doing reasonably well, and I wish it all the luck in the world and that it may continue to meet with successful development and discovery of new ore bodies. I think that when the matter first came before this House, I took the stand that finding ore bodies in a mine that has been operating continuously since 1933 and '34, and that is some thirty years, is like looking for mushrooms. When you find one, you will find a few more; and if you have a good aggressive program of exploration, you will find many, many more ore bodies. I for one wish them the best of luck and I hope that they will continue with the highly successful development program that they have undertaken and which seems to be giving them a better-than-average amount of success in developing satisfactory ore conditions in order to keep the mill and the mine and the community operating.

I do want to congratulate the Minister on having paid tribute to Dr. Davies and Dr. Brownell. These truly are exceptionally outstanding personalities in the field of geological exploration. Dr. Brownell in particular was quite instrumental in developing the scintillometer which is an instrument used in the prospecting and discovery of uranium, pitch blend and radioactive material; and then also he developed a beryllometer; and I might point out at this time that beryl is one of the most wanted minerals in the world at the present time in connection with the development of the space age. I also want to bring to the attention of this House, Mr. Chairman, that it was with this instrument that a certain large mining company has discovered in the northern parts of Labrador a very large commercial ore body of beryl deposits. I think that we in this House and in this province and especially the University of Manitoba should rightfully be more than proud of Dr. Brownell's contribution and his original thinking and what he has done in the field of geology and prospecting.

I also would like to draw to the attention of the Minister that Dr. Brownell is retiring as head of our Geological Department at the University, and he is followed by equally as capable a man in Dr. Wilson. I too am pleased that a good percentage of this Pioneer Project is going to call upon the ability of the Department of Geology at the University through the medium of grants. This truly is a step where the Department of Geology at the University is in an excellent position, with its knowledge of research and with its ability to handle the most modern

(MR. SMERCHANSKI cont'd) instruments and techniques for the analysis of rocks and rock structures, that they truly are in a position to undertake this work in a proper manner. I think there was also a bit of confusion in reference to concessions. A concession for prospecting is no financial concession in any type of monetary value; a mining concession merely means that the explorer is given the right to examine a specific piece of country at his own expense.

Mr. Chairman, I would like to comment briefly on the matter of the Birds Hill Park. Now that Birds Hill Park lies within an area of approximately 12 or 14 miles to the northwest, northeast rather, of Metropolitan Winnipeg. However, because of the good work that ARDA in terms of surveys and studies has made in the Interlake area, I would suggest, Mr. Chairman, that within a matter of 20 or 25 miles you have equally as large a land area in the Interlake area where you would not have to displace 10 percent of the number of people that have been displaced in the Birds Hill area, and I think that every bit of those adverbs and adjectives of beautiful, delightful, sobering, quiet, refreshing -- all these adverbs and adjectives would apply equally as well in a park area in the Interlake area. We have some excellent roads leading into this area. We have some excellent vacant land in this area that could be acquired for much less.

Mr. Chairman, I didn't hear anything from the Honourable Minister as to how the kaolin deposits are coming in the Arborg area which both his department and the Department of Industry and Commerce have made mention in years prior to this one. And I also have not heard anything on the caesium deposits on Burnock Lake which are one of the finest and largest deposits of its kind on this North American continent. I would be interested to know how these are coming. I know this, that much is to be done in the field of preparing the necessary basic maps in order that the mining industry can go out and use this as a base to try and find commercial ore occurrences. I wish the department well and I do hope that they will continue this approach in the field of mining.

One other thing I'd like to add too, Mr. Chairman, is this. During the debate earlier in our session in which I didn't take a part in, the Honourable Minister made mention that something like 100,000 ducks brought in an estimated revenue of \$970,000, and a quick calculation, Mr. Chairman, would come out to something like \$9.70 per wild duck. Mr. Chairman, I'd like to pass on to the Honourable Minister some experience that I had. I was able to raise over 500 wild mallard ducks and my cost to raise these was an average of \$3.24. Now, I would strongly recommend to the Honourable Minister and his department that if these ducks are costing us three times as much, then it's high time that he appealed to the taxpayer in this province and that he appeal to free enterprise and they'll raise more mallard ducks than Mother Nature can under normal circumstances at a discount of 66-2/3 percent.

MR. LYON: Mr. Chairman, I have to rise immediately on that last note and tell my honourable friend that we'll go one better. We'll consult with the Honourable Member from Emerson and we'll raise turkeys at that price, because obviously we could make quite a saving. But I thank him for his remarks. I don't remember those statistics on the ducks. They don't sound familiar to me but we'll take his comments in any case. I was happy to hear his approval of Project Pioneer. As a person involved in the mining industry he has some idea of the impact that this will have, hopefully, on mineral exploration and we are of course happy that it meets with his approval.

MR. FROESE: Mr. Chairman, I haven't taken part in the debate so far, so I would like to expand a little on this Birds Hill park area. You've heard quite a bit of it in the discussion here tonight, and I was very interested in the display the other day which was held in Room 200, and of the Birds Hill area as laid out, and the section that is going to be used as a park. In fact, I stayed a little too long and I missed some of the introductory remarks of the Minister that day, so if he's already covered some of the things I'm going to question him on maybe he can review some of it, if it's not too lengthy, just some of the facilities were shown that they would provide but he might have something further to say on this.

But I'm interested also in the total cost of the park and of this whole development that will be taking place. I don't suppose this will all be done in a year or so, so that in future years we will have items in the estimates to cover development. Just what does the government have in mind the cost will be of the whole park once it's developed and also in connection with the upkeep, what the cost of the upkeep will be? I don't know whether he has an itemized budget of the project available to date. I would be interested in hearing some of the more detailed analysis of this.

(MR. FROESE cont'd).....

Then also the time expected that will be required to complete the development, the number of people that will be employed on a full-time and also probably on a part-time basis, I would be interested in any admission charges that they might want to assess, or whether the gates will be open, that's right. Are there any other costs that are going to be recuperated through admission charges and so on. Then, also does ARDA enter into it in any way or the federal department? I listened with interest to the notice that the Minister read here tonight of the federal department who are also interested in parks. Are they entering into this in any way because of the recreation aspects that will be available here? Also, what period of the year the park will be open and what accommodation facilities will be provided and for how many people and so on. I think this would be valuable to members of the committee and certainly people will be asking us back home just what this park is all about and I for one would like to be better informed to inform my constituents back home.

And no doubt we will be going into detail on the various items later on but I have one basic question and that is the relationship of the Dominion experimental stations with this department. We notice under the various items that nurseries, their monies will be spent on nurseries. Is there co-operation between the federal or the dominion experimental station such as we have at Morden? Is there any overlapping that this department does in their field of work and could we have some information in this respect?

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I have no desire at all to prolong the debate on the Minister's salary or to keep him in suspense over his salary. I appreciate the fact that earlier in the session that his ulcers got to the point where he had to look after them and I have no intention of aggravating the ulcers--(Interjection)-- but I have a couple of questions that I would like to ask and one stems from what has already been said by my honourable friend the Member for Rhineland.

I think at this time it would be helpful if my honourable friend would let the committee know all the various projects in which the federal government participated. I have before me as you might expect, Mr. Chairman, the propaganda sheet that goes back two years -- two years and it is headed "ARDA Agreement Gets the Green Light." It is not a green sheet, it is an orange sheet but it gets the green light, and the sub-heading says, "Hamilton and Hutton Sign Cost Sharing Pact on 18 Projects" and then it proceeds to enumerate the 18 projects and it is interesting to note, Mr. Chairman, that included in the 18 projects are Forestry, Wildlife, Recreation, Hay Land and so on, and so on all the way down. Now I know, Mr. Chairman, as you do that the Honourable Minister under whose estimates we are presently dealing must work in close harmony and unison with the Minister of Agriculture when they are dealing with ARDA projects because they are so interrelated. It's interesting too, Mr. Chairman, to note that under this 18 projects that apparently were signed and agreed to, one of them is a rough fish processing plant, so it says here. My honourable friend looks amazed so I'll read him this on Page 2, "A study," it says, of course maybe they are still studying it, but "A study conducted over the past two or three years of rough fish processing as a means of supplying additional high protein foods and oils and of removing fish predators such as Maria that prey on valuable commercial fish species. A rough fish processing operation would also provide increased income to fishermen and more job opportunities....."

