

THE LEGISLATIVE ASSEMBLY OF MANITOBA
9:30 o'clock, Wednesday, May 3, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions
Reading and Receiving Petitions
Presenting Reports by Standing and Special Committees
Notices of Motion
Introduction of Bills

Before we proceed, I would like to introduce our guests in the gallery on my right. We have 38 students of Grade 11 standing from the Brooklands Collegiate School. These students are under the direction of Mr. Froese. This school is located in the constituency of the Honourable Member for Assiniboia. On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

Orders of the Day.

HON. STEWART E. McLEAN, Q. C. (Provincial Secretary) (Dauphin): Before the Orders of the Day, I should like to place on the table of the House a Return to an Order of the House No. 68 on the motion of the Honourable the Member for Radisson, the Leader of the New Democratic Party, made on the 29th of March, 1967; a Return to an Order of the House No. 70 on the motion of the Honourable the Member for St. George made on the 31st of March, 1967 - the Clerk has been provided -- that's the very large one; and a Return to an Order of the House No. 72 on the motion of the Honourable the Leader of the Opposition made on the 3rd of April, 1967.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, I'd like to ask a question of the Leader of the House or the First Minister. We may be drawing to the close of the Session, one never knows in these affairs but it's a possibility, and there are still a number of Orders for Return and Addresses for Papers outstanding. Now our rules do not provide anything in this regard, but Beauchesne is very clear that where the House is prorogued - I'm speaking now of prorogation, not dissolved - the Orders stand and are to be submitted at a later date. I trust that this will be the case in view of the fact that when our rules do not provide, Beauchesne's rules take over. Is this correct?

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Speaker, I'll give the matter consideration.

MR. MOLGAT: Mr. Speaker, surely it is not a question of consideration. This is a question of the rules of the House. Our rule is clear: where our rule does not provide, Beauchesne takes over. So, Mr. Speaker, I would then ask you for a ruling on the matter.

MR. ROBLIN: My colleague, the Leader of the House, tells me that he has given some undertakings in this matter and perhaps he could speak to us.

HON. STERLING R. LYON, Q. C. (Attorney-General) (Fort Garry): Mr. Speaker, the situation is not clear because we discussed it in Rules Committee on one other occasion and I would fully expect that the matter would be discussed again when the Rules Committee convenes. I think in the interim the practice could be that those Orders which are completed and are ready for filing could be filed with the Clerk's Office until such time as we settle the matter finally in Rules Committee.

MR. MOLGAT: But, Mr. Speaker, ...

MR. LYON: That is after prorogation.

MR. MOLGAT: Yes. This appears to me, Mr. Speaker, of a case where either the First Minister or the Leader of the House interprets the rules for the House and I would ask your ruling on the subject, Sir. I would refer you to our rules which state very clearly that where our rules do not provide, then we turn to the Ottawa rules and then Beauchesne does. So while it's true that we may be discussing it at the Rules Committee at a later date, we have no knowledge when the Rules Committee will meet. In the meantime, I would appreciate your ruling, Sir, on exactly how this matter stands. The discussion at a later date in the Rules Committee has no bearing at all on the present situation.

MR. LYON: Perhaps my honourable friend didn't hear me when I said that there would be the discussion, but prior to that discussion, if any Orders matured and were ready for filing, they would be filed with the Clerk even though that is contrary to our previous practice. The practice of the House has not been that and I was attempting to point that out, but giving the undertaking that any that did mature and were ready for filing would be filed with the Clerk

(MR. LYON cont'd.) on this occasion until it's settled in the Rules Committee.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I'd like to direct a question to the Honourable Minister of Labour. I understand that there has been a change in legislation between the provinces and the Federal Government regarding subsidies paid to people taking upgrading courses and the ones taking apprentice trades. I wonder if the Minister would advise the House if he is considering picking up the subsidies to the ones that are presently under the Apprentice Trades Agreement. I understand some of the other provinces are doing this.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Mr. Speaker, while this involves apprentices, the paying of allowances under the apprenticeship program is under the jurisdiction of my colleague the Minister of Education.

MR. PATRICK: I would like to direct the same question then to the Honourable Minister of Education. I just wondered if he has considered picking up the subsidies to the people that are presently under the apprenticeship. I don't mean to the new ones that will be applying or taking the courses, but to the ones that are presently in the Apprentice Trade Agreement, because I think we may lose many of these people if we don't. I understand some of the other provinces are giving consideration to this.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Mr. Speaker, those who have been on course will be phased out under the present program, but of course this points out the great difficulties that not only us but all provinces are facing in this phasing out of this one-year to three-year rule, and I think the provinces are still requesting the federal authorities to reconsider this. But in the meantime, I think those who have been on course, sufficient moneys were provided in our estimates to phase out in this area.

MR. PETER FOX (Kildonan): I'd like to ask a supplementary question to that, Mr. Speaker. Does that mean that the apprentices will be informed that they will not be without subsistence, the ones that started before this agreement terminated? I think this is the question, Mr. Speaker, because these are the people that are involved, the ones that are on course now and are not eligible under the Federal Government.

MR. JOHNSON: Well, Mr. Speaker, all those on allowances have to be registered through the Federal Manpower Office, and in this particular matter of apprenticeships we're still negotiating on this particular matter.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I have a question. I probably should have put it in an Order for Return, but being as late in the Session as it is, I wonder if I could ask the Honourable Minister the question and maybe he could give me the answer later if necessary. I would like to know from the First Minister: the growth account established under the development authority to which contributions from the sale of Hydro power to other provinces will be going toward this fund, how much is in the fund at the present time?

MR. ROBLIN: I don't think my honourable friend has got the nature of the fund right if he says that it receives contributions from the sale of Hydro to other provinces. That has nothing to do with the growth fund. But the growth fund is at present inoperative.

MR. SPEAKER: During the question period some young people have arrived and I wonder if I might take a moment to introduce them to the House. There are 17 pupils from the Sampson Junior High of Grade 7 and 8 standing. These students are under the direction of Mr. Howard. This school is in the constituency of the Honourable Member for Assiniboia. On behalf of the Honourable Members of the Legislative Assembly, I welcome you all here today.

MR. MOLGAT: Mr. Speaker, I wonder if the Minister of Mines and Resources might have anything further to report on the problem in the fishing industry that I referred to him.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): I can give some general information as follows. A group of fishing companies approached the Fisheries Price Support Board in Ottawa, reporting that they had a large quantity of fish on hand and asking the Fisheries Support Board to buy it and put it into a bank, that is to say to hold it, and the fish companies would then use their best endeavours to sell it out of that bank. The Fisheries Price Support Board sent someone here to review the situation and has since declined to do that. In the meantime, my department is working with the Department of Industry and Commerce, first, to learn what the supplies of fish may be; and second, if, as and when action is required, see what can be done to help by way of additional merchandising plans should that prove to be necessary.

MR. SPEAKER: Committee of the Whole House.

MR. LYON: Mr. Speaker, rather than Committee of the Whole House, we would ask you now, Sir, to call the adjourned debate on the resolution introduced by the Honourable the First

(MR. LYON cont'd.) Minister and standing adjourned in the name of the Honourable the Leader of the New Democratic Party.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable the First Minister. The Honourable the Leader of the New Democratic Party.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Speaker, I think that the First Minister has given to us a very interesting resolution, and in his resolution he is suggesting that another commission should be set up possibly by this Assembly to investigate into the whole matter of transportation in our province, and in particular to north-south transportation problems and the needs of northern Manitoba, and to recommend, as the resolution in the operative part says, "Solutions to many of the problems that we're facing."

When my honourable friend the First Minister introduced his resolution he gave us a very interesting discourse and covered many of the aspects of transportation with which we have been plagued for a considerable period of time. I was particularly interested in his remarks in respect of air transportation and in particular to his references to the situation that has prevailed for a number of years where the facilities and personnel of Air Canada are leaving the Province of Manitoba. It seems to me, as I re-read the statement of my honourable friend, that he has given much talk to the problem, but having had the opportunity, has not done a great deal about it other than to talk.

I know, as I feel that the Honourable the First Minister knows, that a group of employees of Air Canada have constantly been battering the Government of Manitoba to take more positive action in an endeavour to overcome the results of the report of the D. A. Thompson Commission. The First Minister, dealing with the question of air transportation in his brief, states - and I agree with him - as follows, and I quote: "Maintaining the role of Winnipeg as an air transportation centre has been of continuing concern to this government." I suggest of continuing concern without action. Then my honourable friend goes on to say, "As members of this House know, the policy pursued by the management of Air Canada since the late 1950s relative to base facilities in Winnipeg as stated by the Thompson Commission was lacking in both candor and frankness, if not deliberately deceptive." I think the First Minister in that statement is pretty well stating the evidence that was presented to the Thompson Commission when it held its hearings here a year or so ago.

Then my honourable friend goes on to say, "This government" - meaning the government of course of Manitoba - "rejected the conclusions of the Thompson Commission." My friend said that the Commission failed to deal with the main question directed by the terms of reference, namely, the possibility of maintaining and increasing employment at the Winnipeg base. My friend says that since the tabling of that report, the Manitoba Government has been in constant consultation with the federal authorities with a view to defining policies which would meet the purpose for which the Commission has been established.

Well it may be, Mr. Speaker, that my honourable friend has been in constant consultation with the federal authorities, but no evidence of this has come outside to others who have been interested in the retention of Air Canada. I know that repeated requests have been made of the government for the reconstitution of the delegation that went down on two or three occasions to plead the case for the retention of the air base in Manitoba, without success.

I think, Mr. Speaker, that the Honourable the First Minister and the Government of Manitoba should cease talking and start acting. They're pretty good with one and pretty poor on the other hand, for while my honourable friends are talking and doing nothing, more and more employees are leaving Manitoba. The Honourable the Minister of Industry and Commerce is concerned of holding within our province or obtaining for our province men and women who are skilled in the various arts and trades, and while he's journeying around all over the world to obtain this type of personnel, I suggest that his boss is doing nothing at the present time for the retention of skilled employees here in the Province of Manitoba. It does not seem to me to be consistent or a consistent policy.

I'm sure that we appreciate the representations that have been made on behalf of Manitoba to two or three Royal Commissions insofar as railway transportation and there has been some change in attitude insofar as rail line abandonment is concerned, but I suggest, Mr. Chairman, from anything that I have read, that there's been no positive policy offered by this government for the future well-being of rail transportation in Canada. I am firmly convinced that until such time as we have governments in Canada and in the provinces that will face up to the problems of rail transportation and develop a national program in rail transportation with the nationalization of the CPR Railway, we're not going to get anywhere. I think that the first step

(MR. PAULLEY cont'd.) that we have to take in this day and age in respect of rail transportation is a policy of the nationalization of the CPR. It's my understanding that the other day, after having agreed to certain payments to municipalities in respect of taxation, it's my understanding that the CPR announced the other day that they were not going to fulfill their obligations.

You know, Mr. Speaker, when rails were first constructed in Canada, it was necessary for the Government of Canada to assist and develop those lines. We could have had a line going down through the United States and back up to Canada here in the Province of Manitoba but our forefathers said "No, we want a truly national system." They didn't agree of course to it being publicly owned in the first instance. And what are we finding today? That rather than tackle the problem, in my opinion on a proper basis, we find the members opposite joining with the members to my right in defeating the purpose of a national transportation policy by agreeing to the twinning of the Trans Canada Pipeline down through the United States of America. I say, Mr. Speaker, that this government is going to rue the day, and so is the government at Ottawa going to rue the day when they allowed the Trans Canada, if indeed the United States are going to allow it, to have their line down across into the United States and back up into Canada where in effect the control of the pipeline will not rest with Canada.

