

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, April 1st, 1963.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

Reading and Receiving Petitions.

Presenting Reports by Standing and Special Committees.

Notices of Motion.

Introduction of Bills.

HON. STEWART E. McLEAN, Q. C. (Minister of Education) (Dauphin) introduced Bill No. 93, an Act to amend The Public Libraries Act.

MR. FRED T. KLYM (Springfield) introduced Bill No. 13, an Act to amend An Act to Erect the Village of Beausejour into a Town Corporation.

MR. MAITLAND B. STEINKOPF (River Heights) introduced Bill No. 49, an Act to amend an Act to incorporate The Garment Manufacturers and Employees Fund.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following resolutions standing in my name and those of the Honourable the Attorney-General and the Honourable the Minister for Mines and Natural Resources.

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

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

MR. CHAIRMAN: Resolution No. 1, RESOLVED that it is expedient to bring in a measure to incorporate The Manitoba Export Corporation for the purpose of encouraging, developing, and increasing, the export of Manitoba products, and to provide among other matters, for the payment from and out of the Consolidated Fund of money required to be expended for the purposes and objects of the corporation including: (a) honoraria for members of the corporation, and payment of expenses incurred by members of the corporation; and (b) payment of remuneration of persons employed to give professional, technical, or other assistance to the corporation.

MR. EVANS: Mr. Chairman, one of the results of The Manitoba Trade Mission overseas was to discover that Manitoba business, in general, has not got the technical knowledge or the skills to engage fully in export business. They do not have on their staffs, generally speaking, people who are accustomed to export matters, such as tariffs, quoting C. I. F. prices in ports of delivery, and attending to transportation matters and things of that kind. And so it is the proposal to put an export corporation into business which will assist these smaller firms, to pool a knowledge for them; to supply them with information concerning export market opportunities; and to help them with the practical business of exporting and transporting their goods.

MR. MORRIS A. GRAY (Inkster): I would like to ask the Honourable Minister one or two questions. No. 1. What will be the cost? No. 2. We have our own man in London -- what is he going to do? No. 3. What are the main items that Manitoba can and should export? No. 4. If every province -- when I say what have they got to export, because wheat is not our business. That's the Federal Government's. No. 4 is: If the ten provinces do the same thing, which probably they are planning, then we'll be competing with each other. And the final question is: What will be the cost of another delegation to Europe, which is costly, and the main necessity of it?

MR. EVANS: Mr. Chairman, the Corporation is expected, after perhaps two or three years, to be self-supporting out of fees that it will earn from commercial companies doing the exporting business. It's expected that the Agent-General in London will take a very active part in assisting Manitoba exporters to secure sales representation and to help them look after their business in Europe. The main items which can be exported to Europe will be found in the report which was tabled recently of the Manitoba Trade Mission. I think it's too long to detail now, and I would commend that report to my honourable friend. He will find the practical

(Mr. Evans cont'd) . . . . . opportunities listed there. Other provinces are in competition with us now for export markets and I expect that there will be continued competition, and from the point of view of Canada as a whole, and even from Manitoba, competition for export markets is a good thing. The necessity of it is that unless we do enter export markets we will not have big enough markets here in Manitoba to secure the kind of industrial expansion that will be required to provide the 75,000 new jobs by 1975.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, the Minister has given some explanation of the work that this Corporation will do, but is this not actually exactly the work that the Federal Department of Trade and Commerce now is supposed to do, and that the Trade Commissioners who are located in most of the major cities of the world are particularly responsible for? I think Canada has a very wide representation, not just in Europe but all over the world in this field, and this, at least in my understanding, was their main job. That is, to promote trade between Canada and other nations and to supply to Canadian exporters all the information that is required; assist them. I'm sure my honourable friend knows that these Trade Commissioners come, at irregular intervals it's true, but at intervals to the Province of Manitoba, meet with Manitoba businessmen and give them all the information that they need. Is this not actually a duplication then of the work that is done by the Federal Government at the moment?

MR. RUSSELL PAULLEY (Radisson): Mr. Chairman, I'd like to make a few remarks too in connection with this. It seems to me that here is another duplication of a service that we in this House, at least as far as I'm concerned, have been under the impression that it is being done by the Department of Industry and Commerce over the years. I appreciate the fact that the Minister said, that as a result of the investigation by the Committee on Manitoba's Economic Future, that recommendations of this nature were forthcoming, but if one looks at the estimates that we are considering for this year, and indeed I don't think that this has changed over the last number of years, we find that we are asked to approve an expenditure of over \$90,000 for trade development and marketing grants in the Department of Industry and Commerce at the present time.

I've heard on numerous occasions from the Honourable the Minister for Industry and Commerce of the tremendous job that is being done by his department in the field, indeed in the field that he is now setting up, or requesting permission to set up, another consultative board, another development authority. In my opinion, we already have this, and if we go back over the years to what the Minister of Industry and Commerce has expounded as to the qualities, the capabilities and the efficiency of this Department of Industry and Commerce, these things should have been achieved in my opinion. In my opinion, I would like to hear from the Minister. Was he speaking to us factually before when he was talking of the Trade Development and Marketing Branch of his department in the past, or is he now admitting that in addition to that we must have set up another body to do the job that we presumed was being done in the department. As the Leader of the Liberal Party pointed out, that insofar as the question of tariff charges on exports, and of course on imports as well, that this is in the federal field.

I would suggest, Mr. Chairman, that contrary to what the Minister has said of the necessity of setting up another agency within the Province of Manitoba to give this industry to -- or this information to smaller industries and manufacturers in the Province of Manitoba, surely to goodness this information has been available, or should have been available, on request, by these small industries that the Minister refers to within the department itself. If it hasn't been in the past, then I would suggest that it could be accomplished within the section that's mentioned calling for an expenditure of \$90,000.00. I think the point raised by my colleague from Inkster in reference to the competition between the various provinces will lead us possibly into the same sort of condition that we have here in the Province of Manitoba that we're trying to overcome, where we have the internal competition insofar as municipal corporations were concerned. I didn't hear any remark from the Honourable Minister as to the contention that was raised by my colleague from Inkster in this regard.

I appreciate the fact that it is necessary for the Province of Manitoba, the government of Manitoba and its citizens to do all within its power to make possible the results as suggested by the Manitoba Economic Committee of these 40,000 jobs by 1975. I'm sure that the people of Manitoba have the will to do this, but I question very much, Mr. Chairman, the necessity of

(Mr. Paulley cont'd) . . . . . this type of an organization that the Minister is suggesting that we set up, because, in my opinion, we have or should have had within the Department of Industry and Commerce an agency charged with the responsibility of giving the information that the Minister suggested this corporation that he's going to set up is to do.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): Mr. Chairman, I'm inclined to agree with most of what has been said by the other speakers on this particular motion. I feel that we are bound to waste a lot of effort and money if each of the provinces follow suit and I think they'll have no choice but to do so. We will not only have a duplication of production but we're going to, shall I say, balkanize our provincial trade in Canada. Wouldn't it be much better if you had a central agency which would look after the export trade and also look after the placing of factories and manufacturing industries within the country, because you're bound to run into a situation where you will have duplication in the various provinces which will lead to nothing else but waste of effort and money. It may also lead to having manufacturing industries in each of the provinces that just won't be able to compete with oneself. I think that this is redundant myself. I think that you have the agencies now which can do the work and it would be far better if the country, as a whole, had an agency which is capable and competent and went after this work instead of doing it in piecemeal.

MR. J. M. FROESE (Rhineland): Mr. Chairman, I too would like to know from the Minister whether we are setting this up in competition with the Federal Government and whether we are going to compete in this field with them. Also, the trade that is going to be developed or be carried on, whether it's going to be done on the basis of the Canadian dollar or will it all be use of U.S. funds.

MR. EVANS: Mr. Chairman, I had expected to make a more extensive statement on the principle of the bill and the reasons for it at second reading which, Mr. Chairman, I suggest is the proper place for it, but I'll be very glad to answer the questions that have been asked now, and perhaps they are proper at this stage.

With regard to the Federal Government and their Trade Commissioner Service and whether or not this is duplication, we found that this is not the case, because the Trade Commissioner Service over there puts itself at the service of provincial organizations such as those for Ontario, British Columbia, Saskatchewan, and the Agent-General in London of Manitoba, to assist them in their work. I would expect that this export corporation would do a very large part of its work with the assistance and through the medium of the trade commissioners, but the Trade Commissioner Service of Canada cannot and will not make individual deals for private corporations. It's not a part of their business. That will be the business of the export corporation, to actually engage salesmen, secure sales and, in that way, bring actual business to the Province of Manitoba. This is not supplied, and this is not a duplication of any service that exists now.

My honourable friend the Leader of the NDP Party suggests that we already have these things, that the department has had this responsibility throughout. I would think we would probably say that's true, that this responsibility has been one for the Department of Industry and Commerce, but until very recently indeed no one recognized that Manitoba could export to Europe. As a matter of fact when the Trade Mission was mooted, some people indicated that it was a waste of time, that obviously we were too far away from Europe to do any business, and look how much closer Ontario and Quebec were to the European markets and look how much larger and smarter the Americans were, and of course it would be impossible to do business from Manitoba to these European markets. Well the only trouble with that was that it wasn't so, and we went over and found out that it wasn't so. We believe now there is a new area of business open to Manitoba. As a matter of fact, underlying all of these suggestions and the very strong recommendations of the Committee on Manitoba's Economic Future, that if we are to grow and to provide the number of jobs that are required by secondary industry in Manitoba by 1975, then we have to get into the export business.

I think all the honourable members should realize that this is not confined to markets in Europe, as indicated in the Speech from the Throne. It's proposed to have other trade missions, a trade mission to the United States for example, and of course exports, in our definition, includes export out of the country whether in other parts of North America, South America, Europe or wherever it may be. We believe that this widening horizon does require this

(Mr. Evans cont'd) . . . . . additional bit of machinery. It should be remembered that this corporation will consist -- and I think this whole debate might well take place when the bill is before us and you know what is being proposed -- that the corporation will consist of business-men experienced in the export business, who will bring practical knowledge to bear and practical experience to the export business which cannot be supplied by my staff or by any of the people at present engaged in this work, because they have a wider experience of the actual practical handling of export business. That is the kind of experience and advice that we seek in putting this corporation into being and getting the advice of practical businessmen.

I really cannot understand my friend from Ethelbert Plains suggesting that we should surrender our industrial sites in Manitoba to the hands of some body in Ottawa who might decide where a factory might be placed and what export business might be attracted and sent to Manitoba. One of the difficulties at the present time is that it is so difficult to get business to come west of Toronto and Montreal to the rest of the country, and as I understood my honourable friend, he suggests there might be some central agency down there who would decide where would be the best place to put all these factories and these decisions would be made presumably at Ottawa. Well that would be completely unacceptable to us. We believe that we have our own advantages here; we have a kind of people and a kind of plan that can get us back into a parity position with some other provinces that have been more favoured up till now; and that by the kind of energy and planning that we have proposed, that we can recapture our rightful place and come up to parity with those other provinces in the east, and we are not prepared to surrender our responsibilities to anyone else.

With regard to my honourable friend from Rhineland whether this trade will be done in Canadian dollars, I am not able to say. I take it my honourable friend is asking me whether quotations on the sale of Canadian goods will be made in terms of Canadian dollars in England, France, German, United States, whatever the case may be, or will they be made in terms of some other currency. I think the only answer I can give him at the present time would be that it would be our intention to quote the prospective importer in the foreign country in whatever currency is most convenient to him.

MR. HRYHORCZUK; Mr. Chairman, I'm rather surprised at the attitude the Minister is taking in this matter. He seems to think that the Canadian government, in spite of the fact that ever since Confederation has been looking after our export business, he would seem to imply that they haven't been looking after Manitoba and that it is necessary for his department to look into this matter. Well from the statements he made, I gather that this is going to be a selling agency and, to me, that doesn't sound like free enterprise at all. We've often heard the less government in business the better, and I think this is one step where we could say the first step toward socializing industry. In the free enterprise system, why should the government go out and sell products for any individual manufacturing agency or other producer in this province? I think it's a wrong step; I think we're headed in the wrong direction. We're asking for trouble. And if we continue in this direction, what is to stop us from telling business just exactly where they stand and what they're to do if we take the responsibility for selling their goods. Where's the incentive on behalf of the free enterpriser going to come? Is the government going to take over the selling of anything that is produced in the Province of Manitoba?

MR. EVANS: . . . . . my honourable friend has misunderstood what I said and I think here again it might have been an advantage to see the legislation and have a debate on it before we discuss the principle of the bill. It's so difficult to discuss the principle when my honourable friend has neither read the bill nor heard a presentation of it. Nevertheless, this discussion having started, I feel I'm called upon to answer my honourable friend. There is no suggestion that we'll do the selling for these companies. I said that we will assist companies to make contacts, secure agents in Europe and other markets, and to secure sale for Manitoba. That is certainly the spirit in which the legislation is being put forward. I hope those have been the main questions that have been asked?