A MEMBER: What kind of fish?

MR. SHOEMAKER: M A R I A, Maria, sorry. Now,

A MEMBER:request the Black Maria.

MR. SHOEMAKER: Yes. "Plans for establishing a rough fish processing plant were announced in the Speech from the Throne at the present session," and the present session of course refers to the one in 1963 -- they signed an agreement, 18 projects enumerated here. I think it would be helpful as the Honourable Member for Rhineland has suggested to let us know what projects in detail, the projects and the contribution that was made by the Federal Government in this regard, because I remember for one that the Honourable Minister suggested as regards the goose preserve, and you will, Mr. Chairman, that we got the ho, ho, ho treatment over here when we were dealing with that one because they attempted to justify the price by saying well we only paid half that because the other half was put up by the Federal Government, so that reduced it by 50 percent. So that all this talk about the price paid for the Birds Hill property, perhaps it too was reduced by 50 percent and these are things that we should know at this time.

Now there is another matter, Mr. Chairman, that disturbs me a little bit and apparently

(MR. SHOEMAKER cont'd).....disturbs other outdoorsmen. In tonight's Free Press, I believe, there is an article here that points up the way that wildlife in general has been uprooted due to the Grand Rapids project and it goes on to state in this article that already 50, at least 50 moose, I believe it is that are trapped on the ice out there at this very moment, that is as the water in this lake keeps rising it floods over the ice that is already there -- naturally, that's what would happen -- and it keeps on rising and here we have, according to this article, at least 50 moose that are trapped on the ice and can't get out and according to the article here they are trying to scare them out by helicopters and trying to drive them out onto higher land and they are not meeting with very much success according to this. So I think that we should have a statement on this because this is, it says that the extent to which they are successful in rehabilitating these animals will determine to some degree the hunting seasons in the future. It also talks about the number of geese, there's only a tenth the number of geese that are settling in there this year. Now I would like a statement from my honourable friend in that regard to see whether there's any truth in the story in tonight's paper because this is an alarming story.

On or about October the first last I wrote a letter to my honourable friend the Minister of Mines and Natural Resources and received in reply a letter from my honourable friend the Minister of Health, and he has signed it Yours truly, C. H. Witney, for Sterling R. Lyon, the Minister of Mines and Natural Resources, but I would take it that my honourable friend read the letter, but it concerns the program or the lack of measures when the huge dam and power project was installed at Grand Rapids for fish to get up and down stream. My question was, what provisions were made in the dam for fish ladders to allow them to get up and down stream, and this letter is rather disturbing. I mean they admit, the department admits that they are concerned over it. They were concerned immediately that the construction was even being considered, and I wonder if my honourable friend could give us some enlightened remarks in this regard because I know that he would be pleased

MR. LYON: I have no instant recollection of it but if my honourable friend could let me take a peek at it, perhaps it would refresh my memory.

MR. SHOEMAKER: Another thing, Mr. Chairman, that I would like to know is whether or not my honourable friend has to do with planning recreational areas, roadside parks and the other various names that apply to recreational picnic areas, camping sites and so on. In the past I for one have always been caught not napping, I don't think, but I would find myself past a complete department and lo and behold they said I should have dealt with that back under the Secretary's estimates, or the First Minister's estimates, or something else. Now I would like to know whether under the present estimates do we deal with all the recreational areas, roadside parks and so on, or are some of them still under the Minister of Mines and Natural Resources, or the Public Works, Industry and Commerce and so on. I wonder if we could get a clearing on that right now.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): As far as I am aware there are none under Industry and Commerce. I think some of the roadside picnic spots are under the Department of Public Works but the main recreational areas, to use that term, are in the Department of Mines and Natural Resources.

MR. SHOEMAKER: Well thanks. The Centennial Committee, Mr. Chairman, at Neepawa has for some time been dealing with one of the departments -- I have a whole file on it somewhere -- yes I have it now. And the number one centennial project at Neepawa -- I understand we are going to have at least two but certainly the one that has already been decided upon by all members of the committee is what we refer to out there as the Lake Irwin project. We have been dealing with my honourable friend the Minister that is responsible for centennial projects, the Minister of -- Provincial Secretary. Now it seems to me that in light of an Order for Return that I received on March 10th, four years ago in 1961, that there should be, there should be a Provincial Government contribution for efforts of this kind. I'm not absolutely clear on what provincial assistance is presently available for projects of this kind. And I would, to refresh my honourable friend the Minister of Mines and Natural Resources if he likes I will send him a copy too of that Order for Return. It is a short one, Mr. Chairman, and the number one question that I asked four years ago was this: What was the provincial financial contribution to the resort area development adjacent to the PFRA Dam at Rivers, Manitoba? The answer was: "The province did not contribute to any resort area development at Rivers, it did develop a picnic site on provincial land which cost the province to date \$26,180.85, less the federal share under a winter works program of \$4,802.68, leaving a net

(MR. SHOEMAKER cont'd). provincial contribution of \$21,378.17." Question two: "When was the contribution or contributions made?" Answer: "No contributions made. See one. Our development commenced May, 1959 and continued to 1960." Question three: "Is this policy applicable to other similar areas such as Neepawa?" Answer: "Yes, provided the use of the reservoir for recreational purposes can be reconciled with other purposes which have a priority, and provided the site is acceptable to the departments of the government concerned." Well I would say, is it -- my question is: Is it acceptable to the departments of the governments concerned? The government has made a contribution here of 21,000 in one area and it was for a picnic site on provincial land.

Now this just points up what I said before when you start talking about recreational areas, picnic areas, roadside parks, it points up how confusing it can get. And I think that for the benefit of myself and other members and other communities that are possibly contemplating projects of this nature, it would be just as well if we had a statement from the Minister in this regard so that there would be no misunderstanding at all about what the provincial contributions are or what can be made available to communities in respect to recreational areas of all kinds without going into them in too much detail.

Back in 1962, three years ago, a letter from the then Minister of Mines and Natural Resources suggested that the government was presently conducting a survey province-wide of all of the parks and recreational areas therein, and also considering all of the requests that had come to them from all of the various municipalities and organizations in the province. When this assessment had been made, they would be prepared to make a statement as to priorities. I wonder if three years has been time enough to make an assessment in this regard and if so, could we be supplied now with a sheet showing the various projects and the priority rating given to each one of them, because back three or four years ago each and every member of the House received one of the yellow booklets entitled "ARDA Operations" setting out the various projects for '63, '64, '65, and a great number of them also have to do with soil and water conservation, rough fish plant agreements, rural development areas, hay land acquisition, forest land acquisition, recreational land acquisition, wildlife land acquisitions, development of economic units, grassland developments, and erosion control, so on, so on, all the way down. Now I wonder is the information contained in this booklet still up-to-date? Can we assume that the government intend to proceed on the basis that it is listed herein and if so, then I would take it that everything that is enumerated in this booklet would be completed in 1965 because this only covers the operation of the government for the three years as listed on the cover from '63 to '65.

Now perhaps that inasmuch as there -- I hope the committee will rise at 11:00 o'clock. It may take the Minister from now until 11:00 o'clock to answer some of the questions that I have asked him. If not, I could ask him one more because I have before me a couple of pages that I've torn out of the Wildlife Crusader Magazine or something of that kind, and it says that in regard to ARDA -- I'm going to read a little bit here, I think. "ARDA which was hailed several years ago at this convention," - and it's the convention of fishermen or wildlife conservationists and so on - "as the saviour of wildlife has so far failed to live up to its avowed purpose in my opinion," the writer says. I have read about it, studied it and I fail to understand its basic purpose. A good example of this confusion I think is evident in the fact -- they're talking about the Saskatchewan government here but I think it applies to Manitoba too -- I think is evident in the fact that the Saskatchewan Government would be eligible for federal aid through ARDA in the final development of Cumberland. If such aid is given the Federal Government under the "Pothole Acquisition Program" will on the one hand be paying farmers to maintain habitat, while on the other hand it would be assisting the province in the wholesale destruction of such habitat. Now you will recall that in the last two or three years there was quite a story emanating I think principally from the Federal Government on farmers to receive pothole pay and all of this kind of business. I wonder what has developed in this regard and what does my honourable friend think about these measures for preserving and conserving wildlife.