I say that my honourable friend, talk as he will for 19 or 20 pages in his statement of transportation, has not given consideration to the real problems in transportation, a national policy of transportation under national ownership. He has not given consideration sufficiently even to retain or attempt to retain what is left of what was a great air industry here in the Province of Manitoba, this Greater Winnipeg area, the birthplace of Air Canada. And what, Mr. Speaker, are we going to be left with? An air cargo terminal.

Well I don't know how many skilled personnel will be required in an air cargo terminal, but I do know that the effect of the change coming about as a result of personnel leaving the Greater Winnipeg area is having its effect on many communities, including my City of Transcona. Many well established residents are having to pick up and leave us as a result of the lack of action, I suggest, by the government opposite, a government which now through its First Minister suggests that the question of transportation in all its aspects requires the setting up of a committee, by leave of the House, or we could consider the advisability.

Well, what happens when we have commissions and committees and authorities set up in the province? My colleague from St. John's the other day disclosed to this House that we're never sure what's going to happen in the Province of Manitoba with our investigating agencies and the agencies that have been established for the purpose of giving advice and guidance in the affairs, particularly economic affairs of our province. You remember, Mr. Speaker, not so long ago, with a great deal of gusto and verbosity, the previous Minister of Industry and Commerce said: Well by jiminy Christmas we're going to start now really on a planned basis to develop the Province of Manitoba. We're going to have experts by the bushel advise us as to how we should progress, and set up there was the Manitoba Economic Consultative Board.

When the Order-in-Council establishing this board back in 1963 was made, this board had many directives which were well to the Province of Manitoba, and we appreciated too, Mr. Speaker, in this House, receiving the reports of the Manitoba Economic Consultative Board. We looked forward to them in anticipation because we knew that the calibre of the gentlemen members of this board, the calibre was high. But I guess the government had to take a second look at the Order-in-Council of 1963, Mr. Speaker, because the materials that were contained in the report of that board were of value to the members of the Opposition as well as to the government in that it pointed out what we had maintained, that under the leadership of the introducer of this resolution that Manitoba was not progressing at the rate that it should.

So, Mr. Speaker, instead of taking heed of what this board recommended and the situation as they saw it - the board in Manitoba - what did my honourable friends opposite do after the election of last year? They changed the rules of the game insofar as this board is concerned. They took away from them - the board - the rights of recommendations; the right of working on their own on behalf of Manitoba and making reports. They took away from the Economic Consultative Board the duty of advising the Manitoba Development Authority on programs and policies to achieve the development of the province's economy. They took away from them the right to report to us in this House on the economic performance of this province, particularly concern for the plans for the future in both private and public sectors of the economy. These were very important directives to that consultative board by Order-in-Council of 1963. They took away the directive to the board to prepare a report and that that report should be made

(MR. PAULLEY cont'd.) public. And now, Mr. Speaker, my honourable friend comes along and says we should consider the advisability of establishing a commission of investigation to enquire into the situation of north-south transportation.

I wonder, Mr. Speaker, whether we're only going to consider the advisability of the commission so that my honourable friends opposite will be able to do what they will so far as terms of reference are concerned with the commission if it is deemed advisable to establish such a commission. How far will this commission go, Mr. Speaker? Commissions - sure we need commissions in this province on transportation like we need a hole in the head.

I have here, Mr. Speaker, the Annual Report for the year ending March 31, 1966, of the Department of Industry and Commerce, and contained within the report is the Annual Report of The Manitoba Transportation Commission for the year ending March 31, 1966. Mr. Speaker, we've had a Manitoba Transportation Commission for years who were charged with the responsibility of doing what my honourable friend suggests in his resolution here today.

I also have, Mr. Chairman, a synopsis of some of the reports of the Committee on Manitoba's Economic Future datelined 1962, five years ago, and this document, Mr. Speaker, is called "Objective Methods Program" - five years old - and among other things it suggests that factors influencing Manitoba's economic growth is the question of investigation and study into the field of transportation. What does it call for? It says, and I quote from Page 19 of this document, Section (1) headlined Transportation. "This group consists of four studies. This group of four studies will provide an overall assessment of the present transportation system - rails, road, air, water and pipeline." I think my honourable friend missed out on the pipeline with his pipe dreams. "Also, the future requirements of the economy for transport facilities and services and a forecast of employment in the various sectors of the industry.

"(a) Survey of Rail Transport. Examination of the present and future role of rail transportation in the development and growth of the economy.

"(b) Survey of Highway Transportation. This study will assess the following factors: present and future highway construction programs to determine whether highway development is being planned to make a maximum contribution to the province's future and economic industrial growth."

And what does the Honourable the Minister of Highways have to say about this when my colleague from Ethelbert Plains suggests and proposes a resolution that the highway development in Manitoba should be on a planned non-political basis? What is the attitude? Complete rejection of the recommendation of the Committee on Manitoba's Economic Future.

"(c) Survey of Air Transport. This study would assess the following factors: the potential for development of commercial passenger and freight air traffic, domestic and international, in Manitoba, and the adequacy of existing and projected facilities; and

"(d) General assessment of present transportation system and future requirements.

"(2) Water resources and a study of the availability regulation and cost of water in various regions including that of navigation and transportation."

This, Mr. Speaker, five years ago, and today we have the resolution of my honourable friend the First Minister suggesting the advisability of setting up a commission of investigation. I was interested the other day, talking about the advisability of setting up commissions, to hear a radio report in which it is alleged that my honourable friend the First Minister said that notwithstanding the fact that we had passed a resolution a few days before that to consider the advisability of setting up a committee of investigation into the status of women, that he suggested that if the news report was correct that we might not have the authority for establishing an abstract resolution because we haven't got the money to do it. My friend nods his head. I take it from that that either I didn't hear the full report on the radio or he was erroneously quoted.

But I do say, Mr. Speaker, we've had commissions galore. I appreciate the fact that my honourable friend the Minister of Industry and Commerce at the present time is a rookie in this Assembly, that he was only elected back June 23rd of last year, and I appreciate very much the fact that maybe my honourable friend has not had the time since then to go into the dust-laden drawers in his office and pull out some of these documents and take a look at them. I doubt very much whether my honourable friend the Minister of Industry and Commerce has had time to look into Chapter 10, I believe it is, on the very valuable volume of the report of the Committee on Manitoba's economic development. I suggest to my honourable friend the Minister of Industry and Commerce to get his secretary or one of the staff to come along with a feather broom and dust off some of these volumes and dig them out and become a little positive

(MR. PAULLEY cont'd.) in the recommendations that they made.

I suggest to my honourable friend the Minister of Industry and Commerce that he should talk to his colleagues who changed the rules of the game insofar as the Manitoba Economic Consultative Board after the election of last year, that he should talk to his colleagues and say, "Now, how about it, why don't we go back to the comprehensive report we used to give to the members of the Legislature." For weeks after the start of this House we've asked the Honourable the First Minister when we were going to get the report from this board - in due course - soon - middle of May - well the middle of May is coming up, but if we are here until the middle of May, Mr. Speaker, we're not going to get the type of report that we used to get; it'll be practically meaningless insofar as information is concerned.

I say, Mr. Speaker, that the government has had so many reports we don't of necessity need another commission. I suggest, Mr. Speaker, that what we do need however, is somebody to take a look at the reports that we've already had, and I suggest, Mr. Speaker, that rather than consider the advisability of setting up another commission to do what dozens of commissions have done previously, that it's time somebody with some authority took a look at the reports that we've already had. I suggest to my honourable friend the First Minister, particularly in respect of Air Canada, that without any further ado he can take some positive steps to have this matter progressed and attempt to have it resolved further without any more talk in this House but a little action outside. So I ask him to do that.

Now, Mr. Speaker, I'm going to ask something positive of this House and of the government in respect of transportation. I repeat, Sir, that we've had enough resolutions of the type introduced by my honourable friend. I suggest that in the files of government there are sufficient documents and surveys of the needs of transportation in the Province of Manitoba. I suggest that if this resolution is approved in its present state, and if perchance a commission is set up, eventually the House or the government will receive another document to fill another drawer without anything positive being done. -- (Interjection) -- Yes, a dusty pigeonhole.

So I'm going to suggest to my honourable friends an amendment to the resolution that I think can be accepted because it will be something positive and something which will bring the members of this House into consideration of the transportation problems which we have, and admittedly we have, in Manitoba. So, Mr. Speaker, I'm going to move, seconded by my colleague from St. John's, who made an able presentation on this matter the other day, far better than mine, as follows: That the resolution be amended by deleting the words "Commission of investigation" in the eighth line and insert the words "special committee of the House"; and by adding the following words after the word "system" in the last line; " and examination of reports and briefs of previous studies related to transportation in Manitoba."

The net effect of this, Mr. Speaker, would be that instead of it being the advisability of establishing a committee of investigation, that it would be replaced by a special committee of the House, and that committee would have the power to investigate now into the present problem; it would have the right to investigate into all of the reports and briefs which are, as I maintain and claim, gathering dust in the drawers of my honourable friends opposite and in particular the Minister of Industry and Commerce.

MR. SPEAKER presented the motion.

MR. ROBLIN: Mr. Speaker, I am going to restrict myself in these few brief comments to the burden of my honourable friend's remarks in which he purports to justify the amendment that he now places before us. I will reserve for another occasion comments made on those who have previously spoken in this debate.

I think really the whole of his case falls to the ground because he simply doesn't know what's going on. He makes the assumption in his speech that nothing has happened in the last few years of any account in this field of transportation since the Economic Consultative Board was introduced and its report presented to the House. He makes the assumption that nothing has been going on in connection with Air Canada; he makes the assumption that nothing has been going on in connection with rail problems; he makes the assumption that nothing has been going on in connection with the general air transportation question itself; and in fact awards the government a great big goose egg for its operations in the transportation field in the last little while.

I suppose that when one is wearing partisan spectacles it is possible to obtain such a view of the situation, but I do not suppose that it is possible to take that view of the matter if one had any knowledge of what is actually going on, and it is certainly not possible to take that view of the situation if one had taken the trouble to listen to the report that was given to this

(MR. ROBLIN cont'd.) House when this resolution was introduced on the general subject of transportation, because my honourable friend couldn't be more mistaken and he couldn't be farther off base.

Take the question of rail for example. We have been devoting an enormous effort in the field of railway legislation, particularly with respect to the action of the Government of Canada in implementing the MacPherson Commission Report and the several bills that have been before the Legislature of Canada in connection with railway matters, and I want to tell this House without any exaggeration that the changes that have come about in that bill that make it more tolerable have been largely due to the representation of the government of the Province of Manitoba and the representation of the advisors and of my colleague the Minister of Industry and Commerce.

In connection with so many features of that original railway bill before the Government of Canada, those that had to do with the way in which charges were to be calculated for captive shippers; those matters that had to do with the rights of shippers to appeal towards the transportation boards; those things that had to do with establishing some measure of equity and justice for the railway shippers of Manitoba - and they could be mentioned in great detail if I had the details of our brief before me which I haven't got now - but they covered the whole field of that bill. The regulations with respect to rail line abandonment. You name any of the questions, you name any of the problems that my honourable friend referred to in his address today, and I can show you chapter and verse as to where the activities of this government have produced a better deal for the railway users of the Province of Manitoba. So I simply reject as unfounded and a completely ignorant - and I've used this not I hope in an offensive way - but simply in not knowing, or if knowing, not appreciating what has been done in this field of railway transportation alone.