MR. PAULLEY: Mr. Chairman, I would like, just for a second, to go back to some of the remarks of the Minister in reply to the point that I raised. He agreed with me. He agreed with me, at least I think that he did, when I stated that within the department itself there has been a branch that has been charged with the responsibility of doing, in general, what the resolution before us intends to do. Following that -- then following that, my honourable friend mentioned

(Mr. Paulley cont'd) . . . . . that within this corporation, if I recall correctly what the Minister said, that within this corporation they will be asking for the advice of the leaders in industry and the manufacturers and the likes of this, to get the benefit of their experience. Now then, I think it only logically follows from there what -- and I don't agree with the Minister that we should await the bill, because of course as we all well know, there is no adequate chance for questions and answers when we're discussing the matter in bill form formally before the House, so this is the best opportunity for us to try and draw out from the Minister concerned some of the points in the resolution.

Now then, I would like to know from the Minister, and I appreciate the fact that it is desirable that the experience of the leaders in industry and the manufacturing aspect of our economy be asked for by the government, but if we're going to set up another organization or another corporation that is going to rely on part-time advisers, be they from industry or anywhere else, we're not going to do a job. Now I would suggest that rather than the type of corporation that I visualize from the resolution and from the remarks of the Minister, I would suggest that if you haven't got competent staff with in the department in the field of tariffs and research and the likes of this, that instead of concentrating on establishing another corporation, which it seems to me to be a set-up where it will be a piecemeal part-time approach to the problem of Manitoba, that a better approach of the Minister would be to set up and make provisions for greater expenditure, if necessary, within his own branch of Trade Development and Marketing. We have in our University today many young men and women who are specializing in economics who are crying for jobs and an opportunity to help the Province of Manitoba, and I think that these young men and women who are graduates from our University, or will be; who are experts or will be experts in the field of research; who are qualified and capable; should be hired by the department to do the job which appears to me in the Resolution will be just another group of individuals working on a part-time basis, and we will not achieve through the media of this what is desirable for the province.

MR. T. P. HILLHOUSE Q. C. (Selkirk): Mr. Chairman, I don't think that any one of us on this side of the House is not anxious to see Manitoba's exports increase as much as possible, but I feel somewhat like the Honourable Leader of the NDP does, I believe that our Department of Industry and Commerce was created for the very same purpose as this corporation is to be created for. If you take a look at the estimates, you'll find out that we have a Business Development Branch; we have a Trade Development and Marketing Branch; we have an Engineering and Technical Service Branch; we have an Economic and Business Research Branch; and we also have the Agent-General in London. Now if it's necessary to vote more money in these various branches of the department, I think that's the answer, unless of course the Minister has some special reason why he feels that this corporation, simply by being created, would do a better job than his department is set up to do just now. But my honest opinion is that we have the existing machinery right within the Department of Industry and Commerce, and unless the Minister can convince me that this additional corporation is necessary, I feel that it's an expenditure which is not justified.

MR. EVANS: Well I think my honourable friend from Selkirk has put the question on the principle of the Bill. Is it justified or not? I have mentioned that I expect to make a presentation at the time that the principle of the Bill is debated on second reading, and my honourable friends at that time will have an opportunity to vote against it if they think this is not justified. I think, with regard to the part-time piecemeal illustration that my honourable friend the Leader of the NDP used, that surely we can draw a parallel between this and the Manitoba Development Fund, where people with experience in financial matters lent that experience to the government at practically no remuneration to themselves, not even their proper expenses I imagine, to the very great benefit of the province. We hope to draw on people with experience in these other fields, to bring out the kind of advice and assistance that is not expected from a civil service staff. I hope that as we present the principle of the Bill, and I'm able to give a larger description of it and how it will work, that this principle will also appeal to the members of the House.

MR. PAULLEY: Mr. Chairman, I just want to make one more comment in reference to the Minister's concluding remarks. He tries to make a comparison between the Manitoba Development Fund, but I want to point out to him that there is a difference in this. Insofar as

(Mr. Paulley cont'd) . . . . . the Manitoba Development Fund is concerned, it was filling a gap that wasn't in existence in the Province of Manitoba before, so I don't think there's any analogy between what the purpose of this Resolution, as I see it at the present time, because we have set up, in my opinion, an organization that is fulfilling, or should be fulfilling the desires of the Resolution that we have before us for our consideration. However, I await with great interest the opportunity of reading the Bill that will be forthcoming from my friend, and I agree with him at least the details will become revealed to us at that particular time, but of course in Committee stage we deal with the principle involved in the Resolution itself.

MR. MOLGAT: Mr. Chairman, I think the question was previously asked of the Minister but I don't recall if the answer was given or not, what the estimated cost of this particular program will be.

MR. EVANS: All of the costs in this connection are covered within my estimates and I'll be able to discuss that in some detail here. I haven't my estimate book with me, but it does not incur any costs beyond those that are covered in the Department estimates.

MR. D. L. CAMPBELL (Lakeside): Mr. Chairman, I suppose that when the Honourable the Minister is indicating that likely the cost will not be high that he removes some of my objections at least, and I gather that's what he is saying, that this will be largely a volunteer board. I share the opinions that have been expressed that it is a duplication. The department is already spending twice as much money as we were just five years ago. I think they have practically twice as many people and I think that there is duplication here. However, I shall be willing to await further developments until we hear the explanation on second reading.

I have been spending some little time trying to find my way through this very voluminous document that the Committee on Manitoba's Economic Future has supplied us with; and also, I have taken, not as much but a little bit of time on the report of the Trade Mission; and while I see in both of them a good deal of discussion of the great need for exports and recommendations in that regard, I haven't observed very careful discussion on the other side of that equation, and that is the need to import in order to export. Now it may be that within the pages of this document that something is there that has escaped me; maybe there's something in the Trade Mission report that covers that subject, but I would like to hear from the Minister as to what plans there are to round out the business practices by seeing to it that the development isn't one-sided, because it can't be one-sided and last, Mr. Chairman. This is an exporting province; we've got an agricultural industry that, so far as its main product is concerned, is geared to export. That's been the traditional program of agriculture, but even agriculture can't export as well and as continuously if it isn't going to import. So did the Committee on Manitoba's Economic Future, did it make findings in that regard, and what is the Trade Mission's opinion in that matter?

MR. EVANS: I'm partly in the same position as my honourable friend, I saw the copy of the report about the same time he did and I can't pretend to have read the whole of it. The question of importing and exporting must of course be considered on a national basis. You simply can't take the import-export position of one province. Under those conditions, I am not in a position to debate whether Manitoba has some responsibility to increase exports or not. I do know this, that after the study that's been made, we have been told that it's a question of increasing our exports if secondary industry is to create the number of jobs that will be required here in Manitoba. We set that as our first target, to secure for Manitoba sufficient jobs to employ the people who are going to want them by 1975, and the experts have recommended to us that we go after secondary industry by every means possible. They have also specifically recommended that we must export if we are to achieve that goal, and that is the framework within which this recommendation is brought forward.

MR. CHAIRMAN: Resolution be adopted? -- passed. Resolution No. 2. RESOLVED that it is expedient to bring in a measure to establish a Research Council to promote and carry on research and scientific inquiries respecting various aspects of the economy of the province, and to provide, among other matters, for the payment from and out of the Consolidated Fund of moneys required to be expended for the purposes and objects of the council including: (a) honoraria for the members of the council, expenses incurred by members of the council and members of committees established by the council, and remuneration of persons employed for the purposes of the council; (b) the acquisition of inventions and patents; and (c) the payment

(Mr. Chairman cont'd) . . . . . of bonuses and royalties to persons who while employed by, or working under the direction of, the council, discover or invent any process, apparatus, or machine.

MR. EVANS: Mr. Chairman, we have had debates in the House now over a good many years concerning the advisability of having a Research Council in Manitoba, and there has always been substantial support for the idea and substantial reason for establishing one. I can remember in the days when I sat on that side of the House preparing a case and becoming quite convinced at that time that we did need more scientific research in Manitoba. This conclusion is also supported categorically by the Committee on Manitoba's Economic Future, and we believe that the situation has advanced to the point now where some beginning should be made toward providing a Research Council in Manitoba.

I might say that we do not propose at this stage to create scientific research facilities or institutes of any kind. We do not propose that laboratories should be built nor scientists hired nor put to work in that way. We do know that there is considerable need for research work to be done. We can look at some of our natural resources, some of the raw materials that we find in this province, and we are told by those who know that they are not exactly in the shape to be used or turned to commercial account. There are a number of resources here which, by research, may very well turn into valuable assets, but they are not assets now. We know also that there is considerable capacity for getting research work done in Manitoba. We have scientists and facilities at the University of Manitoba; we have them in a number of commercial concerns; we have them in a number of government institutions; but there is need for some central point at which these two halves of the problem can be put together. Those who need research work done should be put in touch with those who can do it. We must remember that we have access to considerable scientific research work outside the province as well, taking for example the National Research Council. Even the Ontario Research Council and the other research institutes of the country, both public and private, are there to be used and, as Canadians, we have just as much right to use the National Research Council as anybody else from any other province.

So the proposal will be to confine this effort to the appointment of a Director and a small clerical staff, who will take in charge the problem of finding out what research work is necessary to be done or what is needed in the province and to make a catalogue and find out where the facilities exist to get this work done, and then put the two together. It is really the creation of a focal point for the subject of research so that application can be made by those who want research work done and be directed to places where it can be done for them.

MR. MOLGAT: Mr. Chairman, my comments in this case will be the same really as those that I made in the first resolution presented, and that is that once again my concern is, are we duplicating what the federal government is doing. Now my honourable friend has given us a more detailed explanation than he did on the first bill in this regard and I'll be happy to wait until second reading in committee stage to go into further details. But in all this, as my colleague from Selkirk said, all of us are interested in actually seeing the development of Manitoba. On the other hand, we have to face the fact that every one of the provinces of Canada is limited by revenues, by resources, and if each province is going to duplicate exactly what the others are doing, then in the final analysis, no one is further ahead. If we have the assurance that there is no duplication, that this will not be work that is not being done now and that cannot be done now, then certainly I'm more than anxious to proceed on this, but this is the assurance I would want to have and I'm prepared to wait until committee stage for it.

MR. PAULLEY: Mr. Chairman, I want to make one comment in connection with this. I again think that we're not progressing, that there has been the facilities within the department to accomplish what the Minister sets out. At least it has been called this in our previous estimates, at least as I analyze the estimates of previous years, that in two or three instances we've had provision in the estimates for the question of research, special investigations and surveys of one nature or the other. Now then, while we were discussing the previous resolution, the Minister, I think toward the end of his remarks, said that he couldn't establish any particular cost because they were embodied in his estimates. But, Mr. Chairman, I want to draw to the attention of the Honourable Minister of Industry and Commerce, as I read the estimates for this year, that there is going to be a reduction in the over-all amount to be spent on research,

(Mr. Paulley cont'd) . . . . . because if we look at item No. 5 in the estimates, and I don't want a discussion on the full item, but we note that there is a reduction of almost \$100,000 in the expenditure in the field of research as contained within his estimates. Then in the estimates for this year, in order to establish a Manitoba Research Council, and I presume that is the expenditure involved in the resolution before us at the present time, we have an item of \$14,540.00. Because it's a new item in the estimates and because we have this resolution, I presume that this is what the expenditure is for.

Again I say to the Minister that it appears to me, first of all because of the apparent reduction in the amounts of moneys of about \$100,000 in the field of research within the department itself and the setting up of this new organization at an expenditure of 14 1/2 thousand dollars, that we're not advancing. We're glorifying phraseology and adding a few more corporations and committees which I think, on the exterior, may sound a lot better but I still say and think, Mr. Chairman, that the job can be done within the department itself. We have been making provisions in our estimates year after year for considerable expenditures in the field of research and I think that, as I mentioned in respect of the other resolution, that if you want to increase the work that is being done, utilize the facilities that have been set up and expand them if necessary. In my opinion, there's no need to set up glorified corporations and committees on a part-time job when we have the staff, or the staff is available. Because of the fact that we're dealing with the question of providing jobs for Manitobans in the next number of years, I think that the Department of Industry and Commerce is a good place to start, so that our graduates from our university do not have to emigrate to other jurisdictions. There's lots of work for them to do here in the Province of Manitoba.

MR. FROESE: Mr. Chairman, I wonder if the Minister could enlarge on the objects and purposes, especially in regard to (b) and (c). (b) is the acquisition of inventions and patents. This is certainly a large and complicated field, and then to turn around and pay royalties to these people that acquire these inventions. Secondly, this is going to be a Crown agency and there could be another monopoly in this regard.