MR. CHAIRMAN: (1) --passed. (2) -- passed. (b) (1) -- passed.

MR. SHOEMAKER: Mr. Chairman, I take it that my honourable friend has no intention of answering some of these questions I have asked or probably it's his intention to answer them as we reach the various items in the estimates so I guess perhaps that I should get my estimates out and see that you don't get past them too rapidly here. But if I can't find them in time will you remind my honourable friend as we come to the various items that he has some questions to answer.

MR. LYON: Mr. Chairman, I'll be glad to mention them under the various items as we come to them.

MR. SHOEMAKER: Thank you.

MR. CHAIRMAN: (b) 1 -- passed. (b) 2 -- passed. (c) 1 -- passed. (c) 2 -- passed. (c) 3 -- passed.

MR. CAMPBELL: Just what is the service in this regard. Conservation Education, I have looked at the report and I don't seem to find an explanation of it there.

MR. LYON: Mr. Chairman, Conservation Education was a new branch of the department that was established last year and I think the best way to liken it to an existing government service would be to say that ultimately it's role will be, we hope, very much akin to that of the role of the ag rep in the Department of Agriculture with which my honourable friend has very close familiarity. This branch is designed to carry on a program aimed at informing the public in general and primary producers and resource users in particular of the nature of natural resources, their management, development, supply and allocation. It is to inform resource users of the supply of natural resources, and the methods of allocating them between different people and groups and organizations. The program is presently being carried out I can tell my honourable friend among commercial fishermen, trappers, hunters and anglers, the general public, teachers and school children, and if he will recall if he saw the slides that we showed at the beginning of the estimates of a meeting at one of the northern points with the bombardiers present where one of the conservation education officers was out discussing fish problems I believe it was, where this picture was taken.

The program was actually started in July of '64 after the money was voted last year and several months were spent in hiring and training staff and preparing material. Some considerable progress I'm happy to report has been made. A radio broadcast to commercial fishermen was started in conjunction with CBC, and I mentioned that I think in earlier remarks. This was supplemented with a weekly poster program designed to take fishing news to the fishing stations. An advanced commercial fisherman's program has been planned for some graduates of the regular fisherman's course which will be continued. I would be the first to say, Mr. Chairman, that the program is not yet fully operative; it is not yet fully adequate as we envision its development, but the job has at least a modest start and I think a very good foundation has been made.

I should mention that the Chief of Conservation Education is Mr. Al Murray who will be known I am sure to many members in the House and I may say that I think he is doing an excellent job in charge of this program. Working on his staff are Mr. Thomasson who has been with the department for some time. Mr. Harold Hosford, who occasionally writes -- you've seen his columns on Wild Wings in one of the local newspapers, Chief Nelson Scribe who is formerly from the Norway House Band and a clerk-stenographer who services these three conservation education employees, plus the fisheries education officer.

MR. CAMPBELL: Mr. Chairman, it looked as though according to the estimates that even though it was just started up recently that the staff has already been cut down because the salaries seem to be only two-thirds as much as they were a year ago. In fact the item for salaries I would think would hardly cover the number of employees that the Minister has mentioned, that is in the present . . .

MR. LYON: Mr. Chairman, there is an explanation for that. The incumbents occupying the positions are occupying them at salaries lower than those estimated in the 64-65 budget as a result of salary ranges established for these positions in April, '64.

MR. FROESE: Mr. Chairman, what is the ARDA agreement here. Are they paying for the salaries of certain employees, or what is the arrangement?

MR. LYON: The salaries chargeable to the Canada-Manitoba ARDA agreement are Mr. Thomasson and Nelson Scribe -- see if I can get more detail on that -- Yes, salaries of the Conservation Education Officers and the Fisheries Education Officer are chargeable to the ARDA agreement, and that's the offset that's shown.

MR. CHAIRMAN: (c) 1 -- passed, (2) -- passed, (3) -- passed; (d) (1) -- passed, (2) -- passed, (3) -- passed.

MR. FROESE: Mr. Chairman, under (d) Economics Planning, could the Minister give us some explanation just what is meant here by economics planning. Is this a special committee that they are setting up or what? Or what's the situation here.

MR. LYON: Yes, Mr. Chairman, again this is a new branch of the department that was established effective June 1st, 1964. The main purpose of the economics planning administration group is to devise by various means short and long range plans for resource use to the end of achieving the highest possible level of output in employment compatible with accepted social and economic organizations and with good conservation. Their other purposes are to co-ordinate area development, regional development, manpower mobilization and welfare programs of other provincial departments and the Federal Government, all these things with the policies and programs of the Department of Mines and Resources and to assist in the negotiation and preparation of federal-provincial cost shared projects, of which there are a number in this department. And generally they are to review programs and devise plans intended to economize on public and private use of the resources as capital assets by effecting the highest possible level of output from the available inputs of public and private investments and labour. And again I should like to say that the staff that we have in this regard are doing an excellent job and I'm referring particularly to Mr. Dave Young who is the Senior Economist in the branch and to Mr. N. D. Hildebrand who also works in the branch with him.

MR. CHAIRMAN: (d) (1) -- passed.

MR. CAMPBELL: Is it correct to say, Mr. Chairman, that in general the ARDA, the Canada-Manitoba ARDA agreement is a 50-50 sharing proposition?

MR. LYON: . . . general, Mr. Chairman, in some cases the, in some cases total salaries occasionally are written off to ARDA, so it's not always an inflexible rule. I'm just trying to see if I can get the -- Yes, the salaries of the economic research analyst 1 and the senior resource analyst are chargeable to the Canada-Manitoba ARDA agreement, representing an offset of \$14,580.00.

MR. CAMPBELL: I notice that we have something like six or seven, perhaps more items under this department where they show as Canada-Manitoba ARDA agreement. Then I notice that in the revenue section of this department there's a recovery of something in the neighbourhood of \$195,000.00. Would that . . .

MR. LYON: Resolution No. 67? On Item 11.

MR. CAMPBELL: No, I was just speaking of the revenue section of the Department of Natural Resources -- (Interjection) -- \$195,000-odd in there as revenue and I was just wondering what over-all proportion it would bear to the over-all expenditures?

MR. LYON: I'll have to get the answer to that, Mr. Chairman.

MR. FROESE: Mr. Chairman, in that same vein. When these agreements are drawn up or reached, does the Federal Government stipulate just what programs you carry on and carry out? And on the other hand, if we did opt out, what would happen? Would we be entitled to certain sums of money and set up our own programs or what would be the situation then?

MR. LYON: My honourable friend gets me into a field where I'm certainly not proficient and accepting my earlier advice on matters of proficiency, I don't think I'll presume to attempt to answer him on the question of opting out. But it is true that these various ARDA shared programs while they obtain under the original ARDA arrangements, and of course new ARDA arrangements are under discussion at the present time, by and large they have to be -- it depends whether you're in a land acquisition or a salary-sharing basis with personnel. It varies with each kind of operation as to what your sharing is or whether you negotiate it individually or whether it falls within a set pattern. So there really is no consistent procedure. Some of them you negotiate, others fall within a pattern of the existing agreement.

MR. CHAIRMAN: (1) -- passed, (2) -- passed, (3) -- passed, Resolution No. 57, passed. Resolution No. 58, 2 (a) (1) -- passed, (2) -- passed.

