

| ELECTORAL DIVISION | NAME | ADDRESS |
|--------------------|-----------------------------------|---|
| ARTHUR | J. D. Watt | Reston, Manitoba |
| ASSINIBOIA | Steve Patrick | 189 Harris Blvd., Winnipeg 12 |
| BIRTLE-RUSSELL | Hon. Robert G. Smellie, Q. C. | Legislative Bldg., Winnipeg 1 |
| BRANDON | R. O. Lissaman | 832 Eleventh St., Brandon, Man. |
| BROKENHEAD | E. R. Schreyer | 2 - 1177 Henderson Hwy., Winnipeg 16 |
| BURROWS | Mark G. Smerchanski | 102 Handsart Blvd., Winnipeg 29 |
| CARILLON | Leonard A. Barkman | Steinbach, Man. |
| CHURCHILL | Gordon W. Beard | Thompson, Man. |
| CYPRESS | Hon. Thelma Forbes | Rathwell, Man. |
| DAUPHIN | Hon. Stewart E. McLean, Q. C. | Legislative Bldg., Winnipeg 1 |
| DUFFERIN | William Homer Hamilton | Sperling, Man. |
| ELMWOOD | S. Peters | 225 Kimberly St., Winnipeg 15 |
| EMERSON | John P. Tanchak | Ridgeville, Man. |
| ETHELBERT-PLAINS | M. N. Hryhorczuk, Q. C. | Ethelbert, Man. |
| FISHER | Emil Moeller | Teulon, Man. |
| FLIN FLON | Hon. Charles H. Witney | Legislative Bldg., Winnipeg 1 |
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| GIMLI | Hon. George Johnson | Legislative Bldg., Winnipeg 1 |
| GLADSTONE | Nelson Shoemaker | Neepawa, Man. |
| HAMIOTA | B. P. Strickland | Hamiota, Man. |
| INKSTER | Morris A. Gray | 406 - 365 Hargrave St., Winnipeg 2 |
| KILDONAN | James T. Mills | 142 Larchdale Crescent, Winnipeg 15 |
| LAC DU BONNET | Oscar F. Bjornson | Lac du Bonnet, Man. |
| LAKESIDE | D. L. Campbell | 326 Kelvin Blvd., Winnipeg 29 |
| LA VERENDRYE | Albert Vielfaure | La Broquerie, Man. |
| LOGAN | Lemuel Harris | 1109 Alexander Ave., Winnipeg 3 |
| MINNEDOSA | Hon. Walter Weir | Legislative Bldg., Winnipeg 1 |
| MORRIS | Harry P. Shewman | Morris, Man. |
| OSBORNE | Hon. Obie Baizley | Legislative Bldg., Winnipeg 1 |
| PEMBINA | Mrs. Carolyne Morrison | Manitou, Man. |
| PORTAGE LA PRAIRIE | Gordon E. Johnston | 7 Massey Drive, Portage la Prairie |
| RADISSON | Russell Paulley | 435 Yale Ave. W., Transcona 25, Man. |
| RHINELAND | J. M. Froese | Winkler, Man. |
| RIVER HEIGHTS | Hon. Maitland B. Steinkopf, Q. C. | Legislative Bldg., Winnipeg 1 |
| ROBLIN | Keith Alexander | Roblin, Man. |
| ROCK LAKE | Hon. Abram W. Harrison | Legislative Bldg., Winnipeg 1 |
| ROCKWOOD-IBERVILLE | Hon. George Hutton | Legislative Bldg., Winnipeg 1 |
| RUPERTSLAND | J. E. Jeannotte | Meadow Portage, Man. |
| ST. BONIFACE | Laurent Desjardins | 138 Dollard Blvd., St. Boniface 6, Man. |
| ST. GEORGE | Elman Guttormson | Lundar, Man. |
| ST. JAMES | D. M. Stanes | 381 Guildford St., St. James, Winnipeg 12 |
| ST. JOHN'S | Saul Cherniack, Q. C. | 333 St. John's Ave., Winnipeg 4 |
| ST. MATTHEWS | W. G. Martin | 924 Palmerston Ave., Winnipeg 10 |
| ST. VITAL | Fred Groves | 3 Kingston Row, St. Vital, Winnipeg 8 |
| STE. ROSE | Gildas Molgat | Room 250, Legislative Bldg., Winnipeg 1 |
| SELKIRK | T. P. Hillhouse, Q. C. | Dominion Bank Bldg., Selkirk, Man. |
| SEVEN OAKS | Arthur E. Wright | 168 Burrin Ave., Winnipeg 17 |
| SOURIS-LANSDOWNE | M. E. McKellar | Nesbitt, Man. |
| SPRINGFIELD | Fred T. Klym | Beausejour, Man. |
| SWAN RIVER | James H. Bilton | Swan River, Man. |
| THE PAS | Hon. J. B. Carroll | Legislative Bldg., Winnipeg 1 |
| TURTLE MOUNTAIN | P. J. McDonald | Killarney, Man. |
| VIRDEN | Donald Morris McGregor | Kenton, Man. |
| WELLINGTON | Richard Seaborn | 594 Arlington St., Winnipeg 10 |
| WINNIPEG CENTRE | James Cowan, Q. C. | 412 Paris Bldg., Winnipeg 2 |
| WOLSELEY | Hon. Duff Roblin | Legislative Bldg., Winnipeg 1 |