MR. EVANS: Mr. Chairman, as there are no further questions at this time, I can assure my honourable friend the Leader of the Opposition that there is no duplication of facilities or services contemplated, and any duplication will be avoided by every possible means. I see no duplication that is arising at the present time.

Now as to my honourable friend the Leader of the NDP, he calls attention to the fact there is a considerable reduction in the item under the title of research, but there are two types of research that we're talking about. The first is economic research, and the reduction to which he refers is the reduction in connection with the COMEF Report, for which considerable provision was made last year. If I recall, something in the neighbourhood of \$125,000, which is not required this year and for that reason it is not provided, and that shows that kind of a reduction. Then he quite properly points out that the Research Council is provided separately in the estimates themselves.

Then my honourable friend from Rhineland enquires about the inventions and royalties to be paid on them. These inventions would be the result of some work done by someone commissioned by the Research Council to do a bit of scientific research. If some patentable product was produced, if that employee happened to be the employee of the Research Council the title to that invention, the owner of that invention would remain in the Research Council. This follows the pattern of the other government research councils in the country, but the council holds itself free to pay a bonus to the actual scientist inventing that thing if they want to. We don't contemplate that this will happen, certainly in the present stages, because that would happen only after we engaged in scientists or go into laboratories and, as I have said before, that is not contemplated at this stage.

My honourable friend the Leader of the NDP asks whether this cannot be done by the present staff of the Department of Industry and Commerce. The answer is "no." We have not had in the past, nor have we now, any scientists in any of the physical sciences on our staff.

MR. MOLGAT: Mr. Chairman, before we leave the resolution, I note that we have notice of two further resolutions somewhat along the same line, presumably arising from this report, coming up. It would seem to me that it would be desirable, Mr. Chairman, if we were to discuss all of these together, possibly when we come along to the Minister's estimates. As I



(Mr. Molgat cont'd) . . . . . read -- and I can't claim to have read by any means the majority of this, Mr. Chairman, and I don't -- I have glanced at parts of it and I tried to concentrate on the summaries, but one of the things that strikes me is the statement that this is to be considered an integrated development program. I understand that one of the basic recommendations is that this not be done in a piecemeal manner, but that if action is to be taken on this committee then a number of things have to be done at once, otherwise the results will not be satisfactory. At least this is what I gather, and I repeat again, I don't claim to have been able to digest all of this. I would suggest that we take all of the resolutions that my honourable friend is presenting to us, and when we get along to the second reading, that they be held until such time as we have an opportunity to go over the departmental estimates, when we can see exactly what they mean in relationship to the present work of the department; the present expenditures of the department; and tie this into one complete problem, because they all tie in together.

MR. CHAIRMAN: Resolution be adopted? -- passed. Resolution No. 3. RESOLVED that it is expedient to bring in a measure to amend The Manitoba Hydro Act by providing, among other matters, (a) that the amount of money that may be borrowed or raised by Manitoba Hydro for its temporary purposes by way of overdraft line of credit, or loan, or otherwise upon the credit of the corporation, be increased from \$2,000,000 to \$10,000,000 of principal outstanding at any one time, and thereby increasing the amount of such borrowings, the repayment of which may be guaranteed by the government; (b) that Manitoba Hydro is not exempt from the payment of taxes payable to the government under an Act of the Legislature; and (c) that the government and agencies of the government are required to pay for power supplied them by Manitoba Hydro.

HON. STERLING R. LYON Q. C. (Attorney-General) (Fort Garry): Mr. Chairman, there is in reality only one new provision in these money sections that are referred to under this resolution, and that is that under paragraph (a), that may be simply explained by indicating that it is the intention by this legislation to increase the borrowing power for temporary purposes of Hydro from \$2 million to \$10 million. This amendment is requested by the utility in order that it may obtain more flexibility in its day to day banking operations and to take advantage to a greater extent of the fluctuations and variations which occur from time to time in the short-term money market. Manitoba Hydro, as in the case of many commercial corporations, has little control over the regularity of its receipt of its revenues. On the other hand, expenditures must be made within a reasonable time after their receipt, that is receipt of goods or services, especially if prompt payment discounts are involved. These situations sometimes create a short cash position, and rather than carry larger cash deposits on hand which are costly and earn little by way of interest, an increase in the limit of the corporation's line of credit is recommended.

Now the other two money amendments that are suggested, Mr. Chairman, relate to existing sections of the Act which are being recast at the suggestion of the law officers in order to ensure that they mean exactly what they say at the present time. There's really nothing new in them. The purpose of the amendments is to make the language in this Act uniform with the language of The Manitoba Hydro Electric Board Loan Act -- or pardon me, actually to make the language of this Act less ambiguous than it is at the present time. The present section provides that funds belonging to Hydro should not be employed for the purposes of the government or any agency of the government -- that's continued. The amendment is designed to make clear that Hydro is liable for taxation imposed under provincial statutes and to enable Hydro to pay charges levied by the government in respect of guarantees which it gives in respect of the corporation's borrowing. It also makes clear that the government and any agency of the government is required to pay for power supplied to it by the Manitoba Hydro.

MR. MOLGAT: Mr. Chairman, I thank the Minister for his statement. Regarding (b) and (c), I take it then that really at this time Hydro is not exempt from paying of taxes to the government and that this applies in all cases; and under (c), that other agencies have been paying Hydro for the power supplied to them. This is my understanding from what the Minister said -- this is what I gathered from his statement. If that is so, then that satisfies me that all we're doing is wording, but I would want to have the assurance that in fact we have been operating under these provisions all along. Insofar as (a), I wonder if the Minister could indicate to us what is the situation for example with the Manitoba Telephone System insofar as their loan

(Mr. Molgat cont'd) . . . . . or short-term borrowing possibilities; and how this would compare in this case with corporations elsewhere of a similar nature. Is this in line with the normal requirements for short-term capital or are there particular reasons here for this increased demand?

MR. LYON: Mr. Chairman, what the Honourable Leader of the Opposition said with respect to (b) and (c) is true. This has no substantive effect on the actual operations; this merely cleans up legal language in the section in question. With respect to (a), I couldn't without reference to the statute give my honourable friend an explicit answer to that question. I do know this, of course, that their capital requirements are much smaller than the capital requirements of Hydro. I'm not aware offhand, although it is in the Act, what the limitation is with respect to their short-term borrowing. The main purpose, as I mentioned here, with respect to this situation is to permit Hydro to utilize, to a greater extent than it has been able to in the past, the short-term money market without reference to a line of credit with a bank where the rate of interest of course runs somewhat considerably higher than the rate in the short-term money market. But with respect to his question, I couldn't give him a definite answer at this time.

MR. MOLGAT: The reason for my question, Mr. Chairman, is the Minister said to us that this had been requested by the Hydro and that he recommended it to the House. Now I presume that my honourable friend proceeded to check whether this request of Hydro was a reasonable request, whether it was in line with normal business dealings and so on. This was really why I asked him whether it was in keeping with, say what the Telephone System were doing and with what other utilities in other jurisdictions were doing. In other words, how can he say to the House that he recommends this and that this is the right amount unless he has made a check.

MR. LYON: This is entirely consistent, Mr. Chairman, with the requirements of the Manitoba Hydro today as we see it. It's been carefully looked at.

MR. GRAY: Mr. Chairman, my question is: the Hydro is in existence I think 15 years -- the Hydro Board -- why has it taken them so many years to improve something which they need now? Are they that full or that busy?

MR. CHAIRMAN: Resolution be adopted? -- passed. Resolution No. 4. RESOLVED that it is expedient to bring in a measure to amend The Crown Lands Act by providing, among other matters, (a) for the payment of a portion of fees and rentals received for hay permits or grazing permits, or under grazing leases, to municipalities, local government districts, or school districts; (b) for the sale, lease, or other disposition, of school lands in the same manner as other Crown lands; and (c) for investing the School Lands Fund Account in the same manner as other moneys held in the capital division of the Consolidated Fund.

HON. CHARLES H. WITNEY (Minister of Mines and Natural Resources) (Flin Flon): Mr. Chairman, the Crown Lands Act, as it stands at the present time, provides for additional moneys to be collected on hay and grazing permits to be paid to the taxing administration. The amendment here will provide for additional moneys to be collected on hay and grazing permits and grazing leases and to be paid in lieu of taxes to the various taxing administrations. The second amendment will call for the sale of School lands in the same manner as Crown lands. At the present time, School lands have to be advertised in the Manitoba Gazette, in newspapers, and posted on the various telephones in the area and then a public auction held. It has resulted in School land sales not being made very often. I think the last group that were sold were back some ten or fifteen years. We have investigated that procedure here in this province and in other provinces and we find that every one, except Manitoba, is now dealing with School lands in the same manner as Crown lands. The third amendment here provides for investing the moneys obtained in the School Lands Fund Account in the same manner as other moneys held in the capital division of the Consolidated Fund, and there will be an Act coming through by the Minister of Education with respect to the School Lands Fund Account.

MR. MOLGAT: Mr. Chairman, I'm pleased to see that the School lands will be brought under the same regulations as the Crown lands, and I assume from the statement made by the Minister the other night under his estimates that it will now be the policy to sell these lands. Certainly in the case of School lands, there has been several years since an auction was held to my knowledge. The last one I recall would be about 1954 or '55. There are a number of

(Mr. Molgat cont'd) . . . . . School lands now being asked for by people, and under the regulations they had to wait for an auction to be held.

Is the government giving any consideration to changing the sale of Crown lands to the auction system rather than the tender system? The advantage of the auction system is that the bidders are present -- all bidders are there and the bidding is done in an open fashion and every individual knows exactly how far he can go and how far he needs to go. I have found that there is a preference on the part of buyers to the auction system rather than the tender system where really they have no means of knowing what the market price is. The auction system does establish a market in the area, provided, obviously, that there are enough buyers. The experience was at the last round of auction sales that there were more than enough buyers, and I'd recommend that the government look into this. Insofar as Section (a), is it not correct that at the moment this can be done? It seems to me that under the hay permits that have been sent out in the past year that there was a portion, I think for example in 1962 a number of them were issued around \$5.25 or thereabouts, and a portion of that was actually taxes; the remainder was fees to the government. In which way does this effect a change?

MR. WITNEY: Mr. Chairman, in answer to the latter question, The Crown Lands Act as it stands at the present time permits this additional money to be collected in lieu of taxes on hay and grazing permits only -- on the annual permits, not on the grazing leases. With respect to the query about the auctioning of Crown lands, consideration has been given to that in the past but it has been deemed by us to be a method whereby quite often lands go at too high a price, even higher than they would go under the tender system. As there has been quite considerable demand for land or hay and grazing land over the past year or two, it was felt that the auction system might promote these lands into a higher price, and so if there has been more than one or two people, we have continued with the tender system.

MR. HRYHORCZUK: Mr. Chairman, would this be the place where we could ask whether it is the intention of the government to pay taxes or grants in lieu of taxes on community pastures. They obtain the same type of service that other Crown lands do and I wonder whether there is anything in that regard in the mind of the government this year.

HON. DUFF ROBLIN (Premier) (Wolseley): I'm sure, Mr. Chairman, that can be discussed appropriately on the Department of Agriculture and Conservation estimates. We'll take it as notice that my honourable friend is interested and make sure that he gets some answers.

MR. HRYHORCZUK: The reason I raise it here, I wasn't quite sure if it was the proper place, but is there any other Act that would cover that that could be amended in order to make it available for taxes, or would it come under the same Act?

MR. ROBLIN: . . . . . the Federal Government are the people involved in that so it doesn't come under our statutes, but it can be discussed I'm sure under Agriculture.

MR. CHAIRMAN: Resolution be adopted?

MR. MOLGAT: Mr. Chairman, this covers now -- this brings two categories of lands now, the Crown lands as normally considered; the School lands; and it leaves a third category, those local government district lands where, due to tax sale, the lands have gone back into the hands of the local government district. Now these have been frozen over the past five years in the same way as Crown lands. My honourable friend here doesn't refer to them. Normally the system of sale there has been, as I know it, by tender; but I don't believe that this has been a regular practice. I wonder if my honourable friend could indicate whether the sale of local government district lands will be followed in the same way as Crown and School lands in the future.

MR. WITNEY: The answer, Mr. Chairman, is "yes." The Land Utilization Board will be responsible for the sale of local government district lands.

MR. CHAIRMAN: Resolution be adopted? -- Passed. Committee rise and report. Call in the Speaker.

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

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

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

MR. EVANS introduced Bill No. 88, an Act to establish The Manitoba Export Corporation.

MR. EVANS introduced Bill No. 87, an Act to establish a Manitoba Research Council.

MR. LYON introduced Bill No. 92, an Act to amend The Manitoba Hydro Act.

MR. WITNEY introduced Bill No. 91, an Act to amend The Crown Lands Act.

MADAM SPEAKER: Orders of the Day.