MR. HRYHORCZUK: Mr. Chairman, I did mention once before and I'd like to repeat this in the form of a question, not in the way of criticism. The fact that the revenues from our forestry department have gone down from what they were in 1958-59. At that time according to the estimates the revenues from this branch were a million two and the anticipated revenue as given to us this year was 875,000. Now this particular branch of the department in my opinion, Mr. Chairman, was left in very good order, was left in very good order in 1958-59. Inventories had been taken; production was based on a sustained yield, which simply

(MR. HRYHORCZUK cont'd) meant that we could continue at that particular pace indefinitely, in fact forever and a day after, providing that everything else remained equal. I haven't noticed less material coming out of the Duck Mountain Forest Reserve than came out in 58-59. I believe the same applies elsewhere. The only explanation that I can see is possibly the dues are not as high as they were and of course we make our sales on a competitive basis. I was wondering whether there isn't an oversight here and whether there isn't something that could be done about that, namely that you have discontinued making small sales to the residents around the Duck Mountain Forest Reserve, which were able to pick up small sales and supplement their revenues and they were dependent on this to quite a large extent. I believe that there are 700 settlers around the mountain and a great many of them did take advantage of the fact that they were able to get into bush operations during the winter. Today instead of small sales, the sales are large and most of the small operators, that is the settlers have been squeezed out of the competition. They can't handle any large sale or a large operation and it is my understanding, and I hope I am wrong, but I have it in fairly good sources, that there are only a few large companies that bid on these sales, and although you have quite a number of people that are supposed to have purchased these sales, they are acting on behalf of these companies. You may have one company with four or five operators in the bush. -- (Interjection) -- Pardon.

MR. LYON: Company bidders?

MR. HRYHORCZUK: Yes, company bidders. They bid for the companies. The company, when the sale is advertised the companies it would appear agree amongst themselves as to whether they are going to bid or who is going to bid, and naturally you are getting only the upset price or very close to the upset price on your sale. Whereas when the competition was keener, when it was possible for more people to bid on them, the sales in many instances went double and even triple the amount of the upset price. And I'm just wondering whether this isn't one of the reasons why your revenues have been reduced, because I don't think that your volume of production has been reduced. If that is correct then there is two things you have done. You have made it impossible for the small operator, the man who is dependent upon the forest for a livelihood from operating; at the same time you have reduced revenues to the Province of Manitoba. Now I believe that the Minister can corroborate what I have been saying and probably he has some other explanation for it.

I believe there's another error that was made in the discontinuation of the settlers' permits. From about 1936 to 1961, which is a quarter of a century, we had very few major fires, if any, in the Duck Mountain Forest Reserve, and I attribute that a great deal to the people that live around this reserve. They depended upon it for their lumber and their buildings and for their fuel wood and so forth. My understanding is the government has now discontinued issuing this type of a permit, and if that is the case then the government has lost the potential of two or three hundred people who are very much concerned with preserving the forest and seeing that there were no fires, and if there were any they reported them immediately, or did everything they could to stop them. By discontinuing the issuance of these settlers' permits we have lost a lot of friends, which I do not think is good public relations and I do not think that it helps us in this particular branch to conserve our forests and to avoid the terrible expense that we have when we have a fire.

I think these are some of the questions that will have to be answered. Now I'm only surmising some of the facts that bring me to this conclusion but I do believe they are facts. I see Mr. Chairman, that it is almost 11:00 o'clock. If it is the intention of calling in the Speaker, I would stop at this point, otherwise I'll continue for the next 60 seconds.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): I think I'm right in saying, Mr. Chairman, that we have now passed 65 hours of debate on the estimates and at some point I was going to ask the House whether they thought they could finish this department this evening and if so would they be willing to continue on until we do so. Otherwise I propose that the honourable member take a limited time to finish his questions and then I don't know whether the Minister would wish to answer. If not it would be the proposal to stop at approximately 11:00 o'clock unless the honourable members would suggest that by continuing we could finish this department.

MR. HRYHORCZUK: Well, Mr. Chairman, I can't speak for everybody in the House. As far as I'm concerned, it wouldn't worry me any if we were already through with the department. But I can't answer for the others and I don't know how long it's going to take to go through this department. If it's the honourable minister's intention to carry on until he's

(MR. HRYHORCZUK cont'd) through with it, we may be here 'till morning for all I know.

MR. EVANS: honourable member may wish to finish the questions, the line of questions that he was on.

MR. HRYHORCZUK: I'm quite prepared to leave it at that, Mr. Chairman.

MR. LYON: Mr. Chairman, I think the Leader of the House was indicating certainly what my disposition is, without forcing the honourable members, if there is some disposition on the other side of the House to think that we might make more progress than I would suggest that we sit and I'll do my darndest to get answers to the questions as they're put and try to make as much progress as we can tonight.

MR. CHAIRMAN: 2 (a) 1 -- passed.

MR. LYON: Mr. Chairman, the member from -- I'm sorry, I was going to try to answer the Member from Ethelbert Plains, but if my honourable friend's on the same subject . .

MR. SMERCHANSKI: What I was going to ask, Mr. Chairman of the Honourable Minister, is there a forest management program in any place in the interlake area in reference to the ARDA agreement?

MR. LYON: I think if my honourable friend will have reference to the annual report he can see the various activities of the forest management branch vis-a-vis its regular activities in all parts of the province. I can't specifically answer the question as to whether there is an ARDA sharing thing on forestry in the interlake.

I must say that my honourable friend from Ethelbert Plains raises a point and we discussed this last year, the question particularly of the discontinuance under the new legislation of the settlers permit, and I think we all agreed at that time that this would certainly cause some discussion in some quarters because there have been people who had had these permits for some time. I don't know whether he agreed to this proposition or not and I presume that perhaps he didn't, but I think the general explanation that I tried to give on the introduction of the new legislation was that this type of operation, which in its time was certainly justified, was now really passing out of the scene pretty well; and furthermore, the department felt that where there was a desire for amounts of timber that would be of any size that formerly were taken on the settlers permit, that they had provision under the new act to permit this type of area to be given out - a small area to be given out for this purpose.

On the other hand, I think we must equally say that it was felt that in a number of cases where settlers permits were being used, it was felt that these people might well avail themselves of just exactly the same resources that you and I do, that is namely going to the local sawmill in the area and getting our lumber, or on the other hand going to the lumber yard as my honourable friend or as many of the urban dwellers would do.

But this is a problem and we're trying to phase it out as well as we can without too many hardships occurring on those who previously held the permits. It's part of the new concept that's envisioned in the new legislation--which by the way is not yet proclaimed but the regulations are in the final stages of consideration--part of the new concept of forest management which we think will lead to a much better economic use of the total forest resource in Manitoba, because I can tell my honourable friend that we share with him the concern that we are not getting the best use of our forest resource in Manitoba that we might have, and part of the reason is of course the legislation under which various governments have had to operate over the past years. This is why we brought in the new act last year and the new regulations which will of course be much more comprehensive than the old ones and will involve some new concepts as well on the whole system of forest management, the granting of licenses, permits and so on.

So I do say to him that we're aware that in some instances there have been complaints about the settlers permit, but there has not been that degree of complaint that we expected. We have tried to take ameliorative action to countermand that type of thing and try to provide other alternate sources where the quantities were large enough, and generally speaking we think it's coming along reasonably well, but I would be the last to say that everyone is completely happy.

MR. HRYHORCZUK: Mr. Chairman, it's not only their happiness that I'm concerned with, it's their welfare as well. I notice that the Minister overlooked my question as to why the reduction in the revenue. Was it due to the fact that you're not getting the competition that you used to get in bidding for these sales?

MR. LYON: I'm waiting for a more definitive answer from on high, but I can merely make this observation, that at various meetings that the department have had, some of which I have attended with the Forest Products Association, the recent complaints have been the

(MR. LYON cont'd) highly competitive nature of the bids and the high prices at which some of the bids have been coming in. Sometimes, we're told by the people in the industry, unrealistic prices. A man will bid up to a high price which the seasoned operators just feel can't be handled and in the odd case their prognostications have proven to be true. But this seems to be the nature of the comment that we hear from the forest operators today, that there is a lot of competition and that the prices are unrealistically high in some cases, but I'll try to get the exact revenue figures for my honourable friend though and give him those.

MR. HRYHORCZUK: Mr. Chairman, when that information comes down, the Minister will probably find that where the sale was comparatively small, and some of these operators that are used to operating on small sales were bidding on them and that's why you had the high bids; but in the large blocks I think you'll find that most of them have gone -- I'm talking about the area I'm acquainted with, not outside, but I believe the same policy prevails all over Manitoba -- you'll find that in the larger blocks that competition is not there and it's organized. I was just wondering whether the Minister is aware of this and whether he's taken any steps to counteract it.