As for the suggestion that the nationalization of the Canadian Pacific Railway would cure our railway problems, well all I can say is that it takes a pretty strong faith in the virtues of that magic word "nationalization" to convince anyone that this would really effect a substantial cure of our problem. The cure of our problems is to make sure that freight rates are related to distance. That's got nothing to do with nationalization. The cure of our problems is to make sure that freight payers are not expected to pay the deficits of passenger lines. That's got nothing to do with nationalization. The problems of western Canada have to do -- the cure of the freight rate problem is to see that captive shippers receive a fair deal when it comes to rates, and that's got nothing to do with nationalization. You can bring in that magic phrase until you're blue in the face but it doesn't affect the issues that are at stake with respect to captive shippers or with respect to the allocation of rail costs or with respect to questions that have to do with the relationship between the distance moved and the prices that are to be charged for freight. To come along now and to say that we need a special committee of the Legislature to do these things because the government hasn't done them, I think is scarcely doing justice to the matters that have been handled in this respect.

Take the question of branch line abandonment. Have we not fought before the Board of Railway Commissioners every branch line abandonment where we felt our people - and these were most of them - had a case? Have we not taken the whole question of how branch line abandonments are to be handled to the Government of Canada, and have we not received a reasonable amendment to the railway bill on branch line abandonments to give our people some kind of a chance in this matter? Have we not dealt with all these matters which he raised here today? Of course we have. Have we not dealt with rates, for example, to Churchill? I said the other day we even offered in a conversation with the then head of the Canadian National Railway to buy the Hudson Bay Railway from him if he'd sell it, but he wouldn't sell it. You can take any one of these questions in connection with railways on which he says we've done nothing since the COMEF report and you can prove in chapter and verse that that contention is simply not so. I'm sorry if my honourable friend is not aware of that situation but that is the fact, and one of the most active branches of the administration have been in this field of rail transportation.

In connection with air transportation, he says we've done nothing. How many times have we appeared before the Federal Government and others asking for changes in federal policy in connection with air transportation generally? How many times have we presented proposals with respect to regional air lines and the necessity for having a regional airline system that served our people better? How many times have we suggested to the Government of Canada and to TCA that there should be some relationship between the fares charged in air transport

(MR. ROBLIN cont'd.) and the distance travelled, and how close we are to having that point of view accepted with respect to flights originating in Winnipeg for example and going to London as compared to those going to Montreal. How many times and how many efforts and how many appearances have we made to see that Winnipeg is recognized as an international border crossing point for air transport between us and the United States of America? How many times have we asked for international landing rights in Winnipeg for those who overfly us at the present time? How many times have we asked for those changes in airline policy that this province and this nation I think requires? How many times have we fought the vested interest of a national company, if you please - Air Canada - that followed the nationalization principle on which my friend places such tremendous faith? How many times have we fought them in what we regard to be their discrimination or their ability to ignore what we consider to be the legitimate interest of this province in connection with air transport? Time without number! And the newspapers have been full of it. All you've got to do is to take a count of the reports that the news people have given with respect to the appearances that we've made and the efforts we've made. And I think we're making progress.

Now if my honourable friend says that it's too slow, I'm the first to agree with him; it is too slow. We would like it to be faster, but it takes two to tango and we have to admit that we're not in charge. This is a national problem and our role is to recommend and to propose, but we have not the power to command and that's the whole difficulty in this matter; we have not the power to command. In this whole question of air transport and of Air Canada, we have not the power to command. My honourable friend knows as well as I do that one of the reasons why we have such problems in moving people with respect to the Air Canada base is in the terms of the union agreement with respect to seniority and movement. I'm not complaining about that, it's none of my business and I'm sure it was made with good faith by those concerned, but he knows and I know that that's one of our big problems and we'd be less than honest if we didn't face up to that and to say it, and to blame the government entirely for that is simply not fair; it's simply not right. -- (Interjection) -- Poor boy, indeed.

I've already told the House -- when did we get the report of the Thompson Commission? Last summer -- how we have been negotiating, and we've kept the key members of the Manitoba negotiating body in touch with this situation, negotiating in the hopes of getting some better arrangement; and how I've told the House already that we've come to the end of our tether in respect of that thing - and I've mentioned previously that I'll be giving more about this when I speak later on in the debate - the policy of the government with respect to taking the offensive once again in connection with this Air Canada thing.

I'll not belabour the House, Sir, because this is no time of the season to extend remarks on an occasion such as this, but I simply must say to my honourable friend that if he thinks that we have been doing nothing and that it requires a special committee of the Legislature to keep us on our toes in respect of this matter, I must say that I simply think that he's out of touch with the facts; he's out of touch with reality; that his resolution is not well founded and consequently I'll not support it.

MR. FROESE: Mr. Speaker, after hearing several other speakers who have already spoken in the debate on this particular resolution, I felt that I should make a few comments. The resolution, as such, seems to be a worthy one in that I think it touches on a very important matter for the province as a whole, and that we should do everything in our power to promote development in this province along the various lines mentioned and outlined in the resolution.

However, I feel that we have various ways in our hands at the present moment whereby we can do these very things without having a special commission set up. I know from last year when this matter was discussed, and also the agencies that we have in effect in this province at the present time and have had for some time, that it is probably unnecessary to appoint a commission to look into this matter at this particular time. I know we have the Development Authority, as such, which could do this job for us, and while the Development Authority was emasculated considerably, I would have the question: why was this done, and why the reduction in powers, scope and sphere on the Manitoba Economic Consultative Board? As we know, this was accomplished through an Order-in-Council 477 which was brought to our attention by the Honourable Member for St. John's, and which he went through quite thoroughly and brought these matters to our attention.

So, Mr. Speaker, I would like to touch briefly on a press report that was made on Saturday, July 30, 1966. This was after the June 23rd election and a number of changes took place at that time because of the re-shuffling of Cabinet Ministers and so on, and I would like to read

(MR. FROESE cont'd.) a few excerpts of a press report that came about that particular day, and the heading is "Economic Policy - Roblin Holds Reins After Big Shuffle." Then they mention here, "The Development Authority is a five member committee of Cabinet headed by Mr. Roblin and it has not had a Deputy Minister in the past." So here they were going to appoint a top civil servant to take over the operations, or at least to run the operations under this five-man committee. Further on it says: "In the process of the changeover of industrial power, the Department of Industry and Commerce, now under rookie Cabinet Minister Sidney Spivak, has been virtually emasculated." So they took away the powers of the Department of Industry and Commerce which the Minister formerly had.

Then they go on in this press report and outlined the various steps that took place, and it is quite interesting to read the various steps. They mention here: "Here is a series of events which led to the present situation during the last year." Then he mentions: "A new Department of Tourism and Recreation was set up taking tourist promotion away from Industry and Commerce." The next point: "A Youth and Manpower Agency was created and put under the Development Authority." And further, "A Nelson agency to co-ordinate government programs to get maximum social and economic benefits from the power development of the Nelson River was created and put under the Development Authority." We are seeing where the authority is placed continually under this Development Authority.

Then the next point raised here is the Growth Account. "A special fund made up from revenues gained through rental of water resources was set up and put under the Development Authority. The money in the account is to be used to spur industrial growth by grants and loans or through manpower training." And then they continue here, "The broad and sweeping powers were given to the Manitoba development Fund along with 50 million in additional funds and a promise that up to 100 million might be available. The Fund is used to make loans to new industries set up in the province."

We know, the members that were in the House at the last session, where considerable amendments were made to Bill 80 which is the Manitoba Development Fund and that this Fund has powers to do these very things that we're asking under this resolution, because under Section 4 of the Manitoba Development Fund the objects are listed, and the objects I might read and quote: "The objects of the Fund are to encourage a balanced development of industry in the province and to that end, (a) to provide assistance, financial or otherwise, to existing industrial enterprises or to industrial enterprises to be established." So here the powers are given to this Fund to do these things that the government so desires. Then under section (e) it says, and I quote: "To assist and encourage the development of export markets for goods produced in whole or in part in the province." So here under this bill the powers are there. If the government wants to exercise them they may do so.

But I would briefly like to refer back to the newspaper article of that day, and further on it says here: "Industrial research plans were put under the development of the Authority." So this is another aspect. Then they go on: "In the wake of the disappointing June 23rd election results, Mr. Roblin re-shuffled his Cabinet and made new appointments. In the process he announced he had given up the position of Provincial Treasurer which he had held since coming into power in 1958." And so they go on to describe the various matters that took place.

But then coming back to the matter of the Development Authority, I would like to read, a little further on, a few more paragraphs: "The government in the past has always maintained that the Development Fund operates at arms length and conducts the business of loaning money for industrial purposes with no interference or prying from the government, but now with the appointment of the first full-time Chairman of the Fund in the person of Mr. Grose, who also assumes the key position of the Development Authority, can the government still maintain this attitude? In addition, giving new powers to the Fund to virtually enter into socialism by building and operating key industries where private enterprises fail to act, the government reserves the final say under the Development Authority." This was the section where I particularly criticize them on, that is Part 2 of Bill 80 which gave the Fund authority to do almost anything in this Province of Manitoba. They could go into any kind of business and start up any industry and so on. There was no restrictions; they had all the powers. Now we find that after the election, in which he was severely criticized for this very section, they now refer the matter of developing to the Developing Authority so that the Premier, or the First Minister is in charge.

I would like to read the balance of this article, there are just two more paragraphs.

(MR. FROESE cont'd.) "This means that in actual fact the Development Fund and the Development Authority are more closely tied together than Mr. Roblin or his Ministers care to admit. It was a quiet takeover on the surface, but there now appears to be no doubt that Mr. Roblin personally controls the vital industrial growth of Manitoba." This is the conclusions reached by this reporter of July 30, 1966, and there is no doubt in my opinion that this is the case. Now if that is the case, why did he come before us with this particular resolution? They have the powers to proceed and to act on their own if they so desire.

However, I would say at this particular time, as far as the aspects and the requests and conditions in the resolution, I have no quarrel with some of them. I think I should -- and I always have in the past supported the efforts made in connection with the possible retention of Air Canada's Maintenance Base here in Winnipeg. This, I give the government credit for it, they have done a lot of work in this connection, and I felt very sorry myself when the Thompson Report was tabled and the action that resulted after that that the base was being moved to Montreal. I figured this was a serious blow to Manitoba and I hope that whatever efforts are being made in the future on this matter, that we will be more successful and that we do not sit back but continue our efforts in this direction.

Then, too, the work done in connection with the rail line abandonment, I feel here also that we should continue our effort, that while the matter is for the time being anyway frozen or no action is being taken at the moment, this is no cause for us being idle, but to maintain our work along the direction so that when abandonments take place that we make sure that the people in those areas are being serviced in one way or another and are not left without transportation.

Then I will support efforts to secure more shipping through Churchill. This has already been discussed by the Member for Churchill and others who have spoken, and I think it's a shame that the facilities in Churchill such as the grain terminal is not being put to full use. We know that in this year particularly that we could have shipped much more grain through this port and through the facilities that we have, but they're not being put to full use and certainly this doesn't speak well for this province. If this is because of eastern interests, we should assert ourselves in a greater way, probably through the Prairie Provinces Economic Council which consist of the Premiers of the western provinces. I think we should try and combine our efforts in this way to have more activity going on through that port and put it to greater use. I think we should look into the matter of warehousing of this particular port because it appears that this is one of the basic restrictions why more shipping is not going through this port and that we are not shipping more different types of commodities through this port. We know that B. C. is definitely taking action in connection with their port facilities, that they feel that they're being left out and that not proper attention is given to them, and I think we in Manitoba should assert ourselves more fully too and that more development should take place in connection with the Port of Churchill.