MR. McLEAN: Madam Speaker, with the permission and leave of the House, I would like to report to the House the result of the vote in the proposed School Division of Rhineland which was held on Friday, March 29th, 1963. There were 1,417 affirmative votes; 880 negative votes; with the result that the School Division was approved with a majority of 537. I would like at this time to express our appreciation to my colleagues in the Cabinet who undertook speaking engagements; to the senior officers in the Department of Education who did likewise; to the Rhineland Trustees Association, who did a very fine job in the campaign; to the returning officer; and of course to the citizens of the now Rhineland School Division.

MR. WITNEY: Madam Speaker, before the Orders of the Day, I'd like to lay on the table the Return to an Order of the House No. 6, on motion of the Honourable Member for LaVerendrye.

HON. WALTER WEIR (Minister of Public Works)(Minnedosa): Madam Speaker, before the Orders of the Day, I would like to lay on the table of the House a Return to an Order of the House No. 11, standing in the name of the Honourable Member from St. George.

MADAM SPEAKER: Orders for Return. The Honourable Member for Inkster.

MR. ELMAN GUTTORMSON (St. George): ..... some questions to raise before the Orders of the Day. First of all, I would like to direct a question to the Minister of Utilities. Is the government going to provide counsel, auditors and a court reporter at the hearing tomorrow morning?

MR. LYON: Madam Speaker, that will be a matter that can be decided by the Committee after it meets.

MR. GUTTORMSON: In view of the Return I am just receiving, is the government intending to proceed with this thing tomorrow morning?

MR. LYON: Madam Speaker, the honourable member is aware that notice of the meeting of the Committee has been given. I'm not aware that any notice has been given that the Committee won't be meeting. It will be meeting.

MR. MOLGAT: Madam Speaker, is it the intention of the government then to proceed on this Committee, and expect the members of the opposition to read all that material before tomorrow morning?

MR. ROBLIN: Madam Speaker, I think when the Committee meets tomorrow we will be able to make arrangements for the conduct of our business which will meet with the approval of all reasonable members. There's no intention of trying to unduly expedite matters or to prevent members, who wish to read that material, the fullest opportunity to do so.

MR. HRYHORCZUK: Madam Speaker, is the First Minister implying that there are going to be some members there that will be unreasonable?

MR. ROBLIN: ..... that there are always a few.

MR. HRYHORCZUK: Madam Speaker, that was several years ago though.

MR. ROBLIN: Experience has been confirmed by recent events.

MR. GUTTORMSON: I'd like to direct a question to the Minister of Health. I've just received some distressing news that there's a diphtheria outbreak at Fairford, and twelve people have been stricken with the disease. I'm further advised that two schools, the Stedman School and the Fairford School have been closed, but the schools are still open on the Indian Reserve. There are three of them there. Has the Minister any authority, or is federal authority required to close these schools or not. There is a lot of concern because of the outbreak in the area. I've been told that 12 children -- or 11 children and an adult have been transferred to the hospital in Winnipeg during the week-end.

HON. GEORGE JOHNSON (Minister of Health) (Gimli): Madam Speaker, with respect to the Fairford incident, on late Friday we got the news that the health officer for that district notified us that he was becoming concerned, that some patients whom he had asked to be placed in quarantine were not doing so. He felt in view of the fact that this was the case, then he had better close the two schools in Fairford to prevent some of the people from going on to the Reserve who were living in the Fairford area. The story is that since we had the three cases in

(Mr. Johnson cont'd) . . . . . one family before that, a continual swabbing of everyone in the area has been conducted by our public health nurse under the direction of the local health authority in that area. In order to be certain that everything possible was being done, I asked our Director of Preventative Services to go up over the week-end, which he did. He was up there yesterday with another nurse and further swabs were taken. Three or four patients showing positive swabs, who we wanted to be sure would remain in quarantine, were placed in hospital. My figure was three patients were placed in hospital. Also yesterday, a swabbing was continued and our health officers actually gave some intramuscular penicillin to some patients who continued to show throat swabs.

My honourable friend must appreciate that in an outbreak of diphtheria, immunization carries on very actively. Repeated swabs, hundreds and hundreds of swabs have been taken with everyone in the area. These swabs are sent in; the patient is treated; if the swabs remain positive, sterner measures must be taken. Just to be absolutely sure that nothing would get out of hand, the local health officer did close the two schools to enforce his quarantine. I know nothing of more active cases -- of information given to the House by the Honourable Member for St. George of 12 cases being brought to Winnipeg. This has not come to my attention as late as this morning in talking to the members of the staff. We were not asked to come up, but I felt that in view of the story that two schools had been closed on Friday, that the staff should go up over the week-end to be sure that the local people there were getting every assistance possible. I think I can expect a further report on this in view of the Honourable Member's statement that 12 were in Winnipeg. This was not the information I had this morning.

MR. GUTTORMSON: . . . . . were there any intentions to close the three schools on the Indian Reserve? As he knows, the two schools that are closed are right in the area and the three schools on the Reserve are in the same general area, and I was wondering if they're going to be closed as well.

MR. JOHNSON: Well actually the local health officer who was in charge of the local situation thought he could contain the matter. It wasn't that alarming, but he thought he wanted to play extra-positively safe and he had certain reasons for doing this. He also wondered whether he could have the assistance of the RCMP in preventing people from going on the Reserve. Of course the Indian health services are involved also, but I can just go by the statement of our staff who were up there and the local medical health officer in charge, whom we are supporting, and he apparently didn't feel it was necessary to close the other ones. If he could enforce the quarantine, he thought we'd be all right. There were negative swabs on most of the people, but the few who were entertaining a positive swab and whom we had given extra treatment to, and we wanted to be assured that they stayed in the community and stayed in quarantine. I can double-check in the matter, but it was felt that this would probably be sufficient.

MADAM SPEAKER: . . . . . the Minister of Health.

MR. JOHNSON: Madam Speaker, before the Orders of the Day, I would like to announce to the members of the Legislature that National Health Week begins in Canada today. Weeks of this kind, as we know, are intended to encourage us to stop and reflect for a moment, not only on the magnificent health facilities and services that have already been developed in our young country, but it offers a challenge to all of us as members of the Legislature, parents and citizens to accept our full responsibility for ensuring that Manitobans increasingly come to understand and to practise personal healthful activities, such as proper eating, exercise, adequate recreation, along with an intelligent use of medical services. Responsibility for guidance in many of these activities lies with the programs this House has so wisely approved in health and education, and through activities such as National Health Week, who seek to publicize Canada's powerful health resources and to point out and to emphasize that their use is really an individual citizen responsibility. I think the very matter brought up in the House today, the incident at Fairford in the honourable member's riding, shows only too clearly that the matter of preventative health is something which must be carried on vigorously at all times. We tend to forget about these things unless and until something happens. However, I just wish to remind the Legislature that National Health Week is beginning and will last all this week, and that we should soberly reflect on the many wonderful things that Canada has achieved in our few years.

MR. HILLHOUSE: Madam Speaker, may I address a question to the Honourable Minister of Welfare? How soon do you expect to present to the House the bill amending the Child Welfare Act dealing with the question of adoption and religious faith?

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Madam Speaker, as soon as the bill is ready. It hasn't been completed at the present time.

MADAM SPEAKER: Orders for Return. The Honourable Member for Inkster.

MR. GRAY: Madam Speaker, with your kind permission, I'd like to say just one word in connection with a statement made by the Minister of Health. -- (Interjection) -- How does everybody know the Order.

MADAM SPEAKER: The honourable member is.

MR. GRAY: I beg leave to move, seconded by the Honourable Member from Elmwood, that an Order of the House do issue for a Return showing: (1) The names and addresses of the printing firms in Manitoba, which have done printing work for the various departments of the Government of Manitoba in the year 1962. (2) The volume of printing work done by each of the printing firms mentioned in (1). (3) The names and addresses of printing firms outside of Manitoba, if any, which have done printing work for any of the various departments of the Government of Manitoba.

Madam Speaker presented the motion.

MR. EVANS: Madam Speaker, I have no objection to this Order. Normally, one would refer to the Public Accounts, but I understand that printing amounts of less than \$500 do not appear in the Public Accounts, and rather than put my honourable friend to the inconvenience of taking some out of the Public Accounts and some from a Return, I'm happy to supply the full list. I'd like to indicate to him -- (interjection) -- and there will be some items, as the First Minister just pointed out, that you could hardly tell from the title of the corporation whether they're a printing firm or not. Then I would have to tell my honourable friend that the addresses will consist of the addresses as they appear on the records of the government. They will doubtless show in every case at least the town, but may not show the street address in every town, but it will be the addresses according as they appear on the records of the Queen's Printer.

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

MADAM SPEAKER: Second reading of Bill No. 19. The Honourable the Minister of Education.

MR. McLEAN: Madam Speaker, with your kind indulgence, I would like to carry this forward until we have the other bill which is a companion to the one now on the Order Paper.

MADAM SPEAKER: Agreed. The adjourned debate on the proposed motion of the Honourable the Minister of Labour. The Honourable the Member for Selkirk.

MR. HILLHOUSE: Madam Speaker, when the Honourable Minister of Labour introduced this bill for second reading he said it was self-explanatory. We might have been able to say the same thing had he introduced a bill reducing the voting age from 21 to 18, but what we want to know is the whys and the wherefores. We can understand that you've reduced it from \$5,000 to \$2,000, but we want to know what's behind that.

The main objection though, Madam Speaker, that I have to this bill is simply this, that in the past there has been a tendency on the part of the government to amend labour legislation piecemeal, and we have felt for some time, as a group, that the time had arrived when we should take a very close look at all labour legislation in Manitoba with a view to bringing our labour legislation into line with modern conditions; and there was one field in particular where such a step was more necessary than in the other matters affecting labour and that was in the construction industry. I think representations were made last year by members of the construction industry showing, to my satisfaction at least, that our labour legislation was not adequate and it was not framed to properly deal with that industry.

I also notice, Madam Speaker, that in the Throne Speech debate reference was made to the setting up of an inquiry committee, and the exact wording in the debate reads as follows: "My ministers also report that an Inquiry Committee has recently been convened to consider particular problems of labour-management relations and employment standards in the construction industry. Representatives of management, labour and government will direct their attention to the solution of current and anticipated problems in that area." Now what I would like to know, Madam Speaker, is this: Is this amendment to The Construction Act, does it arise out of any recommendations made by this Inquiry Committee? I'd also like to know how many meetings this Inquiry Committee has had; where they've been held; who was present at these meetings; and what recommendations, if any, were made to the government arising out of these

(Mr. Hillhouse cont'd) ..... meetings?

I think that this bill deals with a very important matter. I also think the construction industry is entitled to a better deal in respect of legislation than it has received so far, and until such time as I am convinced at least that this legislation is necessary and essential, I certainly do not intend to vote for the second reading of this bill.

MR. S. PETERS (Elmwood): Madam Speaker, I beg to move, seconded by the Honourable Member from Seven Oaks, that the debate be adjourned.

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

MADAM SPEAKER: Second Reading of Bill No. 41, The Honourable the Minister of Education.

MR. McLEAN presented Bill No. 41, an Act to amend The Education Department Act, for second reading.

Madam Speaker presented the motion.

MR. McLEAN: Madam Speaker, just two comments. First, there is a provision here to increase the indemnity or remuneration for arbitrators appointed to deal with matters of tenure for school teachers to the figures which now obtain for other boards of arbitration, particularly under The Labour Relations Act. The other matter which is dealt with by this Bill is to clear up a difficulty that had been encountered where, in the case of a tenure dispute between a teacher and the employing school authority, two persons were appointed, one by the teacher concerned and one by the Board, and if they were unable to arrive at a decision they could choose an umpire who, in effect, came in to referee and perhaps to make the decision. In actual practice, the custom has grown up for them to select the umpire right at the beginning and to request the umpire to sit in with them and be the chairman of their deliberations. The change that we are now proposing would simply say that the two persons, when appointed, would at that point select the third member who would be the chairman and that the board consisting of the three members -- chairman and two members -- would then proceed to do the job or to hear the matter. It does not change in any way the rights of the teacher or the employing school authority.

MR. FROESE: Madam Speaker, just a few thoughts in connection with the bill. I think it does not go far enough. I would like to see the arbitration board made a permanent board. So often we see in arbitration that people are set up as arbitrators and they do not have a background of the Act or of the conditions, and therefore they will have the decision go one way once and go another way a different time. Therefore, I feel that we should have a permanent arbitration board and that would eliminate a lot of these difficulties.

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

MADAM SPEAKER: Second reading of Bill No. 43. The Honourable the Minister of Agriculture.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville) presented Bill No. 43, an Act to amend The Wheat Board Money Trust Act, for second reading.

Madam Speaker presented the motion.