MR. LYON: Of course there's some out of district, or out of region operators coming in who are not necessarily familiar with the operating procedures such as my honourable friend would be familiar with in a certain region, and of course in instances like that a little bit of hard feeling arises from time to time especially if the outsider gets the high bid, and even more hard feeling results with local people who sometimes have been used to gaining employment where they find that they don't have the same employment opportunities offered by this outsider, and of course you get then the nice clash of problems occurring. I can't say to my honourable friend that there is any firm answer that we have to the problem. We try to keep this on an open competitive basis as much as possible without infringing too much on the principle that there should be free competition in the bidding.

MR. HRYHORCZUK: Mr. Chairman, I don't know whether the Honourable Minister missed the gist of what I was saying or if that is his reply after he didn't miss it. What I'm trying to say, Mr. Chairman, is this, that we have several companies, both local and outside Manitoba, who are buying up most of these sales through local people who are acting for them, and the operations are now so well organized that the companies in advance decide amongst themselves as to who is going to bid on what particular sale. We're doing away with that competition that the Honourable Minister is talking about, that there's some hard feelings about somebody coming in from the outside and bidding high. That isn't the point at all. The point is that we've allowed these companies to take advantage of us and I want to know what the Honourable Minister or the government is doing about it. Are they looking into this matter? Are they going to find ways and means of stopping this organized means of making bids so that you buy the sale at the upset price where the competition is done away with altogether? What is being done is that regard, that's what I'm concerned with.

MR. LYON: I would have to admit to my honourable friend that I have no personal knowledge of this kind of affair that he speaks of and I would appreciate getting more information, perhaps privately from him, as to the few instances that he is thinking of because I'd like to check them through.

MR. HRYHORCZUK: I'm quite sure, Mr. Chairman, that the officers of the department and the people that work in the department are aware of this.

MR. CHAIRMAN: 2 (a) (1) --

MR. SCHREYER: I'd just like to ask the Minister how many items he would hope to have passed this evening, because if he's wanting to have the estimates of the whole department passed, I would like to tell him that I would like to speak for some few minutes on item 9 and 10, so it doesn't seem we could finish tonight. So how many items would the Minister like to get done?

MR. LYON: We're not trying to pressure honourable members on the first night of the 65 hours but I think if I'm agreeable, certainly subject to meeting the agreement of the members opposite, to carry on with just as many items as we can without reaching an unreasonable hour because I think the more progress we can make the better.

MR. PAULLEY: I wonder if my honourable friend would care to define what he means by an unreasonable hour?

MR. LYON: Well, I'd be prepared almost to accept the definition that members opposite might wish to give for that.

MR. CHAIRMAN: 2 (a) (1) --

MR. MOLGAT: Mr. Chairman -- no, I'm sorry, on the same subject -- it comes I think under this because it refers to the question my honourable friend the Member for Ethelbert Plains was bringing up. He was speaking about the settlers permits insofar as timber. I think there's a further problem in there regarding the hay and pasture rights in the park. Now was this part of the

MR. LYON: No, I was talking about forestry only.

MR. MOLGAT: Well now this is within the forestry region so I presume it should come under this specific item and not under the Lands Branch.

Now it's my understanding that in the past the forest in the Duck Mountain was open for both hay and grazing permits for settlers in the vicinity of the area and that substantial numbers of cattle were being grazed in there and some hay was being produced. Now this had the same effect from a fire protection standpoint as my honourable colleague was mentioning insofar as forestry, because quite obviously any individuals who had cattle in the park itself, and others who were dependent on it for hay, had a very personal interest in seeing to it that the area was fire-free. Now is it correct that these permits have now been discontinued or are being reduced and that they will no longer be able to graze and hay in the forest reserve?

MR. LYON: Mr. Chairman, what has been going on essentially and in a general way is this, there has been a survey made by the Forestry Branch in consultation with the soil people from the Department of Agriculture in all of our forest management areas to try to determine if possible whether or not new boundary arrangements would be desirable in order to get that degree of compatibility between grazing and forestry. Now the true forester, and I'm certainly not one, but the experienced and expert forester would say that under ideal circumstances of course the two are not compatible, but there are areas we know because of the way the boundaries were drawn up many years ago where there is some good pasture land presently contained within forest areas, and what has been recommended is that there be some adjustment in some cases in these boundaries.

We received a large petition from a number of people in the Duck Mountain area and we've had members of the staff, and the regional staff as well as from head office, check on this and go out to the area, and the sum and substance really of their report to me was that there wasn't too much concern about the old settlers permit -- about that law -- so much as there was about this grazing problem that my honourable friend the Leader of the Opposition raises, and that if grazing had to be eliminated that it should be done very gradually and in such a way as not to prejudice the herds and the grazing facilities of these various settlers. This, it was reported to me, would cause a great problem if these rights were eliminated immediately.

So what we are doing is taking a long look at this in the light of the reports we have from the area and in the light of the interest expressed by the various signatories to this petition, and it was a large petition, to make sure that any changes that are made in boundaries or in hay and grazing privileges will not be such as to cause a severe disruption, particularly to the small settlers around the area who have a few head of cattle and who have used these facilities and used this acreage over the years.

Now that's our aim and I would think it would be the aim of the Leader of the Opposition to do the same, to try to get these true grazing areas outside of the forest reserves and, where possible, to contain within the boundaries of the forest reserve only those lands that should be kept entirely for forestry purposes. Now there are questions of erosion, there are questions of soil types and so on that are involved in this, and detailed studies have been made to give us some idea as to what these boundaries should be, but that is the problem that we face. It's not an easy one and certainly we would take the advice of the Leader of the Opposition and try not to disturb too many of these people who have had these grazing privileges over the years.

MR. MOLGAT: I wonder then if the Minister could indicate what the policy will be for the coming year, because obviously the people in the area are going to be faced with this very shortly now when they will be putting cattle out to graze. Will they have the same privileges in the forest reserve as they had last year, that is at least for 1965, and when will the definitive policy be established for the future?

MR. LYON: I have no immediate information with me, Mr. Chairman, as to the policy this year vis-a-vis grazing. I'll attempt to get that very shortly though for my honourable friend, and this is with reference to the Duck Mountain.

MR. MOLGAT: This is particularly with reference to the Duck. I have not had complaints from other regions. Possibly the Minister has had, and I presume that whatever policy would apply to the Duck Mountain would apply to any of the other forest reserve areas that are involved

(MR. MOLGAT cont'd) as one policy. We will get that policy before the completion of the department?

MR. LYON: I'm waiting for word from on high, and I'll tell my friend.

MR. TANCHAK: Mr. Chairman, I just have one question to ask here. We were discussing the discontinuance of settlers permits and the Minister agrees with us, and I can see with the department, that it creates a certain amount of hardship because these settlers depended quite a bit to supplement their earnings. During the winter months, slack months, they went into the forest and several have been asking me this question. They all know -- the Minister also is aware of that -- that some of these areas are recovering now, that the forest is growing again and the trees are getting more mature and pretty soon these areas will be ready to produce again. Now when this comes about and these areas are in production, the settlers are wondering what the intention of the government is, providing that these areas are in close proximity to the settlers. Will the government again go back and give these settlers permits? They realize that some of these areas will be pretty close to the settlers, or will they be treated as the forest in general? In other words, will the settlers be permitted settlers permits again in the future when these are available?

MR. LYON: Mr. Chairman, under the new legislation which we hope will be in effect before too long now with the completion of the readying of the regulations for Cabinet approval, there is not provision for the settlers permit under the new act. What we are trying to do as I mentioned before is to ameliorate against this loss in those cases where there was consistent use, or where the former permit holder wishes to get into a larger type of operation, to provide a tract that would be suitable for that under the regular permitting or licensing arrangement permitted under the new act, but the settlers permit as such, I would have to say it is not the intention at the present time to have it. It is not contemplated within the legislation.

There was a question earlier which I'll take the liberty to answer now, I believe by the Honourable Member from Rhineland. There is no provision for opting out of ARDA. There has been no ARDA cost-sharing under forest management to date but we will cost-share approximately 25 percent Seed Extraction Plan capital costs under ARDA arrangement. In the Interlake ARDA project area, this is being looked at for total land resource plan which of course includes forest, wildlife, grazing land, arable land, fishery operations, everything. The total resource picture is being looked at and valued, and so it is safe to say that this is an all-encompassing study that is going on.

The people who were using the forests in the Duck Mountain for hay and grazing last year will have comparable rights this year. That's the information I am given by the department.