I think we're discriminated against by the federal Crown agency in connection with Air Canada. I've already mentioned Air Canada, but I feel that we're being discriminated against in this particular aspect.

Then as far as the commission is concerned, I do hope if the commission is appointed that it will not be a one-man commission because I do not agree to one-man commissions of any type. I think also if we had had a different commission in connection with Air Canada, not a one-man commission, I think we would have had a different report, probably a rather different conclusion. I hope this resolution will not just be a tactic for delaying measures and that we're just working on something to be in readiness for the next election.

So, Mr. Speaker, I'm fully in favour of development in the Province of Manitoba and I think we should do everything in our power to do the best we can and make this province grow. We now have an amendment before us which would refer the matter to a committee of the House. Probably we should do some work on our own as a committee of this House at the same time while a commission is going, because I don't see anything wrong with having a special committee of this House looking into these matters more fully and in greater detail than has been done in the past.

MR. SPEAKER put the question.

MR. SPEAKER: In my opinion the Nays have it and I declare the motion carried.

MR. PAULLEY: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

MR. LYON: You declared the motion lost, I presume, Mr. Speaker.

MR. SPEAKER: Lost.

MR. PAULLEY: It was carried. It's all right, we'll still have a vote on it.

MR. SPEAKER: I can't take these late nights. For the benefit of the honourable members that may not have been in the House, we are dealing with the amendment of the Honourable the Leader of the New Democratic Party to the proposed resolution of the Honourable the First Minister on Page 1 of the Orders of the Day.

YEAS: Messrs. Cherniack, Doern, Fox, Froese, Green, Hanuschak, Harris Kawchuk, Miller, Paulley and Uskiw.

NAYS: Messrs. Baizley, Barkman, Beard, Bjornson, Campbell, Carroll, Clement, Cowan, Craik, Dawson, Dow, Einarson, Enns, Evans, Guttormson, Hamilton, Hillhouse, Jeannotte, Johnson, Johnston, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Molgat, Patrick, Roblin, Shewman, Shoemaker, Spivak, Stanes, Steen, Watt, Weir, Witney and Mesdames Morrison and Forbes.

MR. CLERK: Yeas, 11; Nays, 41.

MR. SPEAKER: I declare the amendment lost.

MR. SPEAKER: Are you ready for the question on the main motion? The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I'd like to make a few remarks on this motion. I listened to the First Minister just a while ago when he was telling the House of the efforts the government has put about Air Canada base and transportation in this province. I would like to take exception to some of his remarks, because it's only two years ago that our caucus had an opportunity to meet with the Hudson Bay Route Association and at that particular time they were inclined to believe that this government was not doing enough as far as the Port of Churchill was concerned. At that time they told us that the Province of Saskatchewan is putting much greater effort and tried to have more goods come through the Port of Churchill instead of Manitoba, and that Manitoba had not showed initiative that it should be.

The First Minister has also mentioned the Air Canada base. At this time I would like to say that the Provincial Treasurer, after there was much action taken by some of the other people in the City of Winnipeg, he did take up this action and did a good job in going with many groups to Ottawa and putting on a real good fight. I have to give him credit for that. But I would like to ask the First Minister, and the government, what did they do from 1957 until 1962? They didn't do nothing, because during that period they had appeals from the City of St. James, they had appeals from the St. James Chamber of Commerce, and there wasn't nothing mentioned by this government that the Air Canada base should remain in Manitoba, because at that time it seems to me that there was a different party in power in Ottawa. These are the facts because I have some correspondence from the Minister in Ottawa at that time. The Minister of Transport was Leon Balcer and the reply to the Chamber was that the base will be transferred to Montreal; it's built at Dorval; and it's designed to have a capacity substantially greater than is required and there will be no expansions needed for many years to come. Well this isn't the case now because I have people that have been transferred to Dorval and have written me since that time that the base is continually being expanded because there isn't enough space. This government did not take any action; they did not say anything for five years, from 1957 when there was personnel being transferred continually until after the election of 1962, when this government did take action.

Now, Mr. Speaker, I agree with the intentions and desires of this resolution of the First Minister. I think that this is very important for the Province of Manitoba. Because of our location I know that we -- I've had correspondence from some business people that had to travel to Winnipeg on quite a few occasions from Seattle and I have a letter -- I haven't got it with me, I wish I would have, I would have put it on the record -- this businessman wrote me and said he had great difficulties making connections to Winnipeg. He couldn't make connections from Seattle to Vancouver so he had to take the route from Billings, Minnesota, and Fargo -- apparently there's at least six stops -- and it took him over a day to get to Winnipeg. So when the First Minister is talking about landing rights and probably more air transportation facilities to Winnipeg, I have to agree with him.

Now there's also the point about railway line abandonment. I agree with my leader when he spoke on this motion and made a real good recommendation that the Provincial Government should, in conjunction and co-operation with the Federal Government, perhaps where the railway line is abandoned, to construct paved highways, and I'm sure that these small communities would appreciate this.

(MR. PATRICK cont'd.)

Again, Mr. Speaker, as I say, I certainly agree with the intentions and desires of the resolution but I do not agree with the method proposed by the First Minister of establishing a commission of investigation to enquire into all modes of transportation. I don't agree with this because I understand that the Federal Government has indicated to favour the idea of a Winnipeg research institute on transportation at the University of Manitoba. It is my understanding at the present time that negotiations are continuing with the University of Manitoba and the Federal Government authorities in this respect. Mr. Speaker, I'm unable to understand why this government would not endorse such an idea with great effort and great initiative to bring such a research department on transportation to Manitoba and to bring it into provision. I think it would be one of the best things that could ever happen to our province and would continue that transportation be studied on a continuing basis, not only one aspect of transportation but the Port of Churchill, air transportation, railway line abandonment and many other aspects of transportation.

I also wish to express my appreciation to the Air Canada Union Lodge for their continued pressure for keeping the Air Canada base in Manitoba. I think they've done a terrific job and I feel that with air transportation expanding at the rate that it is -- I understand that the air cargo base that was first planned in St. James, the plans have been changed to enlarge it because of greater shipments of cargo through air transportation modes. I would say that not only we should express our appreciation to the union but all the members here should continue to make a concerted effort to continue to fight that the overhaul base remains here, and if it doesn't remain here, that we have something to replace it, because Winnipeg has been the birthplace of TCA. It remained until, I believe, the early '50s when transportation or the personnel began to be transferred to the new base in Montreal. This base here employed over 2,000 people just in the overhaul base, with a payroll of \$12 million which certainly is a great industry and a big industry to the Province of Manitoba, and I cannot see why we should not continue to fight to keep the base here, and if it is phased out, that there must be something to replace it. I don't think that we should give up this fight.

Mr. Speaker, I would have to say that I certainly agreed with the many proposals that was recommended to the House by my leader when he mentioned about airstrip construction in rural Manitoba, railway abandonment, and these things, we feel, should be certainly taken into consideration.

So, Mr. Speaker, I'm not going to take too much time but I'd like to mention once again that I'm not against the resolution. I think their intentions and desires are good but I certainly am against the method proposed, so I'm going to propose an amendment. I beg to move, seconded by the Honourable Member for Turtle Mountain, that the motion be amended by inserting after the fourth line the following words:

Whereas many months ago the Honourable J. Pickersgill, Federal Minister of Transport, suggested that the establishment of a centre for transportation studies in conjunction with the University of Manitoba would be looked upon favourably by the Government of Canada; and

Whereas as the result of this suggestion negotiations have been carried on for the establishment of a national transport research institute in conjunction with the University of Manitoba; and

Whereas such an institute for research and a university department on transportation studies would be of great value to Canada as a whole and to Manitoba particularly; and

Whereas such a development deserves every encouragement possible by the Manitoba Government.

And that the motion be further amended by deleting the words "establishing a commission of investigation" in the eighth line thereof and substituting therefor the following: "requesting the proposed centre for transportation studies at the University of Manitoba to enquire into and report upon."

And that the motion be further amended by adding at the end thereof the following words:

And Be It Further Resolved that in the meantime the Manitoba Government give consideration to the advisability of taking all necessary and possible steps to improve transportation facilities in northern Manitoba in particular, and throughout the province, including the consideration of such matters as:

(a) encouraging the use of the Port of Churchill in every way and in particular by specifying wherever possible on government orders, for example liquor imports, that they be routed through the Port of Churchill;

(MR. PATRICK cont'd.)

(b) continuing, by all possible means, efforts to retain the Air Canada overhaul base in Winnipeg, and in particular by reconvening the joint committee at an early date to decide on further action in the light of the changing situation, i. e. the dramatic Air Canada fleet increase;

(c) encouraging the development of the Winnipeg International Airport by all means possible, such as increasing the number of flights landing here for fueling, an active sales campaign directed to the potential air carriers who use the polar route outlining the advantages of Winnipeg as their last fuel stop, and further, by considering a reduction in the aviation fuel tax;

(d) assisting all areas in the preparation of briefs on branch line abandonments in the province and considering a joint Federal-Provincial program of financing the construction of hard surface all-weather roads connecting points on lines to be abandoned with new delivery points; and

(e) ensuring the maximum use of the federal assistance program of airport and airstrip construction, particularly to open up northern Manitoba.

MR. SPEAKER presented the motion.

MR. MOLGAT: Mr. Speaker, I presume that the silence of the government indicates the wholehearted support for the amendment, which I trust will be the case because the amendment, which I trust will be the case because the amendment is directly in line, Mr. Speaker, with the statements of the government. In fact a fair amount of the phrasing comes directly from the speech of my honourable friend the First Minister which was distributed on two occasions at least across the province by the Minister of Industry and Commerce. As I mentioned before, he was kind enough to send me a private copy at home that he had reproduced on very fine paper, and then there was, in addition to that, one sent out by his department in another form indicating the concern of the government in transportation matters, with which I agree.

So having gone over this speech very carefully, Mr. Speaker, I note that one of the comments of the government is - under other developments - this matter of the transportation institute, and it even goes so far as to say that the province has initiated action to establish a national transportation research institute. Well, I think that the initiation did come after the urging of the Federal Minister of Transport, but be that as it may, I recognize that governments have a tendency to bring onto themselves the glory when they can and forget some of the other governments who may be involved, so I'm not going to belabour that point.

But the point is that the government recognizes the importance of this institute, of setting up this establishment at the university. The Federal Government have indicated obviously their interest in proceeding with this and I couldn't think of a better way to get this institute launched in a Department of the university than to charge them with the responsibility of such a study. I think it would be showing our interest in their work; it would be giving them a very worthwhile source of material for study; it would be joining the problems of the province with those of that institute, and I think that this is one of the things we need in Manitoba. I'm sure the Minister of Education will agree with me that the more that the university participates in the life of the province, and the more its work is tied in with the economic development of the province, the better it is going to be for both the university and the province.

So I think there is every reason in the light of the statements of the government, the importance of the problem, the university itself, that this resolution obtain the unanimous support of the House. It might explain as well why we did not support the amendment of the NDP which seemed to us was not as sound a recommendation as the one that we are making here. I have no objections to a committee of the House on transportation matters, but it seems to me that this is the proper course to take in line with government policy, in the interest of the university and of the province.

MR. ROBLIN: Mr. Speaker, as I do not intend to support this amendment I think I should offer some reasons to the House as to why that course should be followed. If ever one was looking for a statement of the obvious in most particulars, we certainly have received it in this amendment; and if ever we were looking for a statement of the obvious or a splendid case of "me too" or "Johnny come lately" or "hindsight," we've had it in the speech of the Leader of the Opposition, and I think even more so in the speech that he originally delivered, and certainly in the speech delivered by the Honourable Member for Assiniboia, because they have laboured the obvious until it becomes a little bit painful.