MR. HUTTON: Madam Speaker, I think that this matter was dealt with to some length at the committee stage when it was introduced. To recapitulate, it widens the powers of the Co-op Promotion Board to take part in the promotion of the co-operatives dealing with the marketing of natural products and, more specifically, will enable them to work in partnership with the government in the promotion of co-operatives in our northern areas of the native people. There is a story to be told of the success of the co-op movement that stirs the hearts of any Manitoban who learns about it, and it's my opinion that more can be accomplished through widening the understanding of the problems and the goals of these people through encouraging and bringing into this work a broad representation of Manitoba people than if it were just the government alone working with the people in northern Manitoba. This legislation will make certain that the Co-op Promotion Board has the right to work with us in this very important field, and I recommend it to the House.

MR. HRYHORCZUK: Madam Speaker, I just glanced back at the Act that we intend to amend with this Bill and I see that the funds that we are proposing to spend in the manner set out in the Bill were paid to the Province in trust by the Canadian Wheat Board back in 1919. According to the Act, there was \$128,800 deposited here. Now I take it for granted that this

(Mr. Hryhorczuk, cont'd.) . . . money was money that belonged to the agricultural community, probably derived from the sale of wheat by the Wheat Board or some other source of that nature and no doubt it was given to the provinces in trust simply because the amounts were too small to distribute to the individual farmers, and I was wondering if that fund stands at \$128,800. Has it increased? Is it smaller? I would also like to know whether the Minister consulted or discussed these amendments with any of the farm organizations. The bill no longer restricts the use of this fund for agricultural purposes. I'm in agreement with the Honourable Minister as to the usefulness of co-operatives and so forth, but I see agricultural funds being used for other than agricultural purposes. One of the amendments in this Bill is that it will be used in connection with the co-operatives of consumers -- consumers co-operatives. Then in 1 (a) (b) we have fish, furs, plywood, timber, lumber and cordwood and so on. Now I don't know whether we're doing what was intended to be done with these monies, if we're going to use them for purposes other than agricultural.

MR. CAMBELL: Madam Speaker, I have similar views to the honourable member who has just spoken. I listened with great interest to the Honourable the Minister of Agriculture and Conservation when he discussed this Bill in committee the other day and awaited the appearance of the Bill itself to check it more carefully. What the Honourable Member for Ethelbert Plains has said is correct. This fund was established through undistributed money of the Canadian Wheat Board back in 1919. It didn't come to this province, if my memory serves me correctly, until the year 1926. They took that long to decide that the various people who had claims on that fund were not going to apply, and this was the balance that they believed to be owing to the ones showing Manitoba addresses and so it was given to the province. I believe that at that time there were no strings attached. It was left to the province to dispose of it as they saw fit.

The Province of Manitoba decided to set it up in this trust fund, \$128,800, and to limit the operations, under the Board that would act under the authority, to the interest that the fund earned. I believe that that principle is still carried forward from what the Honourable the Minister told me the other day, and from reading the Bill that appears to me to be the fact. During the years from 1926 to the present, the fund has grown as the Minister told us the other day. Some changes in bonds had to take place because the original bonds I noticed in the Act were 1954 maturity, but I recall that even before that time some of them had been changed to other bonds as the Act empowered the Board to do. Inasmuch as this money was, distinctly, money not only from agriculturalists but from the wheat growers of this province, I think we should look pretty carefully at whether we want to make the extension that is suggested here.

Now I share with my honourable friends who have spoken the appreciation of the services that co-operatives have given and certainly I'm not inclined to choose between them. The consumers co-operatives are just as praiseworthy, I have no doubt, as the producer co-operatives, but the legislature of that day, Madam Speaker, decided that, inasmuch as this was wheat growers' money that it would be better to restrict its use, not entirely to producer co-operatives and not to co-operatives perhaps entirely, but certainly to the welfare of agriculture.

Now we have a Bill that brings in consumers co-operatives and natural products, which includes fish, furs, pulpwood, timber, lumber and cordwood. Now I have no objection at all to the people who are engaged in these industries too. They're just as entitled to assistance, I am sure, as the ones in agriculture, but should we depart from the original principle that this is the wheat growers' money? It was felt by the government of the day that it couldn't be distributed to the individuals concerned so it was set up in this form.

So I must say, though I don't intend to oppose the Bill going to committee, I would be inclined to continue to question the advisability of making the change in the principle of this Act. As a point that would have some bearing on my decision, I would like to check with the Honourable the Minister if he would tell us either when he closes the debate, or later at his convenience, who are the present Board members. I know my honourable friend himself is one, according to the Act, and would he put on record again what is the present amount of the trust fund itself, that is the capital fund, and what has been the interest earning of the fund in the last two or three years.

The other point that I am very interested in in the Bill is why the retroactive clause in section 4. It comes into effect on Royal Assent, but it's retroactive to the 1st day of July, 1961.



(Mr. Campbell, cont.) . . . . I would like to know why is it retroactive and why that date. What was done or omitted to be done that requires the retroactive feature at this time?

MR. FROESE: Madam Speaker, I wish to adjourn debate, but if the Honourable Minister would want to answer some of these questions.

MR. MOLGAT: Madam Speaker, I'd like to speak on this very briefly before the honourable member adjourns the debate. In view of the fact that we are dealing here with moneys that came to the province as a result of the operations of the Canadian Wheat Board, it seems to me that the Minister, in addition to following the suggestions of my honourable friend, that he should consult with the farm organizations, that they should be specifically asked, Madam Speaker, to be present at the committee when this is sent to the committee stage, that is provided it passes second reading. I certainly have no objections to accepting the second reading of it in order to get it into the committee stage, but I would recommend to the Minister that they be asked, both the Farmers Union and the Federation of Agriculture, and possibly the Pool people specifically and the United Grain Growers who are directly involved in the handling of our wheat, to see if they would appear at committee when this matter is referred to it.

MR. FROESE: Madam Speaker, I beg to move, seconded by the Honourable Member for Brokenhead, that the debate be adjourned.

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

MADAM SPEAKER: Bill No. 64. The Honourable the Minister of Labour.

HON. OBIE BAIZLEY (Minister of Labour)(Osborne) presented Bill No. 64, an Act to amend The Public Buildings Act, for second reading.

Madam Speaker presented the motion.

MR. BAIZLEY: Madam Speaker, I'd be pleased to try and explain this Bill to the honourable members. The present Act provides for its administration by the Minister of Public Works. Now this amendment would provide for the administration of the Act by a Minister to be designated from time to time by the Lieutenant-Governor-in-Council. This, I believe, would allow more flexibility for the administration of this Act.

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

. . . . . Continued on next page.

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

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

MR. ROBLIN: Mr. Chairman, I have a request to make of the Committee in connection with our business. The Committee will recall that the Minister of Health undertook to give a statement on the handling of meat in line with the Resolution passed by the House last year, and he intended to give it during his Estimates but in the course of business it was overlooked. He is now willing to make the statement and we are glad to agree to a discussion of what he has to say, and I suggest perhaps that might be done now, though there is no specific matter before us in connection with that, but that will then clear the record and put members in possession of all the information we have, then we can go on with Mines and Resources. If there's no objection to that course perhaps it might be allowed.

MR. MOLGAT: There's no objection on my part, Mr. Chairman.

MR. CAMPBELL: Mr. Chairman, I certainly have no objection but I was just wondering if it wouldn't be more suitable under the Livestock Branch or something when we're dealing with that. However, it suits the convenience of the Honourable the Minister, who is a very busy man, I have no objection.

MR. JOHNSON: Members of the House will recall that the matter of meat inspection was discussed at some length during the last Session. This resulted in the passing of a Resolution that the province continue its negotiations with the Federal Government towards increasing the scope of its inspection services, and relaxing the existing volume requirement in order to obtain Canada Approved inspection of smaller slaughtering and processing plants. The government was requested by this Resolution to report on this matter at the next Session of the Legislature. It is my privilege to make this report at this time.

It will be understood that inspection towards Canada Approved stamping is a responsibility of the Federal Department of Agriculture under The Canada Meat Inspection Act. Since the passage of the cited Resolution my Department has increased the vigour of its negotiations with Ottawa. I believe it is only fair to state that both governments have been moving into areas of activity and responsibility that are completely new. By this I mean the federal program has been directed during the past to the larger centralized abattoirs, whereas the provincial program has stressed the guidance and support of local communities as they move toward improved slaughter and processing standards by local activity and local by-law. Activity during the past year has, I believe, resolved these two unrelated approaches. It was culminated on March 15th of '63 when the Chief Veterinarian, Health and Animal Division, held a full day session in Winnipeg with senior representatives of the provincial departments of Health, Agriculture and Industry and Commerce. The honourable members will recall that last year I indicated in this House that my Department had critically reviewed the public health implications of the meat and poultry industry, and that it was fully agreed that there was room for improved standards. Because we believed that urgent day-to-day considerations were under adequate control, I indicated that it was our belief that in considering new standards for this whole area, that we should not reach out half-way but should grasp for Canada Approval.

It has been recognized from the outset that the setting of Canada Approved as a Manitoba goal for the commercial meat and poultry standards would have many economic implications, and, as I warned, could not be achieved over a short period of time. It may be recalled that I indicated the Department had set a goal of three years so that this becomes the first year interim progress report. It is important to understand that the federal authority will not undertake to provide this inspection service unless and until the plant concerned meets building and equipment standards which they have in their wisdom and experience laid down. Against this, it can be said that few of Manitoba's 55 smaller licensed slaughterhouses could be raised to the federal standard without very major modifications that are in many instances economically impractical. I should hasten to explain that many of these slaughterhouses are used exclusively for custom non-commercial slaughter, and this will, of course, remain. Our problem, however, is commercial; the slaughterhouse that started small and has gradually grown up like

(Mr. Johnson, cont'd) . . . . Topsy. In many instances these have become important local industries, exemplifying the best examples of local enterprise.

To chart out a reasonable and co-ordinated transition program for these operations, government has channelled all its activities through an inter-departmental committee representing, besides Health, the Departments of Agriculture and Industry and Commerce. Agriculture, for instance, tell us that the cattle population is up 50 percent during the past 10 years, and that a continuing increase in the cattle -- 50 percent that is -- in the cattle finishing field, could result in a doubling during the next 15 years. The Department of Agriculture recognizes, therefore, very clearly the need for substantial slaughter and processing facilities established on a high standard and on a sound economic basis. Industry and Commerce endorses these needs and recognizes that the modification of existing plants and the creation of new ones must be based on modern market surveys. They point out that access to the capital that will be required is increasingly dependent upon sound market data. My Department, meanwhile, has established that the federal authorities do not set a minimum volume before their inspection service is provided. In the past we were frequently cautioned that federal standards could not be supported without a suggested minimum volume of killing or processing. We find now that this was an attitude and not a regulation, and that it has been completely modified in the light of consumer pressure and the success of modern small volume operations across Canada. It has, as a consequence, been finally established that a basic plant, capable of handling about 10 cattle and 25 hogs per day with three employees, can be constructed under Canada Approved standards for less than \$50,000.00.

I would here like to pause to pay respect to those who have helped us evolve this basic unit. Despite the fact that the Federal Government gives detailed specifications of plant and equipment requirements, we have found that their adaption to a small-volume operation that is economically practical to develop, has been time-consuming and heavily dependent upon the advice and skills of local representatives of the equipment supply industry.

Manitoba's basic plant has been reviewed by federal officials several times during the past year. As it becomes modified and refined, both the federal and the local authorities find a good deal about each other's problems and attitudes. As a result of all this, my Department received from Ottawa on March 5th advance copies of the first layout plans for a small slaughtering establishment which bears full federal approval in principle. The federal department plans to make these available to the public at the end of March. This month, representatives in my Department will commence direct contact with operators that have already expressed interest. With them, they will analyze individually the exact steps that must be taken to adapt their present or proposed operation to meet Canada Approved . . . . .

Speaking to the resolution of last year then, I can say with considerable pride that real practical progress has been made since the last Session. In doing so, I would like to pay my respects to the many members of industry for their patience, understanding and assistance, and to my colleagues, the Minister of Industry and Commerce, and Agriculture and Conservation, for the stimulation and direct help they and their staffs have provided to this important public and public health service. I have a few copies of this statement which I can make available to some of the members of the Committee.

MR. PETERS: Mr. Chairman, I would just like to ask one question. I didn't hear the Minister, or I may have missed it when he was speaking -- did he look into the possibility of manufacturing places, where they do no slaughtering at all but just manufacture sausages and meat products, coming under an inspection plan?

MR. JOHNSON: You're talking of the processing plant. I think that's covered in the statement and I'd be glad to pass a copy of the statement to the honourable member, in that this is . . . This is pretty well covered, I think, in the statement.

MR. CHAIRMAN: . . . . . Natural Resources, Item . . . . .

MR. CAMPBELL: There are one or two points that I would like to mention in this regard. The first one is, I presume that the Minister of Health would probably prefer, and certainly I think the Minister of Mines and Natural Resources would prefer that, rather than debating this matter now, we might leave it until Agriculture is reached, as it does perhaps impinge on two or three different departments, and I note from the statement of the Honourable the Minister that more than one Minister was dealing with it. On the understanding that we

(Mr. Campbell, cont'd) . . . . could discuss the statement under Agriculture or Industry and Commerce or some other, I'd be quite willing to leave it now. Otherwise, I would have a few questions I would like to ask.