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, April 14, 1964.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motions

Introduction of Bills

The Honourable the Minister of Public Utilities.

HON. MAITLAND B. STEINKOPF, Q.C. (Minister of Public Utilities)(River Heights): Madam Speaker, it is not my intention that we proceed with this Bill. I ask the leave of the House to withdraw it at this time.

MADAM SPEAKER: Granted? Agreed? Address for Papers. The Honourable the Leader of the Opposition.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Madam Speaker, I move, seconded by the Honourable Member for Ethelbert Plains, that an humble address be voted to His Honour the Lieutenant-Governor praying for the copies of all the correspondence between the mayor of and any official of the City of Winnipeg on the one hand and the Premier of Manitoba and any of the departments of the Manitoba Government on the other hand with respect to the taxation of CPR property in the City of Winnipeg. Madam Speaker, I believe that a good part of this correspondence is presently within Hansard, and the Minister of Municipal Affairs has so informed me. However in the last conversation I had with him he thought that there might be other correspondence, in which event I am placing the Order before the House and I am prepared to hear whatever comment he has to make.

Madam Speaker presented the motion.

HON. ROBERT G. SMELLIE, Q.C. (Minister of Municipal Affairs) (Birtle-Russell): Madam Speaker, I have no objection to the Order. All of the correspondence that we have is now in Hansard. It was read into the records last Friday on the introduction of the Bill of the City of Winnipeg -- that it is all in Hansard. If my honourable friend wishes the Order for Return we have no objection.

MR. MOLGAT: Madam Speaker, I don't wish the Order if it's all in Hansard. The last conversation I had -- I'm quite prepared to withdraw the Order if it's all there.

MADAM SPEAKER: Agreed? Address for Papers. The Honourable the Member for St. George.

MR. NELSON K. SHOEMAKER (Gladstone): Madam Speaker, in the absence of the Honourable Member for St. George, I move, seconded by the Honourable Member for St. Boniface, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all the correspondence between the mayor of and any officials of the City of Winnipeg on the one hand and the Premier of Manitoba and any of the departments of the Manitoba Government on the other hand with respect to the \$1.7 million request for refund of the provincial government relative to the levy of the Metropolitan Corporation of Greater Winnipeg.

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

MADAM SPEAKER: Order for Return standing in the name of the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Member for Ethelbert Plains that an Order of the House do issue for a return showing for each fiscal year since the introduction of the program: 1. The number of senior citizens' homes that have been built. 2. The location of these homes. 3. The total cost of each. 4. The total capacity of each. 5. The type of accommodation provided in each home. 6. The total provincial capital grant for each home.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for St. George.

MR. SHOEMAKER: Madam Speaker, in the absence of the Honourable Member for St. George, I move, seconded by the Honourable Member for St. Boniface that an Order of the House do issue for a return showing: 1. The date of the first application received for Climax

(Mr. Shoemaker cont'd) Timothy seed for the 1964 growing season. 2. The date of the last application received for Climax Timothy seed for the 1964 growing season. 3. The date of the first application approved for above seed for the 1964 growing season. 4. The date of the last application approved for above seed for the 1964 growing season. 5. The names of those applicants who were turned down. 6. The dates of receipt of applications in No. 5.

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

MADAM SPEAKER: Committee of the Whole House.

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Madam Speaker, I beg to move, seconded by the Honourable Member for Pembina that

HON. DUFF ROBLIN (Premier) (Wolseley): call the Orders of the Day, and if you would do that, I would then propose that we clean up the shared services today before going into Committee of the Whole, because one of the members whose Bill is in the Committee is not here and I hope he may arrive by the time we get there. Thank you.