MR. CHAIRMAN: 2 (a) (1) -- passed; (2) -- passed; (3) --

MR. FROESE: Mr. Chairman, on 2 (a) (3), in connection with the nurseries here, is this a duplication of what the Federal Government is doing at their experimental farms such as at Indian Head where people can order trees? I take it this is in connection with reforestation, but could we not get the necessary trees from them? Why do we have to have a duplication of service, or is this completely different from what the federal government is doing?

MR. LYON: My honourable friend will appreciate, Mr. Chairman, that forests are one of the resources that came to the province under the 1930 agreement of natural resources and of course the province has the full responsibility for their maintenance and development and enhancement, and that being the case the province must then depend upon its own tree farming operations and seed extraction operations and so on to support its provincial forestry program. I would suggest that so far as I know there is some communication of course between Dominion Experimental Farms and our branch from time to time. The closeness of the liaison I can't really tell my honourable friend but I don't really think that there's too much duplication of service. If he will look at the annual report he will see the rather broad extent of the seed planting operation that we have under way from year to year.

MR. CHAIRMAN: 2 (a) (3) -- passed; (4) -- passed; (5) -- passed; (6) --

MR. GUTTORMSON: Mr. Chairman, today I submitted an Order for Return regarding a copy of the ARDA Agreement between the Federal Government and the Government of Manitoba and the Minister of Agriculture stood up and said there was no agreement. Now here item 2 (a) (6) says Canada-Manitoba ARDA Agreement. Now how can he tell me today there was no such agreement?

MR. LYON: I think what is troubling my honourable friend, as I recall it, the wording of his order was the recent ARDA agreement, and I think he had in contemplation the agreement that has been in the newspapers -- or word of it has been in the newspapers that the

(MR. LYON cont'd) . . . Minister of Forestry, the Honourable Mr. Sauve, is presently discussing with the various ARDA Ministers across Canada. I have not personally been in on those discussions. The Minister of Agriculture has and our department has been represented by the Deputy Minister at the discussions, and I think his comment, although I shouldn't presume to speak for him, I think his comment was that there was no recent agreement in the sense of one under the Sauve Ministry having been signed. Now I stand subject to correction. He's not here to correct me, but that was my impression of his remarks to the member for St. George.

MR. GUTTORMSON: What is the Minister's definition of recent?

. . . . continued on next page

MR. CHAIRMAN: 2 (a) (6) -- passed; (7) -- passed; (b) (1) -- passed; (2) -- passed; (3) -- passed; (4) --

MR. MOLGAT: Mr. Chairman, under Forest Protection Branch, last summer, I think there was some serious fires in the northern part of the province in the vicinity of Thompson and so on. Did our expenditures go over the appropriations for last year? Was there an over-expenditure there?

MR. LYON: The expenditure last year, and I am going by memory until I find it here, was in the area of \$325,000 -- \$375,000. This appropriation that we are on, this is appropriation 2 (b) (4) shows exactly that figure of course this year. Last year's figure was \$335,000; our actual expenditure was \$375,000. We were \$40,000 over.

MR. MOLGAT: In spite of the serious fires?

MR. LYON: Yes.

MR. CHAIRMAN: (b) (4) -- passed; (5) --

MR. PAULLEY: I wonder if the Minister could tell me insofar as the Canada Forest Act Agreement is concerned whether this particular agreement has an expiry date, and if so, when?

MR. LYON: That agreement -- and I am going again by memory -- we are presently in negotiation with the Minister of Forestry at Ottawa on a new agreement. He has sent the general scheme of it out to us and we are looking at it now in some detail. The new agreement has not been signed. We are just in the negotiation stage and we are presently operating under the old agreement. I think there are some changes to it, but still basically the old agreement. I should mention under the fire protection item that there is a recovery of \$119,000 which is credited to our recovery account 9-2-H on that 375 figure that I mentioned.

MR. CHAIRMAN: 2 (b) (5) -- passed; (c) (1) --

MR. MOLGAT: Mr. Chairman, under the Parks Branch, I think that ARDA here also co-operates with us in the matter of the parks, and I understand some surveys were undertaken in the past year by the department insofar as ARDA and so on. I wonder if he possibly has copies of these surveys. I noticed that there are three specific surveys indicated in the report of the department on Page 55, and I'd be interested in knowing whether it was possible to get copies of those three studies.

MR. FROESE: Mr. Chairman, I also asked some questions in connection with the Birds Hill Park before, and I hope I can get some answers under this item here to my questions that I put before.

MR. LYON: The park studies that my honourable friend refers to are of course inter-departmental studies that are made. Recommendations are made, and sometimes they're acted upon, sometimes they aren't acted upon, depending in some cases as to the amount of money that's available and so on. While the exact studies are not available to my honourable friend, I could try to get general reports for him as to the general import of the type of study that has been carried on by the department even though the report itself wouldn't be available under the regular rules.

My honourable friend from Rhineland mentioned his question on parks. Now if he'd just refresh my memory - I have it written here - if I could just look back.

MR. FROESE: I was interested in getting the

MR. LYON: Oh, Birds Hill.

MR. FROESE: Yes, the total cost.

MR. LYON: The total cost estimated, and of course these are only estimates at this stage, \$3.5 million, and it's expected that that might be a minimum. There may be an escalation in that estimate. The period of development will be over a ten-year period. The first phase of it will be 1967, by which time we are hoping to have ready certain of the facilities within the Birds Hill Park to accommodate some of the training matters of the Pan American Games and perhaps some of the events. I'm thinking particularly of the equestrian events that are being considered for that area. So by 1967 roughly in this order, we hope to have the first stage completed, that is the lake; the picnic and games area; the camping area and the roads, that is the ring road and the other service roads within Birds Hill.

Now his other question - admission charges. Well there are admission charges to all provincial parks in Manitoba at the present time and this will be a provincial park which will fall within that rule.

MR. PAULLEY: Mr. Chairman, there's just one point that I wish to draw to the Minister's attention. He just mentioned the word "lake" insofar as the development at Birds

(MR. PAULLEY cont'd.) . . . Hill is concerned. I sincerely trust and hope that there's a great co-operation between his department and the Department of Agriculture as it is building the Floodway, and in the building of the Floodway of course it's necessary to go through, as I understand it, part of the Birds Hill Ridge, and from association out in that area over a number of years, there has been a number of lakes created in the gravel pits. I have some fears that there may be a depletion of the availability of water in the area as a result of the construction of the Floodway.

I say this, Mr. Chairman, because I had raised the question when the proposition was first before us regarding the building of the Floodway as to the lowering of the water table in the general area, and just the other day an answer to an Order for Return indicated that there was a considerable amount of wells in the general area for which additional depths had to be undertaken in order that the parties affected still had sources of water.

So I say to my honourable friend, while I think the idea of a lake is good and it was certainly well demonstrated the other day, but I have some fears, depending of course on the depth of the Floodway when constructed, as to whether or not it might have some bearing on the availability of water for my honourable friend's lake.

MR. LYON: Mr. Chairman, my honourable friend raises a very valid point, and as a matter of fact we've already had consultants outside government service looking at this problem. The water for the lake will come from basically two sources. No. 1, natural surface water in the area. There's a natural drainage inclination there from the new land on the southeast corner that we purchased or that we expropriated in November, largely at the request of the municipality because it would aid them in their drainage problem in the area. That surface drainage water will come into the lake, but in addition the lake level will be sustained by deep wells, and we're assured by the consultants before this lake was approved that there would be sufficient ground water to service the lake in addition to the surface water, and that the pumping or the use of this ground water would not deplete any of the fringe areas surrounding, that is by filling up the lake. Of course, once the lake's there, there'll be some run-off and evaporation and so on, but from these two sources there should be sufficient water and there should not be any injurious affectation to lands around. That's the information that we have at the present time.

MR. PAULLEY: I hope also, Mr. Chairman, that when this lake is finally created that there will be adequate provision for constant changing of the water in the area apart from those by evaporation, because I'm sure that the Minister is aware of the fact that a number of swimming pools and miniature resorts so to speak have been built in the area, or used in the area, and complaints have been raised at varying times as to whether or not there is sufficient changing of the water there to prevent any infection to those who are using the water.