MR. JOHNSON: I think that is agreeable, Mr. Chairman.

MR. CHAIRMAN: . . . . Natural Resources, Item 4, Fisheries Branch.

MR. WITNEY: Mr. Chairman, when the Committee rose the other night, the Honourable the Leader of the NDP asked one or two questions about co-operatives, and while he is not in his seat here, I should like to place it on the record so that he can read it.

During the past two or three years, we did take the president of the Manitoba Fishermen's Federation to view the Prince Rupert co-operative movement in B. C. Later we had a Dr. Beruhé who made various visits to the federations around, not only Lake Winnipeg, Lake Winnipegosis and Manitoba, but also in the north country. We have now undergone our second adult education program. The first one took place last year, which was a shorter course, at which time co-operatives and technical courses were conducted, and this past year we've just completed one at the Manitoba Teachers College that lasted for some two weeks. There are now three co-operatives operating in the province, one at Playgreen Lake, one at Norway House, and another at Grand Rapids, and one at Good Harbour. He asked about the money in ARDA, and in that we have money there for technical research, also for education in such matters as community development and also such matters as co-operatives.

MR. MOLGAT: When discussing the rough fish plant the other day, I had quoted what the Minister had said and indicated to him that my information had always been that the reason that rough fish was not available was simply that the fishermen didn't bother catching it, or when they did catch it in their nets considered it simply as a nuisance and left it there very often to rot on the shore or to freeze on the lake, because it just wasn't worth their while to transport it even. And I come back again to what the Minister said, page 773 of his Estimates. He said, "Through the Department of Industry and Commerce there have been investigations carried on as to the economic feasibility of such operations, and at all times such processing plants were found to be uneconomical, principally because the technical methods of catching these fish were such that volume could not be attained."

Well, on Saturday, or Friday, the newspapers -- and I'm quoting now from the Free Press -- indicate that the director of the Fisheries Branch here in the province, speaking to the annual meeting of the Manitoba Fishermen, said as follows, that "millions of pounds of fish in Manitoba lakes are wasted annually due to a lack of processing plants." It seems to me, Mr. Chairman, that there's a complete conflict here between the statement made by the Minister and this statement. The Minister says that there's not enough rough fish, not enough volume to keep a processing plant going, and the Director's telling the fishermen -- and I agree with the Director -- that there are a great deal of fish going to waste because there aren't enough processing plants. Well, could the Minister explain exactly what the position is?

MR. WITNEY: The answer is in the method of catching. The gill net has not been able to produce sufficient quantities of them to make them economic. But since we have the new methods of nets now, the trap nets which can also be utilized in the wintertime, and the trawl nets which have been on an experimental basis during the last year, these fish can be gathered in huge quantities. I trust that my comment did not indicate that there weren't sufficient quantities of this type of fish in the lakes, because if it did, that's not what I meant to say. It was in the method of catching them that made the difference between uneconomic and economic.

MR. MOLGAT: Mr. Chairman, is it true that there are millions of pounds wasted every year that are caught in gill nets and simply are not processed, or left unused, simply because there's not sufficient market or sufficient price or a subsidy to allow the transport?

MR. WITNEY: I don't think there's any millions of them. I think it's a matter of the fact that the amount of gill nets that we have are simply not catching the millions that are available in the lake itself, but if you take the record of the trap nets on experimentation -- mind you, it's not been that way this year, because we missed the run as a result of the fall weather -- in one lift last year with one net after one night's setting, we were able to catch -- I think it was close to two tons of fish -- with one net, one night, in one lift. You cannot do that with a gill net.

MR. MOLGAT: Would the Minister indicate where it's intended to setup roughfish plants?

MR. WITNEY: We haven't made our decision on that yet, Mr. Chairman.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I was not in the House Friday evening when my honourable friend made his opening statement for this particular department, but I note from the Annual Report on page 33, at the top of the page, the last line in the paragraph at the top of the page, quote: "While the production of commercial fish was lower, this was not due to a decline in abundance of fish. Therefore, there is optimism for the immediate future." End of quote. And then page 773 of Hansard -- that's No. 32 -- my honourable friend, quote again: "In a review of the activities of the Fisheries Branch for the year 1962, the review reveals a year of progress." Now both the Annual Report and the Minister's statements there indicate that we are progressing not backwards, but forwards, and yet I am a little concerned at what the experts had to say. I'm not suggesting, Mr. Chairman, that our honourable friend is not an expert, but there's a whole group of experts I imagine that had something to say about commercial fishing in the report of the Committee on Manitoba's Economic Future. On page 11-6 headed "Commercial Fishing" -- quote: "Unless commercial fishing is completely re-organized, there is a distinct possibility that its output will decline seriously, and that it will lose markets to fish products from other areas. There is need to achieve far greater technical and economic efficiency in all sectors of the industry, which will require the closest co-operation between government, fishermen and fish-processing companies. A three-pronged attack on the problem of the industry is recommended," --and they set them out there.

Now the Committee on Manitoba's Economic Future seem to be pretty concerned over the fishing industry as a whole. Not only them, Mr. Chairman, but the Chambers of Commerce. In their statements of policy and resolutions for 1962-63, Resolution No. 21 and Resolution No. 22, both deal with the subject matter and -- 22 in particular says "Whereas the resources of Manitoba lakes contribute importantly to the income of a large number of people, and whereas in recent years there has been a sharp decrease in the annual catch of fish and in the production of fur-bearing animals and waterfowl from the surrounding marshes, therefore be it resolved that the provincial government undertake an investigation into the reasons for these declines and take whatever steps are necessary to remedy the shrinkage in these natural resources." Now, we have the Minister on the one hand saying that we are making great progress, we have the Committee on Manitoba's Economic Future saying that we're in serious trouble, and the Manitoba Chambers of Commerce agreeing with them. I wonder if my honourable friend would have to say that -- what I would like him to tell us, which are the experts? These people, or his department, because apparently they don't agree on this one.

MR. JOHNSON: Mr. Chairman, I don't like to get into this debate, but I couldn't help but rise on this point that, when you say "Who are the experts?" -- well, the department have done -- and I wish to congratulate the Minister, and that's the reason for rising on this debate.

Two or three matters have been said here this afternoon, well I think the department deserves tremendous credit. They, in the last few years in conjunction with the Health Department, have gone a long way towards improving the products from Manitoba's lakes with the raising of the standards of the various fish plants, say around the great lake, Lake Winnipeg. The tremendous social economic problems that have been faced around that lake for some generations are being now tackled and faced realistically by the progressive policies in the Department over the past few years. The long-range program of improving the quality of fish, and of course the fact that with so many more mink raisers, for example, around the shores of the lake, a lot of the rough fish which was caught in the gill nets for decades and which cluttered the nets of certain areas in the lake in certain seasons and was thrown into the bush, is now being sent in on the transport boats into the various plants where individual fishermen are making actual contracts or arrangements with mink farmers, and I think it's about one cent a pound for freight, and two cents -- the mink farmer pays the freight plus about two or three cents a pound which he didn't get in the past, but I think the thing is as the Minister has said, the trap nets -- for example 100,000 pounds of rough fish in trap nets in a few days off the very Town of Gimli, a mile or two off shore in the last few years. These were unheard of in the past. This is being taken in; men are developing in two or three places -- one good plant, an extra plant in Gimli, where the fishermen themselves are developing the resources to handle this rough fish, which they can catch off shore, but of course, in the summertime they're dependent on the transports and they're all negotiating -- and many cases their own arrangements

(Mr. Johnson, cont'd) . . . . for the disposal of this fish; and I think that the department have been most helpful in pointing out to the fishermen -- and this is a difficult problem, because as you go along, how many trap nets, how much fish, in other words the . . . . . that is caused by the advancing technology on the lake which must be taken advantage of as much as possible but at the same time educating the fishermen to the changing world that he is living in, and to these advances in technology, and while we all tend to feel that the departmental staff at times are way off -- charge that they're off base, or that they're not cognizant of all the problems, the many hundreds of problems on that lake make even as august a body as the Chamber of Commerce not too expert in this field. This is a field that has not produced too many real bona-fide full-time, life-long experts to date. This is a problem which is one which will have to be faced, and I think that the steps that the department are taking and the leadership the Minister is giving in the judicious licensing of trap nets in trying to continually explore the possibilities for the fishermen in the rough fish program -- which has changed in the last four or five years tremendously. The sources of disposal of this rough fish, the method of catching it, looking at the seasonal aspects of this too, but above all the emphasis on quality fish. So I just want to say that as I talked to the fishermen around that lake that we must -- I think we have to look at this almost on a yearly basis, but I think that -- I've seen such a tremendous change on the fish stations, for example, at Warren's Landing and so on, and the quality of fish that's being produced, and in the enlightened attitude of the fishermen, that I think the department deserves a real slap on the back for the progressive steps that they're taking.

MR. SHOEMAKER: Mr. Chairman, I would like to ask my honourable friends, either the Minister of Health or the Minister of Mines and Natural Resources, is it their intention to carry out the recommendations contained on pages 11-6 and 11-7 as made by the Committee on Manitoba's Economic Future, because they have there about a page and a half of recommendations? Is it their intention to carry these out when establishing the proposed rough fish processing plants? I can understand that my honourable friend perhaps would -- it's too early to ask him as to where they intend to locate these plants -- whether he might be able to tell us, though, whether they intend to have several of them, one of them, two of them, one on each lake -- Lake Winnipeg, Lake Manitoba -- or one on each side of each lake; something like that.

When in Langruth on Saturday last, this question was raised, and a fisherman up there told me that inasmuch as much of the carp can be obtained from the mouth of the Whitemud River where it enters into the Lake -- apparently in the spring of the year there, they're piled up pretty deep -- and inasmuch of course as their fishing industry extends all the way up the west side of the lake, they suggested that Langruth would be an excellent spot to have one of these processing plants because it's very close to the mouth of the Whitemud and pretty central between the narrows and the Whitemud. I wonder if my honourable friend could say, are we going to have several of them? Are we going to only have two? Are we going to have four, or roughly what number?

MR. WITNEY: Mr. Chairman, we don't expect that we will have seven. As to the number of them I don't think we can tell yet. We are reviewing applications which have been made to us by two or three people in the private enterprise field, and we are also reviewing the problems of location and also what has been mentioned in the COMEF report. There's another factor which I think ought to be mentioned when the honourable member brings up the question of carp, that also rough fish is termed loosely "rough fish", but in some cases there are types of rough fish that are preferred; as to the information that we have at the present time the mink ranchers -- and these are the people to whom we are really looking to for our immediate market -- that to date I believe they prefer the very fresh-caught maria. I don't know whether the honourable member would be aware that the maria has one of the richest livers in the world and with this ingredient and the fish itself, processed rapidly it will become very good mink food, so we will also have to take into account the type of rough fish that these people wish to use.

MR. GUTTORMSON: Mr. Chairman, during the discussions of the House we've had reference made to the use of the rough fish for mink farmers and what not. I'd like to suggest, though, that a greater effort should be made to use a lot of this rough fish for human consumption. There isn't a thing wrong with the mullet, and jack fish and -- I'm advised that in some of the European countries that some of these other fish are regarded as a delicacy. I know that I had an experience last fall; I visited a home where the lady of the house was preparing the

(Mr. Guttormson, cont'd) . . . . evening meal and I asked her what she was preparing and she told me fish balls, and I asked her the specie of fish she was using, and it was mullet, and I tried it and it was certainly tasty. It seems to me a shame that in the world today when we have millions of the people going to bed hungry at night that we see this rough fish lying in wood piles -- in piles like wood -- along the lakeshore because nobody will buy this fish.

Now the Minister of Health has indicated that some of this fish is being used along Lake Winnipeg. I have no doubt that this is true, but I can certainly tell him that along Lake Manitoba, although some is being purchased for this purpose, an awful lot more is going to waste and rotting because they can't sell it, they can't find sales for it. I think that we should find some way to find a market for it, I should say for human consumption, because it's certainly an edible fish, and it certainly could help out the fishermen; it would also help out these people who are having difficulty financially.

I see this booklet that the Minister has tabled in the House. I think it's an excellent booklet. It gives a lot of recipes, different meals that can be made from fish, and I think that the government would be well advised to go into a program to encourage the sale of this fish in the stores and what not. I believe one of the fish companies in this city went over to Europe and signed a contract with a firm over there for quite a sum of -- for a carload of this fish on an experimental basis, and the reports I hear is that there's a great demand for a lot of this fish over in the European countries, and I don't see why we don't explore the possibility of selling this fish to the European countries. I've talked with the fishermen and they're desperate over this situation. I can speak more authoritatively on Lake Manitoba, because I'm more familiar with the situation there. Last year we had tremendous prices for pickerel but they weren't catching any; but they did get a lot of the rough fish, such as the mullet and what not, and this fish is very destructive to the gill nets and actually the fishermen at the present rate -- at the money they get today, it costs them money to fish them, because it's so little and the damage caused to these expensive gill nets.