Let's take this centre for transportation studies which is produced by my honourable friends

(MR. ROBLIN, cont'd) as if they had discovered that particular rabbit in that particular hat and were happy to demonstrate it for all to see. They refer to the suggestion of the Honourable Mr. Pickersgill in this connection and I am very happy to acknowledge his interest in such an institute, but to assume from the statements that we've received that this was his "idea" is something which I think he would not expect us to accept, because the question of a transportation institute to be centered in Manitoba is one in which this government has taken a great deal of interest and a great deal of action.

My honourable friend did me the honour of reading the speech that I gave on this subject and he is right; we have been working on an institute of transportation. Not only that, we have had two or three meetings of people representing the Canadian National Railway, Air Canada, the Canadian Pacific Railway, the Government of Canada, the Motor Transportation industry, and a number of other people who are interested in the whole broad field of transportation, in order to establish such an institute at the University of Manitoba; and we have had talks and discussions with the University of Manitoba itself and I am hopeful that we will be able to establish such a national institute.

But the point that has to be borne in mind, Sir, is that it has to be a national institute. If it becomes one which is going to interest itself in the first interest in what is to them the parochial concerns of the Province of Manitoba with respect to north-south transportation, they're not interested. I say that emphatically because one of the points on which we had to give undertakings when we initiated the meetings which we have held, and in the course of the discussions that followed, that this would not be perverted in the view of those who have national interests at stake into a provincial concern, and that in fact we had to give assurances that it would be dealing with problems of transportation in terms of national policy, not in terms of north-south policy within the Province of Manitoba.

And further than that, although the Honourable Mr. Pickersgill has made a comment in favour of this idea, it was by no means certain from the Department of Transport representatives at our meetings that they did not consider this national institute to be trespassing on their preserves -- now I'm speaking at the bureaucratic and administrative level, not the policy and ministerial level -- with the special studies that are going to be made under the new Transportation Act.

So my honourable friend is so tardy; he is so late; he is so behind the facts that it doesn't bear talking about. We're streets ahead, and furthermore we have, if we're able to bring this transportation commission to fruition, it's got to be one which deals with problems on a national basis. You cannot get various private bodies or even Crown corporations or indeed the Government of Canada -- let's fact it -- to contribute the money that will be needed to support an institution of this kind if they think we're going to use it for our own particular ends in this province. They want us to mean what we say when we talk about a national transportation commission.

So the idea of having this problem of north-south transportation in Manitoba referred to a commission, which I'm sorry to say doesn't yet exist at the present time or an institute that doesn't exist at the present time, doesn't strike me as being a very good one. First of all, we have to get this commission rolling. I have made inquiries as to the gentleman that I hope will be the Chairman of it. He is considering whether he will undertake it, and if he has, we'll have to get some statement of support from the Federal Government in terms of money, which we haven't yet had at the present time but I'm optimistic that we will; and we'll have to canvass for support among all the interests from the customer right through to the provider of the service of the transportation institute in order to get such a body set up and working, and we agree that the University of Manitoba is a very good place to have it. But it is quite impractical, in my opinion, to suggest that this body should undertake this study unless we want to emasculate the whole idea or set it back an undetermined period of time; and it is quite impractical to ask them to do it, because in view of the undertakings we've had to give to people from other parts of the country that we would not make this a parochial concern of ours or a parochial instrument to suit our own Manitoba purposes, they would have nothing to do with it if that were not an undertaking clearly given. So I think we can forget all about that particular suggestion of the Leader of the Opposition.

Then we go on to the other portions of this amendment which is produced for us now; encouraging the Port of Churchill. Well I don't know whether we give complete satisfaction to all the interests about the Port of Churchill. We try. We've been trying very hard. We've got some reduction in freight rates with respect to Churchill. We brought the subject up to the

(MR. ROBLIN, cont'd) Prairie Provinces Economic Council and we got the support of the other two provinces in connection with our endeavours, and I pay my compliments to the Province of Saskatchewan and I pay my compliments in particular to the Premier of Saskatchewan for the vigorous way in which he has promoted the use of the Port of Churchill in his province, and he has a very good reason for doing so, and that is, it's cheaper. That's the key to it; and for honourable gentlemen opposite to criticize us because a greater volume of produce does not come in through Churchill for the rest of Manitoba, flies in the face of fact, because what's the problem? The problem is that it's cheaper to bring it into our big centre of Winnipeg from other sources than from Churchill. And do honourable gentlemen opposite suggest that we should subsidize the freight rate from Churchill to Winnipeg in order to achieve the objects that he has in mind? I don't think he does. And yet it's a fact that if we're to get the maximum use that he talks about -- even the bringing in of liquor, even the bringing in of liquor through the Port of Churchill is a subsidized operation, and we have brought in liquor and we will continue to bring in liquor through Churchill when we would not otherwise do so if we were strictly conforming to economic principle. We have to subsidize it to bring it in through the Port of Churchill, but we do just the same. You can't expect private enterprise; you can't expect other people to do that.

Our problem with the Port of Churchill is to get the rates down so that it is cheaper to bring in goods that way to the Winnipeg and other main centres than it is to bring it in other directions. So, when you talk about the Port of Churchill and the success of the Province of Saskatchewan in increasing their tonnage through that port, for which I am grateful and for which I express my thanks, it is because, when you're shipping to Prince Albert and Saskatchewan and for all I know even Regina, there is an economic incentive to do so. So if there's something to promote; but when there's no economic incentive to do so there's nothing to promote with private industry in this province. How can you ask a man to use Churchill if it's not cheaper? You can't do it.

I remember so well when I was in business that you could bring in automobiles to Churchill or to Halifax or to Montreal. The sea rate was about the same but it didn't cost any more to ship that car from Halifax to Winnipeg than it did from Churchill to Winnipeg -- in fact, a little less. Who in the wintertime, then, when you've got to bring your goods in to cope with the seasons, which admittedly is awkward in Churchill, who could suggest that you would stockpile cars or any other commodity under that freight rate situation? That is our problem, and it seems to me a horribly naive and unthinking proposal of the Honourable Member for Assiniboia and his leader -- I excuse the honourable member; I can't excuse his leader -- that he doesn't recognize this situation is the fact, not because we don't want to bring in goods through Churchill or lack of enterprise or lack of initiative -- it's the cost. It's the freight rates. And that's what we've been after.

Now we've got some reductions, some pretty good reductions, particularly for goods moving north or on the interior system of the Churchill railway system -- goods moving to and from points within the province. We've had some reductions and I want to be properly appreciative of those, but we yet haven't had the reductions that makes the use of Churchill the proposition that we think it ought to be, and we think we have a good case because we are convinced the Hudson Bay Railway can stand reductions. But again, we have to persuade the people that are running that railway to make those reductions, and that's what we've been after. But as for this resolution and as for the recommendations of the Honourable the Leader of the Opposition the other day when he spoke, well Sir, we should expect from a gentleman of that kind some deeper understanding of the problems we're dealing with.

Well, we come to the questions here and this next one is to do something about the Air Canada overhaul base. I don't know what more can be said about that. It's perfectly true there's a dramatic increase in the fleet and I expect to speak about our policy in respect of that when I close the debate on the main motion, and I'll probably leave that matter for the present time. The House knows; the public knows; the Government of Canada knows; the Air Canada people know; the International Air Control people know; the United States Government knows what our position is with respect to the development of passenger trade in Winnipeg. Winnipeg is only used for refuelling when people get into trouble. This isn't a natural refuelling stop, and if anyone thinks that the question of refuelling in Winnipeg is a solution to any problem at all, it isn't. It's so marginal as to be almost out of sight, because nobody is going to come down here and refuel unless they darn well have to. They're going to refuel at their natural destination or the places where they take off or take on passengers. That's where they're going

(MR. ROBLIN, cont'd) to refuel. --(Interjection)-- I may well be wrong in my facts, as my honourable friend says, but I doubt that I am. Well, he can just keep his thoughts to himself for awhile. I didn't interrupt him when he was talking. The point is, Sir, that what we really need if we want to increase that particular aspect of air transportation, is this question of getting the air carriers to be able to use Winnipeg as a place to off load or take on passengers. That's the real issue. This question of refuelling is a peripheral one.

Then he talks about, in his resolution, a joint federal-provincial program for the financing and construction of hard surface roads. If I were listening to Jackie Gleason on Saturday night I'd say hearty-har-har. What in the name of fate have we been trying to do but to interest the Government of Canada in a joint program in the construction of roads? And what did they do with the program they had? They abandoned it. Now when we first started to talk about rail line abandonment, what was one of the points that we made to the Government of Canada? Roads. We said that if these people are deprived of railroads they're going to have to use roads. We said that on countless occasions when we've seen them and talked to them about it. So to come around now and say that we should be considering a joint federal-provincial program to finance the construction of hard surface all-weather roads to connecting points is a splendid idea, but to produce it in the form of a resolution that should now become the basis of a new policy is so much eye wash. We've been doing this for a long time. We've been doing this for ages. In my honourable friend's speech he talked about three points: Hodgson, Fisher Branch and Poplarfield. Well they're going to be abandoned if this central Interlake line is abandoned, but we're not waiting on the Federal Government to provide hard surface roads for those centres, I'm sure the member for that constituency will be pleased to know; we're doing it because if we have to wait for an agreement with the Federal Government we may wait an awful long time. We're doing it now. Poplarfield - Fisher Branch are partly connected and soon will shortly be connected in terms of a hard surface road to the nearest railway line. Hodgson, which is some few miles north of Fisher Branch, hasn't got a hard surface road but it has got an excellent all-weather road which was recently rebuilt to a very high level of construction. So with respect to the examples that we've received in this matter --(Interjection)-- well the other points - we can deal with those points as the matters arise. We're building good roads in this province. Rorketon - Rorketon will be on a good road. We're going to build the proper kind of transportation for these people. So my honourable friend produces those examples; I simply tell him we're not waiting for the Federal Government, we're getting on with it right now.

And then he talks about the maximum use of federal assistance programs for airport and airstrip construction, particularly to open up northern Manitoba. Mr. Speaker, if we had to rely on the maximum use of federal policies in this connection, we wouldn't have many airstrips. We might have a few of the big ones. We had to fight very hard for Thompson; we had to fight very hard for the one at Flin Flon, the new one at Flin Flon. We got them; they're good airstrips; we're glad of it. But my honourable friend talked in his speech, and his supporter talked after him, as if nothing else was happening. Well, does he not know that in recent years we have been building new airports for these occasional trips. Not main line ones but what we call the bush pilots, I suppose, all over northern Manitoba? Does he not know that under the winter works program and under the policy we have of encouraging airstrip construction which we announced last year, that we've been working on this? And you can see that -- you can go to Shamattawa or Moose Lake or Nelson House or Split Lake or Brochet or Cross Lake or Poplar River or Berens River, Kettle Rapids, South Indian Lake - and how many more, where these strips are being built or have been built; and you can go to many of the lakes in those vicinities and see the new docks that have been put in to handle seaplanes or float-planes that want to use those places. So it's a good idea; it's a necessary idea; but to come along now and tell us to do it is kind of odd seeing the matter is already being handled, I think in a pretty effective and satisfactory way, certainly as far as the limits of our financial resources permit us to go.