MR. LYON: The water table is no problem, at least the consultants tell us it's no problem in the Birds Hill area. There is provision made for a change of water, not complete like a backyard swimming pool but a movement of it, and the water experts say that we are O. K. - regardless of the Floodway construction and so on - we are O. K. for a supply of water.

The lake by the way, if I can just take a moment because this to me is one of the real focal points of the park, this lake will have, as you saw from the topographical display in Room 200, a chain of small islands in the centre of it, and the variety of activities that we envisage both winter and summer on this lake are really quite exciting. With this size of a body of water you can envision across the whole spectrum of aquatic activities, small sailing, swimming and canoeing in the summertime; and in addition to that, in the winter we can envision the freezing of this lake, which is expected I think to be roughly at its deepest point around 16 feet deep, we envision keeping this open or cleared of snow for winter skating within the park, because of course the concept today is to get a 12-months use out of the park area as much as possible, and with skating being the popular sport that it is in Manitoba, we certainly want to lend these facilities to every kind of winter activity that there is. This is a natural feature for us to work on and I think it has very interesting and very good possibilities for year-round recreation for all of our people.

MR. PAULLEY: I can see a competition insofar as winter sports are concerned between the Department of Mines and Natural Resources and that of the Department of Agriculture, because I well recall the Honourable the Minister of Agriculture on at least one occasion was suggesting to us that for winter sports, tobogganing and skating and the likes of that, that his Floodway may be utilized.

Now the Minister told us earlier this evening in answer to the question of the Honourable

(MR. PAULLEY cont'd.) Member for Rhineland about admission fees and likes of this insofar as our parks are concerned, and I just wonder, Mr. Chairman, whether there may be a slight bit of competition between the Minister of Agriculture and the Minister of Mines and Natural Resources. I don't know whether or not the Minister of Agriculture indicated to us whether he and his department are going to charge a fee for the use of the Floodway for tobogganing and skating, so there may be a conflict of interest insofar as this aspect is concerned.

MR. LYON: I don't think there'll be too serious a conflict. As a matter of fact, the Floodway has very interesting possibilities for winter recreation facilities, but I don't think there'll be any conflict between us.

MR. CAMPBELL: Mr. Chairman, is it not a fact that there's been some change in the program with regard to this lake. Was it not first envisaged as a 20-acre lake, and won't the problem of water supply be considerably enhanced when it's expanded to an 80-acre proposition?

MR. LYON: Yes, my honourable friend is quite right. Our first conceptual idea of the lake was, as I announced last year, a 20-acre lake, but subsequent investigations by the departmental people and by outside consultants indicated that, for a further expenditure of money naturally but without the necessity for some diking that was going to be required for the 20-acre lake, we could increase the total size to 80 acres. Now there will be an increase in the cost of it, but the consultants were also asked at this time about the water supply and they assured us that there would be sufficient even for this larger lake. We of course were quite happy to be able to increase it to this size because it's more in the order of magnitude of the whole size of the park.

MR. CHAIRMAN: (c) (1) -- passed; (2) -- passed; (3) --

MR. FROESE: Mr. Chairman, how much of the allocation here under (c) (3) will be spent on the Birds Hill Park this year, or isn't that for that purpose?

MR. LYON: Well (c) (3) - I can tell my honourable friend what (c) (3) applies to. This provides for the maintenance, operation and minor improvement to the nine provincial parks, that is Grand Beach, Whiteshell, Clearwater, Turtle Mountain, Duck Mountain, Grass River, Birds Hill, Spruce Woods, and Assissippi. I don't know if I have a breakdown here of the amount for each. No, I don't have a breakdown of the amount assigned to each.

MR. MOLGAT: Under the Parks Branch, I have asked the Minister about the studies listed on Page 55, and if I understood him correctly he said that these are interdepartmental studies. Well there are two listed there - Recreational Land Classification of the Interlake and a study of municipal Regional Parks which were undertaken under ARDA. Do not those then qualify as public studies? In view of the fact that the Federal Government has contributed to the studies themselves, do they not then become public property and not strictly interdepartmental?

MR. LYON: I would have thought not, and that's why I was hesitant in saying that the reports would be available to my honourable friend. I get a contrary indication from sources on high and if they are available -- you will see from the reports of course, these studies initiated -- if they are available, certainly I'll make them available to my honourable friend if that is the regular arrangement, but otherwise I was thinking in terms of them being straight departmental studies of course which are not producible.

MR. MOLGAT: The third one listed there, Mr. Chairman, does not specifically say it's under ARDA, so possibly it's not. My honourable friend may say that I'm overly suspicious, but having watched the government in action for some time, when I see a heading of a study and the heading says "A Review of Current Cottage Fees and Rentals and Commercial Concession Rentals in Provincial Parks", I can't help but feel that this must be indicative of an increase on the way. I hardly would expect that it would indicate a decrease, so presumably this one is an interdepartmental one. If it's not, I would certainly be most interested in seeing a copy of it, Mr. Chairman, but in any case could the Minister indicate to me whether it is the intention to increase the fees in the parks?

MR. LYON: I can tell my honourable friend happily it is not, there is no such intention at the present time.

MR. MOLGAT: Mr. Chairman, we had some discussion earlier this evening upon the definition of the term "upon" and it apparently covers a period of a year. Could the Minister define for me "at the present time"? How long a period does that encompass.

MR. LYON: Say for the foreseeable future.

MR. PAULLEY: A question could be asked of the Minister in regard to cottage fees. Is there any intention to raise them insofar as the current year is concerned?

MR. LYON: No.

MR. MOLGAT: Mr. Chairman, on the over-all question of parks, I was very pleased to hear the Minister this evening make some statements regarding the national policy that was announced by the Minister of Northern Affairs the Honourable Arthur Laing, and as I gathered the statement of the Minister it was that Canada needs more national parks; that lands should be set aside while available; and that there were gaps to be filled in the national park system notably in Ontario and Quebec, and one particular area that he mentioned was the Canadian Shield.

Then my honourable friend went on and made a statement of his own and said that this government subscribes 100 percent to that policy. I wonder then if my honourable friend would be prepared to reconsider the proposal made last year by my colleague the member for Emerson constituency when he suggested the development of a joint park in the southeast corner of this province, taking in a portion of Manitoba; a portion of Ontario; and that portion of the United States that is landlocked, insofar as they are concerned, it can only be reached by going through Manitoba, the area known as the Northwest Angle.

I think that this area has some very promising possibilities as a national park. It fits into the definition that the Federal Minister describes when he says that there are gaps to be filled and refers to the Canadian Shield. This is specifically a part of the shield -- (Interjection) -- He was thinking of the interlake? I see. I think there are some further definite advantages there as outlined by my colleague last year in that this would fit into a national and international setting. The Peace Gardens down in the other part of Manitoba has international acclaim. It's an area that does bring tourists to Manitoba. I think it's an outstanding type of activity where two nations joined together to promote this particular park.

I think here in the southeast corner we have again a marvelous possibility, because there is there that little piece of American property which is really adjoining to the Province of Manitoba. There are some historical reasons for the development of such a park. It was the area where so far as we can tell the first white men who came overland reached Manitoba and the original forts of La Verendrye were there in on those islands directly adjoining the Northwest Angle. I think there would be there a possibility of a most interesting park, one that would fit into the federal scheme of things; one which I would think our American friends would be prepared to consider; one which would bring tourists to the Province of Manitoba and preserve for the future an area that has some real merit to it.

Now the Minister having said that he subscribes 100 percent to the federal policy, would he be prepared to make a statement whether or not the Manitoba Government would undertake steps to promote this idea in conjunction with the Province of Ontario, the Government of the United States and the Government of Canada?

MR. LYON: I well remember the comment made last year by the Honourable Member for Emerson and I indicated I think to him at the time that this was a most interesting suggestion that both he and the Leader of the Opposition had made. Contrary to the general impression that the government pays no attention to the opposition, I want to prick that balloon right away and assure both of my honourable friends that we did pay some attention to that suggestion, and while the date escapes me I can tell them that some time last spring or early summer I wrote to the Minister of Northern Affairs and National Resources, the Honourable Arthur Laing, expressing the interest of the Province of Manitoba in the potentiality for this area for a national park.