Before I take my seat, I would ask the Minister to explore every possibility to find a market for this fish. I was very interested with the announcement there's going to be a fish-processing plant established, as the Minister has indicated to my friend from Gladstone, that he isn't prepared to tell, or he doesn't know for sure, just how many plants are going to be established.

Another matter I would like to raise to the Minister is the reason why this government sold their bombardiers, at least some of them, and left the fish inspectors in the Grand Rapids area without any means of transportation for as long as a month and a half during the early part of the last season. I was in Grand Rapids, and talking to officials there, and the fish inspectors there were unable to go out on the lake because they had no bombardier -- they were waiting for new ones. I was advised that the old bombardiers had been sold and they had not been replaced. They were going to be replaced but they hadn't arrived, and consequently the lake was virtually being unpoliced, if that's the word you could use.

When the Minister replies I would like to ask him to answer this question. Are they going to continue the sale of domestic fish licenses on Lake Manitoba, and also is the government planning on setting an inter-provincial inspection between the provinces of Manitoba and Ontario? I'm advised that this has been considered and I'm advised further that if this action is taken the fishermen on the "B" lakes in northern Manitoba will be thrown right out of business. As I understand it now, for fish going into the United States they're allowed 14 percent of T. Crassus, or better known as cyst. If this same type of rigid inspection is placed on the fish going into the other provinces these fishermen on the "B" lakes will be thrown out of business. Perhaps the Minister can let me know whether this is true or not.

MR. HRYHORCZUK: Mr. Chairman, we've been talking pretty well on the improvement of quality of our fish and efficiency in catching them, which is one phase of the story, but I think there's another one just as important that doesn't seem to be any stress put on it whatever, and that is to maintain and improve the quantity of fish in these lakes. The fishermen generally do well when they have a year in which there is plenty of fish to be caught, but those years are few and far between. I wonder if the Minister could tell us what is being done to maintain and improve the quantity of fish in these various commercial lakes.

MR. SHOEMAKER: Mr. Chairman, I wonder if my honourable friend could tell us what

(Mr. Shoemaker, cont'd) . . . . in his estimation constitutes rough fish, and what percentage of the total rough fish output would the maria fish represent? What percent would carp represent, and so on?

MR. GRAY: I repeat the question I asked when the Estimates were introduced, as to the high cost of fish. I think if we are going to lose the market we are not going to lose it because there's not sufficient production; it's because it's prohibitive. I mentioned \$1.70 a pound -- I understand it's \$1.81 a pound now. How can anyone afford -- the average workingman's family afford to pay \$1.81 for fish? We are destroying -- the Honourable Minister said that he cannot control it. I don't know why we cannot. If we have commissions and committees to investigate other things, let's investigate the essential part of our food in this province. It's a healthy food. People like to buy it, but it's actually prohibitive, and the result is it's being sent away -- it's being exported to the States, and even the States, I was told by a fisherman, are now importing less on account of the price. Now, if the fishermen or the fishing industry would increase their benefits that would encourage them to perhaps fish a little bit more and not to throw it out on the banks of the lakes, and I suggest that if the fish is rotten for us let's send it to Europe. I mean, something should be done; an investigation should be made, for protecting the consumer and encouraging them to make more use of one of the essential foods. What's the use of distributing the recipes when we haven't got any fish to make the recipes?

MR. WITNEY: Mr. Chairman, dealing with the question of the use of rough fish, we have been following very closely the work that's been done by the Dominion people in London, Ontario where they are experimenting and have been for the past few years, on the canning of mullet or sucker, and we have volunteered to take a couple of representatives of the Manitoba Fishermen's Federation to London to see the new processes that are under way. I have had canned sucker. I have had sausage made out of sucker. I have had weiners made out of sucker. I have had fish dipped, much similar to toasted marshmallow, that have been made out of maria. I have had maria livers that are meant to be served up before drinks, and we have worked with our people here in Winnipeg, with the Home Economics Branch where they have done considerable work with the utilization of such fish as maria and sucker, and just awhile ago actually served several types of fish which our men found to be quite tasty and edible, and it turned out that it was maria. So I think there is considerable work being done, and the Honourable Member for Gimli tells me that they are filleting sucker at the present time over there and being able to sell it at a pretty good rate.

With respect to the bombardiers, I have no information about that. Certainly there has been no deliberate move to hold these men up in the pursuance of their duties, and just what has happened there I couldn't tell him.

We will continue to sell domestic fishing licenses only where they are necessary. The domestic fishing license is one that is for -- it was designed away back in the times of the settlers and it grew to large numbers, to the point where the commercial fishermen petitioned us to cut them down because there was more of the domestic fish entering the fish market than there was entering the home for food or being utilized by the dogs for food, so we sell these licenses now only to those people who need them for food for themselves or for their dogs.

This province is not encouraging any inter-provincial inspection of fish. I understand that the Dominion people are going to invoke a section of their Act which will, in effect, provide inter-provincial inspection, or at least if it doesn't provide that it will provide tighter control of fish moving across inter-provincial boundaries. Our "A" and "B" system of lakes was established to help control the quality of fish and to prevent bad fish from going into the United States market, because we learned that if we did not do this that we were in danger of having some severe repercussions with respect to our whitefish, and I think I need only remind the honourable member of what happened to tullibee a few years ago, to indicate to him that action had to be taken, but we did, at the same time that we were taking such action, we did increase limits. We did place another commercial fish biologist in The Pas. We have been busy examining these lakes as rapidly as we possibly can to ease the effect of the clamp-down on control of quality of these fish, and I believe that some good progress has been made.

The Honourable Member for Neepawa asks us what constitutes rough fish. I suppose I could answer by generally saying anything but whitefish, pickerel and sauger. As for the percentage of maria, or the percentage of mullet, or the percentage of carp that we have in our



(Mr. Witney, cont'd) . . . . lakes, I'm sorry we haven't got those figures.

As to increasing the quantity of fish, I think I can say to the honourable member that we have increased the biological staff over the past few years and we have particularly increased some of our tagging activities with relation to Grand Rapids, and I believe he heard the information the other night; and the movement of fish, in addition we have been studying very carefully these new types of gear because our problem in increasing quantity of fish is also to strike a proper balance in some of our lakes. In other words, with the amount of the coarser type of fish that we have now, because of its quantity it has been taking over from what we have considered to be the more valuable species of fish, the available area for existence, and as we are able to bring down the quantities of these other fish such as maria and carp and sucker, we should lessen the competition against the type of fish which our fishermen have been selling, such as our whitefish, our sauger and our pickerel, to an extent where we feel that they will increase in their numbers.

We have also been watching very carefully the effect of mesh size and are attempting to control our mesh sizes very vigorously because we have found, not only here in Manitoba but in conferences we have had elsewhere, that mesh size has a very significant effect upon the fish population, and so we are tackling it not only from the biological point of view but also from the point of view of regulations. The experiments which we are conducting now through putting whitefish fry in Lake Winnipegosis one year and then in Lake Manitoba the other year, is to see whether or not we get a bump in the number of whitefish and whether or not the commercial fish hatcheries do have a stimulating effect upon the fish populations or whether they do not have that stimulating effect.

With respect to sports angling on quantities of fish, although this isn't in direct relation to the question of the honourable member, but in relation to sports angling we are experimenting now with artificial spawning apparatus, or artificial spawning grounds. We have experimented in Falcon Lake during this past year by tagging pickerel and I believe out of some 2,700 females that were tagged that they found that they got 45 million eggs. I often wonder whether they sit and count them one by one, but that's the estimate that they gave me -- 45 million eggs, but unfortunately the experiment was not conclusive because of the exceptional high water that we had in the Falcon Lake area this year, but that experiment will continue.

Another matter which is watched very closely on fish populations are the year classes, and these have been studied for the past 25 years and these studies continue. I think possibly in that very general manner I trust that it's answered the queries of the honourable members.

MR. GUTTORMSON: The Minister said there were no deliberate attempts to keep the bombardiers off the lake. I have no doubt this is true, but the point is that these bombardiers should not have been sold until the newones were available, because a lot of the fishermen in the area were concerned because when it became general knowledge in the area that the inspectors didn't have any bombardiers for this period of time, it was feared that some fishermen might resort to using small mesh because the inspectors were unable to get around the lake to police the lake. Now, my information is that it was about a month and a half at the least; now it may have been longer than that, that these inspectors stationed at Grand Rapids had no means of transportation.

MR. WITNEY: Mr. Chairman, while I mentioned that it wasn't any deliberate attempt, I can also assure the honourable member that I made a note to check into it.

MR. GUTTORMSON: The matter of this inter-provincial inspection, I know that the Minister says that we have to protect our markets. I wasn't objecting to that. We have an inspection of fish going into the United States, but the concern is being raised over the inspection of fish going in from Manitoba into Ontario. Now this is the point that raises concern.

MR. WITNEY: . . . . . does raise concern, Mr. Chairman, because the reason for the tightening up is that the fish that is rejected in the United States has been having a habit of finding its way into the United States through other channels, through going across the inter-provincial boundary, and the problem, the position of our whitefish is such that we must keep its quality high or lose our markets, so it's no use protecting it in one direction going across the international boundary and then seeing it go across the inter-provincial boundary and gradually working its way across the international boundary eventually, so the tightening up is coming in both directions.

**MR. CAMPBELL:** Mr. Chairman, I must apologize to the Minister for the fact that I had to be away the other evening and didn't hear his opening remarks and perhaps the matter that I'm going to bring up has been covered. If it has, he can simply tell me that I can find it in what he said and I won't delay the committee.

I was glad to hear him say a minute ago that he agreed that mesh, the size of mesh was very important. I think I caught his words correctly -- the size of mesh was very important. That's been the text from which I have spoken for many years in this House, that the size of mesh is very important. Then I was glad to hear the Minister of Health a little while ago say that a great deal has been done to improve quality. It seems to me that these two things go together. Like my honourable friend from St. George, I speak only from some small acquaintance with Lake Manitoba and even then I certainly don't pose as an expert, but I have been exposed to the comments of the practical fishermen themselves on the lake for a good many years, and I still think that a lot can be learned from the practical fishermen themselves, and putting the two together, what they have told me, then what I've heard and read, I think that the real way to improve quality on the south end of that lake -- and I know that these rules don't apply the same to every area -- the way to improve quality at the south end of that lake is by watching the size of the mesh. I think that that looks after the two things, quality and the natural restocking of the lake, because for a good many years, it was a difficult problem to overcome. For a good many years that lake suffered from the fishermen themselves insisting on using mesh that, certainly I think and I believe the record showed, was not only getting a size of fish that the trade does not like as well, consequently won't pay as much money for, but in addition to that, they were robbing the lake of the natural reproduction. I imagine that's probably the best way to keep up the quantity of fish even still, because I just have in my file a record of an investigation that was undertaken many, many years ago -- I'm sure that the Minister is familiar with it -- by David Hinkes and David Hinkes -- I haven't had a chance to review this at all, but if my memory serves me correctly, he found that all of the, not all, that a large majority of the female pickerel were immature even when taken in a three and three-quarter mesh net, and I believe that three and three-quarter is the legal mesh now. Am I correct in that? Well if I read David Hinkes' report correctly, he felt that the females, not the males, the females were sexually immature, even a large majority of them, when taken in three and three-quarters, and insofar as saugers were concerned, there was a different size rating, but it seems to me that the south end of Lake Manitoba has become a pickerel and sauger lake, and shouldn't the program be directed to picking out the type of mesh that is suitable for catching the kind of the size of fish that the trade wants, and at the same time getting those that have had a chance to reproduce themselves by enforcing a still larger mesh net size? Maybe it's not as simple as that. It seems to me that at this time when I notice that the COMEF report is suggesting that the numbers of fishermen on the lake will have to be drastically reduced that this would be the time to aim for still greater control of the natural -- still greater encouragement of the natural breeding cycle, and getting the quality fish at one time. Now, I'd be interested in knowing exactly what are the measures that have been put into effect, that have resulted in this improvement in quality that the Minister of Health spoke about, and has mesh net size been one of them?

Perhaps I shouldn't be trying to ask the Minister to deal with one particular part of one particular lake, but these are the biggest fresh water lakes that there are around, and even if Lake Manitoba isn't as big as Lake Winnipeg, it has quite a record of performance through the years, and I would think that an effort should be made to capitalize on what appears to be the natural trend to make it into a pickerel and sauger lake and see that those species are given a chance to naturally reproduce themselves by not allowing them to be taken at the immature size.