So I look over this amendment and I see it not only as being a statement of the obvious or dealing with matters which my honourable friend admits we already have well in hand, therefore what is the need of the resolution; but the reason, the real reason why I cannot support it I suggest is not because he, in a sense, congratulates us for doing the things we're doing in the form of a resolution, but because he emasculates the general idea of getting on with this north-south transportation matter as soon as possible, and I think that must be done. There are many matters that need to be settled there; we think a commission

(MR. ROBLIN, cont'd) is a good way to do it and that's the way we'd like to proceed; and therefore I must say that I cannot support the amendment that's been produced.

MR. MOLGAT: Would the speaker permit a question, Mr. Speaker? Has he read the amendment proposed? Because if he'll note, I'm referring to the centre for transportation studies in the University of Manitoba, and if my honourable friend was aware of what's going on out there he would know that there are two programs. One of them is the national institute, correct; he's right. This doesn't say the national institute. This refers to the centre for transportation studies which the University of Manitoba is considering as a university project, a department as such, or approximately, and this is what is being referred to. This is a separate project from the national institute and I think if he'll check with the University he'll find that that is so.

MR. ROBLIN: Mr. Speaker, I thank my honourable friend for his question, but I'd like to answer it and say that I'm only too well aware that the University have been working on this matter with respect to an institute in the University of Manitoba. But would it not be the height of folly - which I think they recognize and have already recognized in their co-operation with us - that we get two centres at the same university dealing with the same subject? Ridiculous! No one is going to support that kind of a proposition. A national institute with the interest of all concerned is the right thing to do, and a national institute is what we would like to see and we want the university to be subsumed in that national body, and I've absolutely no reason to think that that's -- except that that is what will happen, and all our discussions with the university give me confidence in saying that that's what will happen.

Now, there's one other thing that I want to say. Our original idea in connection with this north-south transportation study was to have a joint operation by the federal and provincial governments because of the tremendous influence of Federal Government in rail and air transportation in that area. And we made that proposition to the Government at Ottawa, that there should be a joint study, and it was not agreed to, but the principle, the idea of having the study, was agreed to by the Federal Government and they gave us the assurances of their fullest co-operation in producing material, in producing experts and to helping us with this general point. So I think it's of some interest to the members when they vote on this matter to know that that aspect of the matter has also been ventilated.

MR. NELSON SHOEMAKER (Gladstone): . . . would permit a further question? Did I understand him to say that he has already been talking with the chairman of the proposed commission? And if so, could he say who he is? Name him?

MR. ROBLIN: Mr. Chairman, if and when the gentleman accepts the job, I'll be happy to announce his name.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Clement, Dawson, Dow, Doern, Fox, Green, Guttormson, Hanuschak, Harris, Hillhouse, Johnston, Kawchuk, Miller, Molgat, Patrick, Paulley, Shoemaker and Tanchak.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 21; Nays, 30.

MR. SPEAKER: I declare the amendment lost. Are you ready for the question on the main motion?

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MR. ROBLIN: Mr. Speaker, I'd like to say a few words in closing the debate on the main motion. I want to perhaps add a comment or two to the Port of Churchill discussion. I omitted to point out that when the Churchill Forest Products is in full operation, as it will be despite the apprehensions of some honourable gentlemen opposite, it will add anything perhaps up to \$3 million a year in the outward traffic - the outward traffic - at the Port of Churchill and will require I think considerable investment in new facilities. I also omitted to say that we had suggested to the Hydro that where it was possible in their Nelson River Development, that they make use of the Port of Churchill and the Hudson Bay Railway for their purposes, and I believe they're giving that serious consideration.

Now there isn't much left to say in this debate except perhaps a word or two about the Air Canada situation. One of the members stated that we had done nothing from 1957 to 1962 in connection with Air Canada. Well of course that's not true, because before the Diefenbaker government left office, my honourable friend the Minister of Industry and Commerce went down there to find out what the situation was, because for a long time we too were lulled by the statements of Air Canada as to the future of this base, as were the citizenry as a whole. If anyone was slow on the uptake with respect to Air Canada I think Mr. McGregor deserves a good deal of credit for it, because it was his statements setting our fears at rest which were largely responsible for the course of events that took place, but in spite of those things the Minister of Industry and Commerce at that time went down to the Federal Government and we had conferences with the Minister of Transport, Mr. Balcer and he gave us the same assurances because he was relying on what he was told by Air Canada. It was not until those assurances were patently shown to be inaccurate, incorrect, indeed false, that we triggered off the whole of this thing on the Air Canada bases. So for my honourable friend the Member for Assiniboia to reproach us with that, is surely to overlook one of the most important aspects of the whole matter.

Now, I want to say that although it is not contained in the terms of the resolution it's been a matter that's much discussed, and I certainly want to say something more about the Air Canada base before I take my seat because we intend to take new steps in connection with that matter, as I intimated on two occasions before in the Legislature, and I'd like to give a brief resume of that. I'm aware of the rule about reading speeches, Mr. Speaker, which you so properly pay attention to, but I'm going to make some extensive quotations here from policy statements of the Federal Government, so that as part of my statement is a policy statement, I understand that under the rules I have the leave to do that.

We have indicated to the House on two occasions that since the tabling of the Thompson Commission we have been in consultation with the federal authorities with a view to defining the policies which would meet the purpose for which the commission was established, namely, the possibility of maintaining and increasing employment in the Winnipeg base, and here I say that we are talking about the Winnipeg base, and the Government of Manitoba, as far as it's concerned, believes that unless we get a jet capability at the Winnipeg base we shall not achieve our full objectives. It need not be an Air Canada capability base but it should be a jet capability base, preferably Air Canada, but I myself would be happy if we were able to obtain an equivalent perhaps operated by somebody else, and there have been very extensive discussions, I might say, with the Government of Canada, with Air Canada and with others, about the possibility and not only of the Air Canada jet base here but alternative jet overhaul facilities in the City of Winnipeg. These have not yet come to anything, but it was because those discussions were taking place that we deemed it advisable up until the very recent past to continue our discussions on a government-to-government level rather than taking some other course of action. So, members who are concerned that we have not been beating the drum in the way that has been done before in connection with this matter, ought to know that it is not because we were sitting with our hands folded but because we were actively engaged in negotiations which we hoped and which had some reasonable prospects in a reasonable period of time of coming to something with respect to a jet capability here, and it is only because we are not satisfied with the progress that's being made in those discussions that we're going to take a further action to which I will soon refer.

It was our sincere hope that these continuing discussions would result in a joint policy statement between the two governments. Now this is important. We've worked hard and sincerely, and I must say I've no doubt the Federal Government worked hard and sincerely with us, to produce a joint policy statement about a jet capability base in this city, but we've not yet been able to make such a statement together. We must now report to the House that

(MR. ROBLIN cont'd)....no such specific assurances have been forthcoming from the Federal authority. It is therefore our intention, since the Federal Government has taken no action on the Thompson Commission report, to present to that government a point by point rebuttal of the Thompson Commission findings, a rebuttal based on the evidence presented to the commission and on the subsequent data which corroborate the submissions of the Province of Manitoba, and I might say that the main subsequent data that will be in evidence are the public facts about the expansion of Air Canada, the public facts about the condition of, the percentage of capacity of their base in Montreal that is presently used, and the obvious deductions that another base in Winnipeg will find a useful role to play in the activities of the corporation. There are others as well but these certainly are important ones.

Under date of January 12, 1967 we wrote to the Minister of Transportation reminding him of the undertakings of the Prime Minister of Canada to the effect that the Air Canada base would be maintained, at least until 1973. Why did we do that? We did that because of the news that is filtering through that the Viscounts and the other turbo jets upon which that 1973 promise was at least in part based, appeared to be in line for phasing out sooner than we had previously been told, and if this happens that these turbo jets are phased out sooner than 1973 or than we were previously been led to believe, that places another question mark on the future of the base, so it is obvious that we want to remind the Federal authorities of their undertaking.

Members will recall the exact statements of the Prime Minister but so that the record might be complete we refer to a telegram dated March 30, 1963, wherein the Prime Minister stated: "The Liberal Party is committed to a policy of decentralized and regional, industrial and economic development. This policy requires the growth of strong regional air centres in Canada. The Liberal Party believes that it is in the national interest that Winnipeg should be such a centre and that the TCA operation should contribute to this end."

MR. MOLGAT: Was there an election on this ...

MR. ROBLIN: I think there was, and unless I'm mistaken - and I'm subject to correction - the telegram wasn't sent to the Government of Manitoba; I rather fancy it was sent to the Liberal candidate in that constituency. --(Interjection)--And he was. Well I hope that didn't affect the Prime Minister's view of things. I'm sure it didn't because he made other statements. But I say to the Honourable Member for Assiniboia that he perhaps has a little job to do, a little missionary work with some of the people that he knows in Ottawa; and I say to the Honourable the Leader of the Opposition that if he's willing to quote Mr. Pickersgill so freely, as he was in another connection, that he might find it useful to renew his acquaintance with that gentleman in respect of this particular problem. Perhaps he could do some good.

MR. MOLGAT: ...this point, because I think that on a point of privilege I would like to point out to him that I have been to Ottawa on every single delegation at my own expense. His colleague the Provincial Treasurer tried to prevent me from going on the first one.

MR. ROBLIN: Well I must say that my honourable friend doesn't seem to have any more luck with his colleagues in Ottawa than we do. I really think, however, that I would ask him to put forward a little further effort because it might be possible that with his winning ways he might be able to achieve something that perhaps would do us some good. Mind you, I offer that suggestion with some mental reservations because I don't think it would work, but I can't help but encourage my honourable friend to try. Perhaps it's the least he could do under the circumstances.

Now, we have the statement of November 22nd, 1963, of the Prime Minister speaking in the House of Commons, and I quote: "I am therefore now able to announce a change from the previous expectation that was made known a year ago, that the Overhaul and Maintenance Base in Winnipeg might begin to be phased out as early as 1966, for at least as far ahead as planning now stands; that is, for at least for ten years." This was said in '63. "The Winnipeg facility will continue to be used." (That makes a lot of questions.) "This decision has considerable importance to the economy of Greater Winnipeg. In the view of the government it will be very much in the national interest if the opportunities for skilled employment of the kind which the TCA base provides, should be diversified in different centres to as great an extent as compatible with industrial efficiency. For this reason, the continued operation of the maintenance and overhaul facilities in Winnipeg is to be warmly welcomed." I can't help but observing that nothing much has happened about this diversification that I'm aware of.

Under the date of March 17/64 I addressed a telegram to the Prime Minister. One question set out in that telegram was as follows: "In terms of your statement in Parliament,

(MR. ROBLIN cont'd)...what undertakings do you consider that you have given about the maintenance of employment at the Winnipeg TCA Overhaul Base?"

The Prime Minister replied under date of March 19/64 as follows: "I said in Parliament on December 7th last: It is the policy of the government to do everything possible to maintain employment at the TCA base in Winnipeg, and if possible to increase it. So far as TCA is concerned, this means the base will continue to be used for the overhaul of Viscount aircraft as long as these aircraft are in service. As far as the government is concerned, it means further that we will do everything we can to ensure that other aircraft work is available in Winnipeg so that the eventual withdrawal of the Viscount is at least balanced by new activity.