MADAM SPEAKER: Order Paper. The Orders of the Day should have appeared earlier, so I went over it. However, Orders of the Day.

MR. MOLGAT: Madam Speaker, I was going to ask how come it was that we were proceeding with Address for Papers before the Orders of the Day, but if it was a mistake, that's fine. I have a question however to ask of the Honourable the Attorney-General. Some time last week, I believe, or the week before I was asking him about an inquest in the air crash at Thorpeson. I believe that no inquest had been called until the matter was raised here in the House, but he did indicate that an inquest would be called. I wonder if the Minister is in a position now to give us any information as to that inquest.

HON. STEWART E. McLEAN, Q.C. (Attorney-General) (Dauphin): Madam Speaker, I have had no report. All that transpired was my order that the inquest be held and I have not heard anything further since that time.

MR. MOLGAT: Has the inquest been held? Does the Minister know this yet?

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, before the Orders of the Day, I believe that there's an Order for Return outstanding insofar as a member of my group is concerned in respect of legal fees. I wonder when that might be tabled.

HON. DUFF ROBLIN (Premier) (Wolseley): I'm hoping to have it ready before the House rises.

HON. STERLING R. LYON, Q.C. (Minister of Mines and Natural Resources) (Fort Garry): Madam Speaker, before the Orders of the Day, I should like to lay on the table of the House a Return to an Order of the House No. 42 of a motion of the Honourable Member for Portage la Prairie and a return to an Order of the House No. 49 on a motion of the Honourable Member for Portage la Prairie.

MR. ROBLIN: Madam Speaker, if I may have leave to do so, I should like at this time to move, seconded by the Honourable Minister of Mines and Natural Resources the names of Messrs. Froese and Carroll be added to the Standing Committee on Statutory Regulations and Orders.

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

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the First Minister. The Honourable the First Minister.

MR. ROBLIN: Unaccustomed as I am to this kind of a reception in the Legislature, may I say at the outset, Madam Speaker, that I think the debate on shared services has on the whole been a very reasonable discussion and I think has turned out as well as anyone had any right to expect or anticipate in view of all the history and emotion and atmosphere and difficulty that surrounds the question to which the resolution is addressed. I think the debate has been a satisfactory one and I think it has taken to a fairly marked degree the course which I for one expected that it might take when the resolution was introduced. And I think that the members generally have made a real effort to approach this matter in a dispassionate sense and have tried to present their views in a manner that would give full expression to their opinions while at the same time giving the least offense to those who might hold contrary convictions on the subject. I think that that is certainly all to the good when we discuss this matter.

There are some things that were said I must admit that I regard as unfortunate, unhappy statements with respect to the matter and I will have reference to some of them as I go through

(Mr. Roblin, cont'd)...my remarks here tonight. But I think that I accept even them, all of them, as being presented to the House in a sincere effort to come to grips with a very difficult problem. And even though some of these remarks have been highly critical of the handling of this topic by the government, I don't think the government need take any offense at that; that even though we have contrary views which I am duty bound now to express, we accept those expressions of opinion as being the sincere thoughts of those who have placed them before us.

There's one thing that has been borne in on me more and more as the discussions proceeded, and that is the wisdom -- and I say this advisedly -- the wisdom of the course that the government is following in this matter, because from what we had heard in the dozen or so speeches that have been given here, we see that in this House we cover the whole spectrum of opinion on this matter, from the Honourable Member for Selkirk on the one hand to the Honourable Member for St. Boniface on the other, and all the rest of us somewhere in between. We have covered in this House the whole spectrum of opinion on this difficult topic and I think that spectrum of opinion represented here is truly representative of opinion in the province, and that we must face the fact that in dealing with this matter we have this extreme variation of view from one end of this topic to the other.

But I am not discouraged that that should be so because nobody surely thought it was otherwise. I am certain that those who have given any thought or any consideration to this problem realize that we had that extreme variation and diversions of views, and what we are seeking to do at this time is to find whether there is a middle ground on which reasonable men of goodwill can find a common place to stand. We are trying to see whether in this complicated and difficult question there is any meeting place where a majority of our people can come together in dealing with this question that is before us.

The debate that we have had indicates surely the complexities of this problem, and it indicates, if I may use the words of the Honourable Member for Lakeside, the fact that we can approach this matter with goodwill and with honest desire that the committee may accomplish something of value. I think in those remarks -- I didn't agree with everything he said, but in that remark I certainly agree, that we approach this task with goodwill and with the honest desire that the committee may accomplish something of value.