**MR. WITNEY:** Mr. Chairman, the quality of fish has been improved basically because of the work that has been done on the fish packing stations around the various lakes. We're on the end of the third year of a three-year program of improvement that has been carried out by the Department of Health in co-operation with our people on all of the lakes of the province, not only the three major lakes, but the major lakes in northern Manitoba. There's also been a program of education carried on through the adult extension courses and through the fishermen's representatives, to advise the fishermen that they must have proper icing in the boats, because apparently a fish, when it's out of the water, begins to deteriorate rapidly from the inside out,

(Mr. Witney, cont'd) . . . . and there is a method of utilizing this ice also in that chipped ice is much better, and the fish laid on a layer of ice, another layer of ice on top of that and then the fish and so on. So through education and through improvement in the fish-packing plants we have been able to get a better quality of fish. The newer methods of catching fish, such as the trap nets and the trawl nets also are able to catch fish alive, and they will hold the fish in the net over a considerable period of time despite storms, whereas the gill net may not be able to be lifted for three to four days because of storm conditions. The fish in the gill nets are found dead; in the trap net, unless the trap itself is exceptionally full, the fish are still alive and come out of the net in good condition.

I have not heard our people relate mesh size to quality, but I think that there is a relation in this manner, that if the mesh size is the proper size, there are fewer fish of the small size fish being caught. If these nets are in the water because of storms there's less chance of fish that have died and are coming in after being in the water three or four days, reaching the market, but I don't believe that there's -- not standing here at this moment anyway -- of correlating mesh size with quality. Certainly mesh size is exceedingly important and we have found that out in maintaining populations of fish. On Lake Manitoba, there are those who maintain that the mesh size should be four and a quarter, and there are those who maintain that the mesh size should be what it is now, three and three-quarter. One of the difficulties there is is that the pickerel and the sauger at times of the year seem to be running together, and if you have a four and a quarter inch mesh, then they don't catch sauger. The three and three-quarter seems to be a mesh that will catch the pickerel and the sauger without doing, as I understand from the biologists, without doing harm to the pickerel population. This matter has been, I think, one that's been up two or three years, and as I understand the men up there, the technical men, they feel that the three and three-quarter inch mesh is satisfactory, but I will admit that there are commercial fishermen around the lake who feel that we should embark on the four and a quarter inch mesh. The only thing I can say to the honourable member with respect to that difference of opinion is that the records are checked regularly and I'm quite sure that if it was felt that we should change to four and a quarter inch mesh in order to retain population of pickerel and sauger, that the recommendations would be brought down, and with what I have learned in the past three years, that they would be implemented.

MR. CAMPBELL: Mr. Chairman, when I was relating quality to the size of the mesh I was simply going on the practical position that most buyers take. Years ago when fish used to be delivered out around our part of the country, in a sleigh box, and of course frozen fish, it was a rule then that most of the people picked out the biggest fish. Now that they're taken out and put in ice immediately and have been so far as our part of the country, the south end of Lake Manitoba, is concerned, they've been put in ice for 40 years. That's not new as far as we're concerned out there. Bill Dow started that 40 years ago, and it's grown and for 30 years they haven't been done any other way.

But whether they're soft fish or not, my experience is that the average person picks out the fish of a good size, and so does the trade, so I'm told, and it's in that capacity that I relate mesh size to quality. Certainly it doesn't make any difference if you get drowned fish, or fish that through not being properly iced and quickly iced, have gone out of condition -- can't make any difference there. But I've always heard, and I believe it to be the fact, that just about everybody, when they're looking at the fish, likes to buy one of a good size, and the three and a quarter mesh that used to be used there got a fish less than that in length. People like to, even when they're telling about their catches of fish, they like to make 'em big, don't they? Well, they like to buy them the same way, and it's in that area that I speak of mesh size and quality, quality as to what the trade likes. Isn't that still true? It was when I was close to the fishing business.

My point is that in the south end of Lake Manitoba, you can get the two things together. You can get the kind of fish that the people like to buy and that's what they like to buy, whether they're on display singly or in a box still with the ice around them, or whatever way they're marketed. My experience was that they didn't like to buy those little fish. They went for the bigger ones; that the people in Chicago and New York -- aren't they still our best markets for fish? -- Chicago and New York, that they like the ones of some size. And my point is that you can get the two things together by insisting that the mesh is big enough. Now, I'm told that a

(Mr. Campbell, cont'd) . . . . sauger will grow to gill in a four-inch net and if a sauger will grow big enough to gill in a four-inch net, then I maintain that the fishbuyer who comes to look at him likes the look of the one that is caught in a four-inch net better than the one that's caught in a three and three-quarters and much better. And that at the same time, you'll have a very high proportion -- all of the saugers, both male and female, all of the saugers and practically all of the pickerel, will have had an opportunity to spawn at least a time or two. So it seems to me that the two things go together.

MR. CHAIRMAN: . . . . . passed.

MR. MOLGAT: Mr. Chairman, the Minister indicated in his report that experiments were conducted on Lake Manitoba with regard to trap nets. Could he indicate to the Committee whether it's the intention to allow trap nets on Lake Manitoba? Will he be licensing them there? Is he encouraging their use?

MR. WITNEY: The government is still, at least for this type of fishing, is still in the experimental stages. I don't think we would have objection to anybody who wanted to try them on Lake Manitoba on an experimental basis. I think we have worked with one man now, not maybe this past year, but in years past, on Lake Manitoba, with trap nets on an experimental basis. If they wish to experiment with them for the collection of rough fish, yes, we would be prepared to work with them, but on an experimental basis, for the moment at any rate.

MR. MOLGAT: So far, most of the experiments on trap nets have been conducted on Lake Winnipeg. The Minister has indicated in his report that they had been experimented with, I think, very briefly in Winnipegosis and Manitoba. Is he prepared to make a report now insofar as Lake Winnipeg is concerned? Will this program be developed, or is it not being extended? What is the situation?

MR. WITNEY: The nets have been put in -- they were put in in Lake Manitoba and Lake Manitoba, as the honourable member is aware, is a winter fishery. We wanted to see what they would do in winter fishery work on the lake. And in Lake Winnipeg, they have been in operation there mainly in the spring season. They are successful and they will be continued. We have taken them out of the experimental stage as far as Lake Winnipeg is concerned now, for open water fishing, and with the work that's being done now up on Lake Winnipeg, we've been trying to get some of the local fishermen -- we have 12 men from Matheson Island and Pine Dock, I believe it is, working with them. Once we get these men educated as to how to use them, well then we should be able to -- (Interjection) -- yes, the rough fish, we should be able to take them out of the experimental stage. One reason we haven't paid stress to Lake Manitoba is, really Lake Manitoba is -- an awful lot of fishermen there have another income, source of income, through farming. The people that we're working with up at the present time haven't too much of an outlet for income around the periphery of Lake Winnipeg. There are several of these types of communities, and that's been one of the reasons why the emphasis has been placed on Winnipeg in relation to Manitoba and Winnipegosis.

MR. MOLGAT: Mr. Chairman, I had some complaints that the trap nets were allowed in Lake Winnipeg in what is termed the "pickerel pockets;" whereas the gill nets were not allowed in those same areas. Has the Minister had this complaint, and is there any grounds to it?

MR. WITNEY: Yes, the Minister has had the complaint, and the trap nets are allowed in the pickerel pockets and so is five-inch mesh, but no smaller than five-inch mesh in the pickerel pockets -- that's the gill mesh.

MR. MOLGAT: Mr. Chairman, I understand that some experiments were conducted as well at the southern end of Lake Manitoba insofar as the mesh size. Can the Minister report now what the results of these experiments were, and whether recommendations will be made for any changes in mesh size on Lake Manitoba?

MR. WITNEY: On Lake Manitoba? No, there are no changes in size contemplated at this moment.

MR. MOLGAT: . . . . . first conducted though at the southern end of the lake?

MR. WITNEY: Not to my knowledge, Mr. Chairman.

MR. MOLGAT: Mr. Chairman, referring for a moment to the annual report from the department. On page 43, I note that whitefish have been planted in areas designated as sport-fishing waters. Is this normal practice on the part of the department? I understood that

(Mr. Molgat, cont'd) . . . . whitefish were mainly for commercial purposes and not for angling purposes. There are three lakes listed there, page 43, where whitefish was planted.

MR. WITNEY: I couldn't tell the honourable member exactly what is happening here but we are conducting an experiment with whitefish to eat the snail which is responsible for what is known as swimmers' itch. Whether these are three of the lakes that they were tested on I couldn't say exactly, but I can get the information.

MR. MOLGAT: Mr. Chairman, I wonder if the Minister can get any information for me in this regard.

MR. GUTTORMSON: Mr. Chairman, getting back to the use of trap nets. As the Minister probably knows there is considerable criticism about the trap nets and to me some of it seems very valid. These trap nets are quite expensive and a lot of fishermen find that they can't afford to buy them and consequently they're being provided by the fish companies, and fishermen complain that the government is turning over the fishing industry to the fish companies because they're the only ones that can afford -- I shouldn't say the only ones, but they're the ones who can afford the majority of these nets. I remember last Session I suggested that the Minister might consider allowing the fishermen, giving them a loan so they could purchase these trap nets so that they could keep the fishing industry in the hands of the fishermen, but I've heard no decision in this respect from the Minister since he discussed the estimates.

MR. WITNEY: This matter was investigated, Mr. Chairman. The Department of Indian Affairs has for its own people the means by which they can purchase nets and with respect to the Berens River area, when we put the trap net in as an experiment I think they spent some \$20,000 in purchasing nets for those people and they were to have been operated on a co-operative basis. Some of the nets were also moved into the Poplar River. I am not sure whether they were moved into the Grand Rapids area or not. But I have found that there is, through the Federal Government, a loan program which some of the fishermen have already taken advantage of, and that is the Fishermen's Loan Program where the Federal Government will loan up to 70 percent of the cost of nets, boats and other type of fishing gear. The fisherman himself may put up the 30 percent himself, or he may raise it through the bank or in some other method. The Federal Government takes as its collateral the actual equipment itself. So I feel that for the Indian people there is a means whereby they can obtain the necessary money if they wish to do so. I feel also through the Federal Government that there is, through the Fishermen's loan, sufficient area for the fishermen to finance themselves in this type of operation, and in addition I understand that one of the companies on the lake is more or less financing his fishermen to trap nets -- they're paying it over a period of years.

MR. GUTTORMSON: Isn't it true, Mr. Chairman, that the majority of these nets are in the control of the fish companies?

MR. WITNEY: Yes, the majority of the nets are in the hands of the fish companies. When we put the trap net into operation in Lake Winnipeg we were on an experimental basis and the companies asked if they could join in the experiment. This is some three years ago and at that time I said if they wanted to join in the experiment to see whether or not the net was feasible, that would be fine by us. In the meantime, of course, the Indian Affairs people were prepared to join in, as I have mentioned, with the amount of money that has been spent on trap nets by them. We employed men from Lake Erie and some from Lake Michigan and Lake Huron to be in what are termed the pocket areas to assist these people in the method of setting and the management of trap nets and continued that process for a period of a couple of years.

MR. CHAIRMAN: . . . . . passed. I call it 5:30 and leave the Chair until 8:00 o'clock.

FRENCH SPEECH

Page 804 - Friday, March 29th, 1963.

MR. SCHREYER (Brokenhead): Madame l'Orateur, je m'en voudrais de ne pas dire quelques mots dans la langue de mes compatriotes d'expression française. Je serai donc, je crois, en bonne compagnie, c'est-à-dire je serai avec les membres pour St-Boniface et Rupertsland. Tout le monde parle aujourd'hui au sujet de biculturalisme - le problème sera bientôt regardé par une conférence fédérale-provinciale pour étudier la situation générale du Canada français et aussi le domaine du bilinguisme. Peut-être qu'il n'y a pas beaucoup que la Province du Manitoba peut faire en cet égard mais il y a quelque chose que nous pouvons faire - nous devons donner la reconnaissance à l'égalité des langues française et anglaise aussi bien en fait qu'en droit par tout le monde. Jusqu'ici à mon avis les gouvernements se sont vraiment donné la peine de faire quelque chose au sujet de cette situation. Commençons maintenant à montrer que nous sommes de bonne foi quand nous parlons d'un pays vraiment bilingue.

Translation: Madam Speaker, I would be vexed with myself if I did not say a few words in the tongue of my French-speaking fellow members. I will therefore be, I believe, in good company, that is to say with the Members for St. Boniface and Rupertsland. Today, everyone is talking about the subject of biculturalism - the problem will soon be examined by a Dominion-Provincial Conference which will study the general situation in French Canada as well as the field of bilingualism. Perhaps there is not too much that the Province of Manitoba can do in this respect but there is something that we can do - we must recognize the equality of the two languages - French and English - in fact as well as by right. In my opinion, up to now the governments have really made an effort to do something about this situation. Let us immediately begin to show that we are people of good will when we speak of a country which is truly bilingual.