"This policy should not be interpreted as a guarantee that each particular job now filled in Winnipeg would continue indefinitely. Normal changes in technology and work methods, and the provision of seniority rules between employer and employee, may lead to the disappearance or transfer of particular jobs. The dynamic industry cannot be frozen into a particular employment pattern. My undertakings mean that there will be no transfer of work from Winnipeg by deliberate policy. On the contrary, our policy will be to do our utmost to secure enough aircraft work to maintain or improve the present employment level.' "

With the recent introduction of medium-range jets of the DC9 class, recent reports would indicate a more rapid phasing out of the turbo-prop fleet, particularly the Viscount aircraft. The implications of this for the base and with respect to the Prime Minister's statement require no comment; they're obvious. This action by Air Canada must in no way affect the publicly stated position of the Prime Minister that the Air Canada base would be maintained at least until 1973 but that national policy would be directed to the securing of enough aircraft work to maintain or improve the present employment level.

During the hearing of the Thompson Commission, Air Canada stated on a number of occasions that no capital expansion would be required in the foreseeable future at the Dorval facility, and that in fact existing facilities were under-utilized. I trust members will appreciate the significance of that statement. This is a quotation from Air Canada's evidence: "The overhaul of the entire fleet of Air Canada at Dorval will not require for some years additions and alterations in excess of those submitted to the commission." A highly significant statement. And again I quote: "... that the Dorval base as it is today, with relatively minor alterations and additions to machine shop capacity and engine testing cell, could perform the overall function of Air Canada's entire present fleet including the initially forecasted DC 9."

And again from their evidence: "In actual fact, today's base capacity is in excess" - referring to the Montreal base - "is in excess of this requirement, and capacity exists to accommodate the Viscount and DC9 fleet." The ground is pretty clearly outlined in that statement of Air Canada.

"The Province of Manitoba contested the fleet forecast submitted, and contended that fleet forecasted suggests that the Dorval capacity would be fully utilized with the present expansion of the DC8 fleet - not the DC9; the DC8. Shortly after the conclusions of the Thompson Commission hearings, the Province of Manitoba indicated to the Commissioner that the fleet forecasts submitted to the commission were not the most up-to-date estimates available, and on the demand of the commissioner Air Canada revised its fleets forecast upward, the result of which was a marked increase in fleet size for the period under review."

Now just consider that statement for a moment. Here we have Air Canada appearing before the Thompson Commission and not giving them their latest evidence. What are we to think of that way of doing business? More recently, Air Canada has announced further purchases of aircraft for delivery in the next few years. We maintain it is abundantly clear that sufficient overhaul and maintenance work for the Air Canada fleet exists for the operation of both the Dorval and Winnipeg overhaul facilities. It has been our position throughout this matter that the Federal Government is correct in its policy decision that the growth of strong regional air centres in Canada is essential and that it is in the national interest that opportunity for skilled employment of the kind that the Air Canada base provides should be diversified in different centres to as great an extent as is compatible with industrial efficiency. We have further insisted that national policy decision should not be frustrated by the narrow - and I add, probably technically correct within their limitations - management decisions of the Crown corporation. Surely the existence and development of the Crown corporation is intended to reflect and support national policy rather than to frustrate it.

It is now our intention to call a meeting of the Air Canada delegation - to which I pay my

(MR. ROBLIN, cont'd) compliments and which have been very useful, and I thank all who have taken part in this including members opposite - to make plans for submitting our views to the federal authority. In addition to presenting these views and taking this action directed toward the government that has the responsibility for the conduct of that Air Canada Crown corporation, we intend to take additional positive action to ensure Winnipeg's future role as a regional centre. There is no doubt in the minds of the government that Winnipeg must have, and Canada can use, the skills represented by the Air Canada base in Winnipeg. These skills must be maintained and provision made for a jet facility here in Winnipeg. We therefore intend to take another step. We are going to make a complete review of the necessities that are required for such a jet capability base, which base in conformance with the announced regional air policies of the Federal Government will be available for the overhaul and maintenance of not only national carrier equipment but the equipment of regional carriers in Canada, because I expect regional carriers will have to have jet capability before long if they're going to stay in the business.

So Mr. Speaker, we certainly intend to pursue this Air Canada matter vigorously. We intend to deal with the Thompson Commission report which has not as yet been accepted one way or another by the Federal Government. We don't agree with the findings of that report; we intend to refute them; and we want the new information that's available to be presented for the consideration of the Government of Canada and for the people of Manitoba, and we are going to consult with the Air Canada committee that we have in existence now, as to ways and means of doing this in the most effective manner. And the government itself; on its own initiative, will take steps to see what we can do about a jet capability maintenance base, not only for Air Canada but for those other regional carriers that are here. It might very well be that a Crown corporation could supply the shell within which a jet capability operation could be sustained provided we can be guaranteed sufficient business by those who have jet aircraft to be maintained, whether they come from Air Canada or whether they come from somebody else, and we want to be in a position to deal as constructively as we can with that matter. So I thought that I should conclude the debate on this subject by making this reference to Air Canada as it is obviously a matter of interest to members of the House and certainly a matter of interest to the general public.

But a return to the main matter of the resolution; that is, whether or not we should have this specific local study in connection with north-south transportation problems. One of the continuing problems of northern development is transportation of whatever kind. We have made the most substantial investments in northern transportation. The railway has made them. We have made them in connection with roads. The Government of Canada has made them in connection with major aircraft landing places and we have made them in connection with minor aircraft landing places. There is a tremendous investment in the Port of Churchill. Now it is time that all these matters were pulled together for a rational review of the investments made, a decision made as to what priorities should now be considered - we've had our priorities in the past; we want to review them - what priorities should now be considered to facilitate and to speed up the development of our northern country.

Some people are inclined to write off the potential for northern Manitoba or discuss it in airy-fairy terms as if all you had to do was turn some key somewhere or other, in order to get those mines developed or those trees chopped down or whatever else can be done in that country. It isn't that simple. Transportation is one of a number of complicated and important factors bearing on that. We've made great progress. We'll look back at it in ten years' time and we'll agree that it's great progress, all of us here, in spite of our differences now with respect to the opening up of that country. But the question of a rational system of transportation in all its aspects by sea, by water internally, by road, by air and by rail is vital, and it is time that we had a thorough technical review of all these factors to establish our priorities. Neither Ottawa nor Manitoba have got enough money to do all the things that we'd like to do up there at once. We've got to decide what in the terms of the future that part of our country and our province is most important and valuable for us to do. And that's what we intend to find out.

We also want to associate the people of northern Manitoba in this endeavour. One of the functions of this committee, one of their modus operandi, their method of working, will be to form some preliminary ideas of their own with respect to this matter, and then take that to the people in the same way as the International Joint Commission take their studies with respect to water control to the people who will be concerned. They don't present them with a

(MR. ROBLIN, cont'd) fait accompli in that matter, and I think we're going to try and follow that same procedure so that after a preliminary study has been made we can say to the people who live in Churchill, and who live in these other centres, and the people who are running the mines and the forests and the hydro electric systems and what not, let's all sit down and review this so that we get a final report that includes the best and wisest views from every source that has a legitimate interest to express.

I don't want this to be a lengthy proposition. It can't be done in a week, but it certainly must be done as soon as possible. We have available to head this up one of the most experienced and able of the transportation experts in the nation, and I am happy to say he's a native Manitoban. One of the things my honourable friend the Leader of the Opposition didn't like was the fact that we sometimes use American know-how in connection with our transportation studies. I can't follow his logic. He doesn't mind American money in the country - neither do I; but something even more important than American money, something that our federal people who want to erect a barrier around this country have got to think about, that something even more important than money is know-how, and if we ever cut ourselves off from the fund of technical expertise and know-how in the United States we would be doing ourselves no favour, and many of these problems in transportation have already been elucidated in that country. Why then not take advantage of that counsel and advice? We've done it in the past and I assure you if we deem it expedient we'll do it again. But over the years we have built up in this province, I believe, the most qualified group of transportation people in this entire nation, one good reason why the National Transportation Institute might well be located here. I won't give you their names because they're familiar to everybody here, the individuals, but we do have a splendid group and one of them, I'm happy to say, will I believe accept the responsibility for guiding this commission if and when the Legislature approves it. So I think this is very necessary. I think it's opportune that at this stage in the development of northern Manitoba this tremendous transportation problem should be tackled as a special project. It's native to Manitoba. It's a parochial issue as far as the rest of the country is concerned but it's very important to us, and as I said before, the federal authorities, while not willing to join with us in a joint study which is what we would prefer, (I thought a little, what do you call it, co-operative federalism would go a long way in this field but apparently there are reasons why they didn't wish to join in at the official commission level,) but I must say, and I'm happy to say, they've given us every reason to believe that this study not only has their blessing as a good thing to do in itself but they will be willing to help us with information and expert advice of various kinds that will be more than useful to this commission.

So, Sir, I've had the unique opportunity of speaking three times on what is essentially the same subject in one day. All I can say is that I am terribly pleased I don't have to do this very often because I am sure I've outworn the patience of my listeners already, and if I did it too often I'd have no audience at all, but I do appreciate the chance to have expressed some views on a very complicated and a very important problem within our province and one in which I think very substantial progress has been made and on which I am convinced that if we tackle it in the right way, we can continue to make substantial and useful gains for the development of our province and for the benefit of our people.

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: I wonder if the Honourable First Minister has copies of his statement that he read in respect of Air Canada.

MR. ROBLIN: Mr. Chairman, I appreciate what my honourable friend said, but unfortunately what I did when I went through this is I ad-libbed a good deal, so I would not like to offer this statement. I wonder if my honourable friend would wait for Hansard, which would not be long, because I said I was going to read it but I didn't. I ad-libbed my way through a good deal of it and consequently it would be misleading to offer that as the statement itself. And I must say that if I didn't make it perfectly clear in the operations of the Churchill Forest Products I was thinking not merely of its effect on the Port of Churchill when I spoke of that, but its effect as well on the internal movement of a product within the Manitoba region of the Hudson Bay Railway.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. ROBLIN: Yeas and Nays, please, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Baizley, Barkman, Beard, Bjornson, Carroll, Cherniack, Clement, Cowan, Craik, Dawson, Dow, Doern, Einarson, Enns, Evans, Fox, Froese, Green, Guttormson, Hamilton, Hanuschak, Harris, Hillhouse, Jeannotte, Johnson, Johnston, Kawchuk, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Miller, Molgat, Patrick, Paulley, Roblin, Shewman, Shoemaker, Spivak, Stanes, Steen, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

NAYS: Messrs. Campbell and Tanchak.

MR. CLERK: Yeas 50; Nays 2.

MR. SPEAKER: I declare the motion carried.

MR. LYON: ... now please call the Committee of Supply.

MR. SPEAKER: Motion that the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

MR. SPEAKER presented the motion.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I wish to bring up a grievance at this time. Mr. Speaker, I had a phone call about an hour ago from an official of the City of Portage la Prairie, and it relates back to the promise made by a former Minister of this government in 1962, and it is with respect to the construction of the dam on the Portage Diversion and how this construction affects the Portage city water supply.

Back in 1962, the Honourable George Hutton, then Minister of Water Conservation and Agriculture, gave a firm undertaking at a meeting of the Portage City Council to the effect that the construction of a diversion and/or the dam would cause no extra cost to the citizens of Portage la Prairie. He further promised that he would see to it that the water supply would be guaranteed unconditionally right to the intake at the City Water Plant. He also promised that where previously, through natural flooding, Crescent Lake was refreshed and refilled every year by fresh water from the river, he promised that he would have this problem also looked after in the event of the construction of the Portage Diversion. While he did not mention the cost of processing of water which may have been muddied by turbulence, it was understood in his general statement he meant to stand behind his word in that the citizens of Portage la Prairie would not be put to any bit of extra cost whatsoever with the construction of the diversion.