There was then some communication with the Honourable Kelso Roberts, the Minister of Lands and Forests for Ontario, and subsequently the area was examined by our own people, by the Ontario people, and by the federal parks people as a result of the suggestion that was made and I give my honourable friends full credit. I merely passed it along to the Federal Government and said that we subscribed to it. The unfortunate thing that I must report however is that to date, as a result of these initial studies that they have made, the three governments concerned, not the United States because they weren't concerned in it, are somewhat disappointed by the resources that they found there with reference to the Federal Government's concept of a national park. Now I don't presume to be cognizant of all of the requirements that the Federal Government have in this regard but unfortunately it was found that the area did not present this broad spectrum of topography that the Federal Government likes to find in potential national park areas, and so I would have to report that at this stage the

(MR. LYON cont'd.) prospects for a national park there are not at all good as a result of these studies.

Now if my honourable friends think that there are points that may have been overlooked, I'd be glad to have them give me these points either in committee or outside the House because we are interested in it and we do subscribe to this policy of having as much park area, whether it be national, provincial or municipal, as possible within the province because we are going to need it in the future and it really matters not what level of government establishes it provided it is there for the use of the people.

So unfortunately the studies -- the preliminary studies have been made; they have not been optimistic in the reports that they have made to us; and unless we have some new indication of areas perhaps that have not been looked at by them, it would appear to be pretty much in limbo at the present time.

MR. FROESE: Mr. Chairman, I want to come back to the matter that was already raised by the Leader of the Official Opposition in connection with the two studies that were made. Last year 20,000 was set aside under the Canada-Manitoba ARDA Agreement under the Parks Branch item, and on Page 55 is mentioned the two studies that were made. One was in connection with the land classification of the interlake area and no doubt this had a purpose in mind because we're going to have development in that area under the ARDA agreement, but then there was another study made of the municipal and regional parks and I'm just wondering was it as a result of this study that the Birds Hill Park was embarked on, and if so, I think this report should be made available to members of this House. After all, we're spending public monies and I think members of this House should then be entitled to review those reports.

MR. SHOEMAKER: I asked some questions about an hour and a half ago in regard to the subject matter at hand and supplied my honourable friend with an Order for Return of some four years ago. I am still awaiting an answer. At the bottom of Page 50 of the annual report that is before us, it suggests that in addition to the large provincial parks there are forty other areas in the province of a smaller nature, varying in size from two and a half acres to 2,000. I wonder if we could have a list of those sometime before we finish his estimates, and perhaps now would be the proper time for him to answer my question in regard to what provincial contributions are available to areas such as I pointed out - Lake Irwin and Kerr's Lake.

In 1961, when the Cabinet met outside of Winnipeg for the first time since Confederation, they met at Neepawa you recall, and another interesting part of that was that one of the requests made to the Cabinet at that time -- this was a historic occasion -- they met in motels once or twice since that and away out at some goose preserve some place or other, but the first one, the first meeting of this kind ever held since Confederation was at Neepawa. One of the requests came from, and incidentally, Mr. Chairman, the purpose of the meeting outside of Winnipeg was to see what we people wanted. They said we're going out -- we're going out in the areas to find out what the people want and they tell us what they want and we'll fix them up.

One of the things that was requested was a contribution to the development of a recreational area at Kerr's Lake. I have a four page handwritten letter here from the Reeve of Rosedale in 1963 wanting to know what they were doing about the request that was made to the Cabinet four years ago. We're still waiting for an answer because letters that I have directed to the department in the four year interval suggests that a study is going on, priorities are being established and etc. etc. On the bottom of Page 50 it suggests that "quite a number of these eventually qualify for and will be formally established as provincial recreational areas" and so on and so on.

Now perhaps my honourable friend will at this time tell me what contributions we can expect to areas of this kind, to Lake Irwin and Kerr's Lake and so on. I believe that last year we were supplied with a map by my honourable friend setting out the existing parks, the new parks and the areas which they proposed to develop. One of the terms they used at that time was "wilderness areas". I wonder if they are going to declare any new wilderness areas this year. They shouldn't cost too much, these wilderness areas, if all you have to do is declare them.

I was rather interested in my honourable friend's opening remarks four hours ago when he said that in regard to Birds Hill area that it was amazing to think that the 600,000 people in the Metropolitan area only had to drive 14 miles from the corner of Portage and Main to be alone with their thoughts. Well in Neepawa we've only got to drive a half a mile down to

(MR. SHOEMAKER cont'd.) . . . Riverbend Park to be alone with our thoughts. It doesn't take us near as long to get alone with our thoughts, but we would appreciate having an area developed 20 miles up in the Kerr's Lake where we could drive 20 miles to be alone with our thoughts, because it is a wilderness area that my honourable friend would probably suggest would be an ideal location for me to be at more than one occasion, so maybe this would be the appropriate time for him to be alone with his thoughts and perhaps he could maybe move that the committee rise and we could all go home and be alone with out thoughts for about twelve hours.

MR. LYON: Mr. Chairman, I hadn't realized that my honourable friend always wanted to be alone with his thoughts. I am sure that some of the residents of Neepawa wouldn't always go out to Kerr's Lake unaccompanied nor do I expect that the residents of Greater Winnipeg will always be unaccompanied when they go into the wilderness areas of the Birds Hill area.

Going back to his questions which I certainly haven't lost sight of, he asked about all of the various projects the Federal Government was participating in under ARDA, and I would suggest to him that he look at the Order for Return that was filed today, I think in response to an Order by the Honourable Member for Assiniboia, wherein a list is given of all of the ARDA projects, that is capital land acquisitions that the government has participated in over the years '62, '63, and '64. That plus the report of ARDA which he had in his hand I think should give him the information that he wants in that regard.

I haven't, I must confess, any up-to-date information with me on Kerr's Lake. I am not unfamiliar with that scenic spot that my honourable friend is interested in. I must tell him of course that the provincial recreation areas and the wayside are all constructed at 100 per cent cost of the province. I mentioned earlier when I was talking about Winnipeg Beach that the province does not have a program of municipal park assistance, and so if anything of that nature was being considered for Kerr's Lake, why we just haven't either the program or the money at the present time for municipal park assistance.

Now if the request is that Kerr's Lake be considered for a recreation area, and I think that's what sticks in my memory about it, I would have to look back and find out just what the disposition was in that regard. Certainly I am not aware of any new plans that we have for Kerr's Lake at all at the present time.

The road map, the provincial road map turned out by the Department of Public Works shows all of the provincial parks marked on the road map, those that are enumerated in the report. We can get for the honourable member who requested it the names of the 40 small parks or recreational areas and provide that some time during committee for him. I think we have already given the honourable member a letter or a memo on Kerr's Lake but I don't recall the substance of it and I would have to check my files to find out just what that was.

Now the Honourable Member from Rhineland mentioned the question of this \$20,000 item. This was a part of the Forestry Branch Administration appropriation 9-2-G. With the reorganization of the Forestry Branch Administration effective April 1st last year, that appropriation was allocated between the Forest Management Branch and the Parks Branch. The amount of \$20,000 represented the portion of ARDA Project 7035, Economic Demand Trend Analysis re Recreation which was to be expended by Parks. During the 1964-65 fiscal year, Administration - Economics and Planning, was set up by Treasury Board order so that the economic function of which this project is a part was taken over by that section. In the 1965-66 estimates therefore there is no request for this purpose being made by the Parks Branch since the monies for this purpose have been included in estimates submitted by Administration - Economics and Planning.

MR. CHAIRMAN: 2 (c) -- passed, Resolution No. 58 -- passed. Resolution No. 59, 3 (a) --

MR. EVANS: Mr. Chairman, we've worked the Minister pretty hard. I wonder if the House would be agreeable to adjourning now? In that case, Mr. Chairman, I move the Committee rise.

MR. CHAIRMAN: Call in the Speaker.

IN SESSION

MR. CHAIRMAN: Madam Speaker, the committee has adopted certain resolutions and request leave to sit again.

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Madam Speaker, I move, seconded by the Honourable Member for Wellington, that the report of the Committee be received.

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

MR. EVANS: Madam Speaker, I beg to move, seconded by the Honourable the Minister of Mines and Natural Resources, that the House do now adjourn.

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