I would like to refer members now to a press report in the January 10th, 1967, Portage Daily Graphic where Mr. Weber, who has taken the late Mr. Griffith's place, met with Portage Council and I'll quote from the report, and he had this to say:

"Mr. Weber said" - and this is speaking about plans for the supplying of water to the water plant of the city from the diversion site, or the dam site, which is about a half a mile away. "He said, 'Plans call for the intake pipe to be located twenty feet underneath the water level in the dam, and because algae is confined to the top few feet where sunlight penetrates, this should cause no problem.' Mr. Weber further suggested the City should install both an intake pipe and an out-take pipe for the lake to allow for a free flow of water and thereby to avoid stagnation of lake water." And that is speaking about Crescent Lake, that last paragraph.

"Alderman Linden noted that the province was suggesting that the city install a thirty inch line from the dam to the plant, and that the city should install lines to and from Crescent Lake. Commenting on this proposal, Alderman Linden said; 'The province's proposal seems to have changed drastically since I heard it first.'" And that's the end of the quotation. I might say that Alderman Linden was at the same meeting when the Honourable George Hutton at that time made his unconditional promises regarding the supplying and the guaranteeing of water to the City of Portage la Prairie.

Recently, at another meeting, Mr. Weber has again met with Council and he is suggesting to them that they now must be prepared to build a half a mile thirty inch pipe to take a supply of fresh water from above the dam to the intake of the city water plant, or he is suggesting that they can take their water supply from below the dam and directly into the intake without a pipeline.

Now in the event that the city is faced with either one of these proposals, the second proposal means that they will forever and a day have to process turbulent, muddy, sandy water. This will mean extra expense in processing; it will mean extra expense in equipment; it will be hard on the bearings of engines; and there will be a continuing upkeep for the citizens of

(MR. JOHNSTON, cont'd) Portage la Prairie in this respect, which no doubt would be reflected in higher water rates. Presently the City of Portage has very reasonable water rates and they have played a large part in any success we have had in attracting industry. I might say that Campbell Soup plant never would have considered Portage had not they received a very favourable water rate.

So I would like, Mr. Speaker, on this very important matter I would like the Minister now charged with the water conservation for the province to give us an assurance that this will not be the case; that the former Minister of Water Conservation's word will be honoured by this government, and I would like him to give the assurance to this House and to the people who are so vitally interested that there will not be any extra cost, whether it be direct or indirect, and I hope he will do so at this time.

MR. ROBLIN: Mr. Speaker, I have no right to speak because I've exhausted my right and so has the Honourable Minister of Highways, so we are unable to deal with this matter in the terms of this debate.

MR. JOHNSTON: Mr. Speaker, I would respectfully ask that either the Premier or the Minister of Water Conservation write a letter to the Portage City Council and give this assurance.

MR. ROBLIN: Mr. Speaker, if I could say a word, we'll certainly look into the substance of my honourable friend's remarks and see what the situation is. We'll investigate it as soon as we can.

MR. MOLGAT: . . . give leave, Mr. Speaker, if the Minister of Highways wishes to make a statement.

MR. ROBLIN: I think, Sir, we'd have to look into it. It's too complicated a matter to be dealt with off the cuff.

MR. JOHNSTON: Mr. Speaker, the matter of keeping a Cabinet Minister's word is not something that can be staved off. It's a 'yes' or a 'no'.

MR. SPEAKER: Order, please. I wonder if the Honourable Member for Portage la Prairie would accept the comments of the First Minister in which he said that the whole matter would be looked into.

MR. JOHNSTON: Mr. Speaker, I'm not satisfied with that reply whatsoever.

MR. SPEAKER: You have the First Minister's word, though.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, if no one is going to reply at the present time from the government benches, and on the understanding that the question will be looked into later on, I would like to mention a few points not only in connection with the water supply of the City of Portage la Prairie but also with regard to the drainage situation that is disturbing the rural council, or the Council of the Rural Municipality of Portage la Prairie, and I would like to have this matter checked at the same time because ever since this proposal was first mooted, Mr. Speaker, and you can recall, perhaps, if you took any interest in the subject at all that I have never been enthusiastic about it, as far as the Rural Municipality of Portage la Prairie is concerned, particularly that part of it through which the Diversion runs, there is no enthusiasm for it now. There wasn't at the beginning. The situation has changed, if at all, I would think for the worse, because the members of the rural council and the farmers in the area of the Diversion are worried about the effect that this Diversion will have upon the local drainage, and I would like to ask the Minister if, when they're considering the other matter, that he would check carefully into the question of drainage and what has been agreed to with the Rural Municipality.

Just for the moment I might reinforce the argument that the Honourable the Member for Portage la Prairie has already advanced regarding Portage City. Portage City has had some difficulties with water supply during all the years that I have known the area there, and that's quite a few now, because of the fact that the water flow in the Assiniboine River varies so greatly during the year and owing to the fact that at the time that the flow is abundant that there is apt to be a good bit of turbulence in connection with the increased volume, and it was only after years and years of serious struggle that the City of Portage la Prairie got their water development facilities into a reasonably satisfactory state, as satisfactory about as you could get when you have to depend upon that kind of a source of supply, because as anyone knows, Mr. Speaker, a river with such a changing flow is not the best source of supply.

And then after this had been accomplished at least to a reasonable degree, far from perfect, then in comes the Government of Manitoba in the person of the Water Control and Conservation Branch, and decides that this proposal of a dam of considerable dimensions

(MR. CAMPBELL, cont'd) should be built just upward of the water treatment plant, a body of water of considerable size would be impounded behind the dam, and of course provision made for surplus at such times of year as made it necessary to be taken off and diverted to Lake Manitoba.

Well, the Rural Municipality certainly didn't like it and the farmers through whose land the diversion was to pass certainly didn't like it, but after the discussions that occurred, the one organization, the one public body that seemed to get some benefit out of this whole situation, was the -- and I certainly don't exclude some downstream benefits from consideration -- but the one local body there that appeared to be able to expect some benefits from it, was the City of Portage la Prairie who, instead of having this low level dam that they had to try and improve their supply situation for their water treatment plant, would have instead a higher dam and a much bigger body of water, much deeper body of water, consequently the likelihood of it being a purer body of water and a much larger supply to draw from. And this was one of the considerations, almost the only consideration that seemed to be advantageous to the area, and on that basis certain understandings were undoubtedly entered into by the former Minister in charge of Water Control and Conservation. And I would really be very astonished, Mr. Speaker, if it turned out that the undertakings given at that time are now being changed, because surely, I would hope that there is in addition to the plain statements that were made to the people of the City of Portage la Prairie and to the Council, and I would expect made in the Assembly here although I certainly am not in a position to recall to memory just when they were made, surely there is something on record on a matter so important as this that we can find that the case of the City of Portage la Prairie is buttressed to that extent.

So I would join with the Honourable the Member for Portage la Prairie in urging that this matter be looked into immediately and negotiations undertaken with the City of Portage la Prairie to implement what all of us understood was a firm undertaking, and that while this is being done that the Minister, the government also look into this situation with regard to the rural municipality. The rural municipality has had to shoulder what will undoubtedly be a great inconvenience in the question of cutting off there certain highways and roads in the area, because only a limited number of bridges are going to be built and not all the roads will be open all the time that previously were, and even more serious than that, I think, in the opinion of the rural council has been the arrangements that are to be made with regards to drainage.

So, Mr. Speaker, I certainly agree that the Honourable the Member for Portage la Prairie has a real grievance here and one that should be investigated and looking toward a satisfactory solution at the earliest possible moment.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. ELMAN GUTTORMSON (St. George): I wonder if the Minister would entertain the thought of adjourning the House now in view of the -- it's only a matter of about six minutes, and we can proceed this afternoon.

MR. EVANS: Well it makes sense to me. I think we should move into Committee and then perhaps ask the Chairman to leave the Chair.

MR. GUTTORMSON: But we have to adjourn anyway, Mr. Speaker, because of the new rules. Well we have to go back . . .

MR. EVANS: I don't think it's necessary to do so. As far as I understand it, the plan is to continue in Committee of Supply this afternoon and I should think the most convenient thing would be to put the motion now to go into Supply and then just ask the Chairman to leave the Chair.

MR. FROESE: Mr. Speaker, this would only be on general agreement, I take it.

MR. MOLGAT: The only . . . of that procedure, Mr. Speaker, is that it does not permit any Orders of the Day in the afternoon, no possibility of questions before the Orders of the Day if we stay in Committee, and the Order that was passed the other day amending the rules clearly states that it is to be separate sittings, that each sitting shall be a separate sitting.

MR. SPEAKER: Order, please. I should remind the Honourable Leader of the Opposition for the last couple of days this is the way we have been proceeding. By leave, yes.

MR. EVANS: I don't know what my right to speak further is on this. I suppose it's a point of order. How do we stand now? We're adjourning the House. I suppose this is in the middle of the debate to adjourn, is it? In that case I have no objection to adjourning the House if that's what the honourable members wish. Perhaps I could be advised as to whether it is

(MR. EVANS, cont'd) now in order, with one motion before us, to put the motion to adjourn.

MR. SPEAKER: The motion is to go into Supply.

MR. GUTTORMSON: Mr. Speaker, on a point of order, I would suggest that the Minister withdraw the motion because in any event when we proceed this afternoon he'd have to re-introduce the motion in the normal manner because it's a new session.

MR. EVANS: Well, here is the real House Leader and I'll acquaint him with the situation and carry on.

MR. SPEAKER: That's an excellent way of putting in five minutes. Is the Honourable Leader of the House willing to withdraw the ... ?

MR. LYON: Mr. Speaker, as I understand the problem there's a debate continuing on grievance going into Committee of Supply. That has completed? Well then, I suggest the question then be put and then I'll make ...

MR. SPEAKER: The question has been put.

MR. LYON: The question has been put?

MR. SPEAKER: Yes. And on the point of privilege it's wondered if the House would call it 12:30 as we sit now.

MR. PAULLEY: Mr. Speaker, this would not be permissible under the rules of the House except by unanimous consent, and I suggest that it may but I don't think it would be forthcoming, and accordingly the motion could be put, you could leave the Chair, the Chairman sit in his Chair, and at 12:30 he would rise from his Chair; report to you to terminate this sitting. That's the only way. The other way would be -- I think the obviously proper way would be to withdraw the motion at this time and then adjourn the House.

MR. LYON: Well, Mr. Speaker. I understand my honourable friends want to have a new Order Paper this afternoon. Is that understanding correct? In that case we'll adjourn at 12:30 but in the meantime we carry through with the motion, have the Chairman come into the Chair and carry on as usual. There's no problem --(Interjection)-- Well, let's do it. Question.

MR. SPEAKER: Now I'll ask the question, for what?

MR. LYON: The motion to go into Committee of Supply, Mr. Speaker.

MR. SPEAKER put the question and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. LYON: There is not sufficient time to conduct any business so I suggest the Committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, I wish to report progress and ask leave for the Committee to sit again.

IN SESSION

MR. COWAN: Mr. Speaker, I move, seconded by the Honourable Member for Pembina, that the report of the Committee be received.

MR. SPEAKER: Order, please. I want to deal with this motion.

MR. PAULLEY: You want to put the motion do you?

MR. SPEAKER: Yes I do.

MR. SPEAKER presented the motion.

MR. PAULLEY: May I ask, Mr. Speaker, what is the report of the Committee? --(Interjection)--Progress? The only one that progressed was the Chairman of the Committee.

MR. SPEAKER: We progressed to the extent that the Honourable Member for Winnipeg Centre took his place at the head of the table and then returned.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. LYON: Mr. Speaker, I move, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn and stand adjourned until 2:30 this afternoon.

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