I think the debate in the House so far indicates the un wisdom of those who have suggested, and there have been some, that instead of taking this method the government should do one of two other things, either hand it over to a purely administrative committee to solve and settle the matter by Order-in-Council, and I think we just need reflect on the debate to convince ourselves of how completely unsatisfactory that solution would be; and then we have on the other hand those who feel that the government should announce a policy to the House and willy nilly put it through this Legislature as being the policy of the government and enact it into legislation in the Province of Manitoba without any more consideration than that.

It seems to me that as you examine this question it becomes more apparent -- if anyone needed any convincing I think they should have had it by now -- that neither of those two courses are really wise in dealing with this matter and that the part of wisdom, I am convinced, the part of wisdom is that we should take this method that is open to us in this Legislature of the government announcing policy, as it has to be sure, and laying down its views, exposing itself to the slings and arrows of public opinion on every side, taking that responsibility, which we do not shirk; but at the same time insisting that we shall approach the government proposals in this matter by means of the committee that is to be established where members can hear public opinion on this matter and to seek to find that common ground, that concensus without which in my opinion we cannot proceed.

So I think that I am not unhappy, the government is not unhappy that looking back over the difficult course that we have come so far and looking ahead to the greater difficulties which lie ahead of us, that we have chosen this means of approaching a problem which, as the Member for Ethelbert Plains so well said this afternoon, is one of the most important we shall ever be called upon to deal with and one which goes to the very roots of the feelings and emotions and the history of the peoples of the Province of Manitoba.

Now I debated for some time, Madam Speaker, as to what I should say on this occasion and I have come to the conclusion that perhaps the best thing to do would be simply to reiterate what the government is attempting to do by means of this resolution, and then having established that

(Mr. Roblin, cont'd) . . . as firmly as I am able to do, to make some comments on those who have found fault with the way in which we have approached this problem in an endeavour to convince them that as men and women of goodwill we must forget about these party differences and these difficulties that lie between us in approaching this difficult question.

At the risk of tedious repetition, let me deal then first with the principles, with the points of view, the attitude that we are trying to strike in this resolution that is before the Legislature at the present time. First of all, we have tried to define, we have tried to find a description for the public school system that we have now. Let me be clear about this. We have not been talking about colleges; we have not been talking about hospitals; we have not been talking about eleemosynary institutions and the like; we have been talking about the public school system only of the Province of Manitoba. In that discussion the government has endeavoured to lay before this House and has endeavoured to lay before the people of Manitoba what it believes to be a fair description, a reasonable definition of the public school system under which we have operated for the last seventy years, and in doing so we have expressed ourselves by making reference to the three principles which have occupied such an important part in this debate, the principle of the separation of church and state as that expression is known in Manitoba; the principle of the dedication of public funds to public schools; and the principle of the right of people to have private schools if they should wish to pay for them.

Now let me make this perfectly clear about this recitation of principles. This is intended to be, and I believe is, a fairly accurate description, a fairly accurate definition of the school system we have in Manitoba. I want to make it perfectly clear that when those definitions are placed within this measure, that is not to say that they are the only principles on which schools are run because we know that is absurd. Other provinces in Canada have other principles and there are people in this province who wish we would adopt other principles and have expressed themselves very clearly indeed. I think a number of the people who have expressed their opposition to this Bill probably come within that category, some don't; but I think that in voting for this resolution with the three principles that are enclosed within it, those who would prefer to have another system can conscientiously vote for the resolution just the same because the principles have application only to our present school system in the Province of Manitoba. We do not ask anybody to give up their own principles if they happen to be different. That's not called for in a vote for this resolution. We merely ask you to accept this description as being a reasonably accurate description of what we have today, and I think that the vast majority of the people of this province, indeed the majority of the people in this House, would agree that that description is by and large an accurate one.

It has been said by the Honourable Member for Lakeside that this description of church and state as we understand the expression in Manitoba is not very clear. I think I made a very clear definition of it in my very first statement. I repeat it again. To comment on these principles as far as the government is concerned, and here I'm referring to the first of them, it can have but one policy for all religions and churches and that is a respectful neutrality. Manitoba has never had anything in the nature of an established church or state religion. The separation of church and state is the corner-stone of our constitution. How can it be otherwise in a pluralistic society? Be it remembered however that that foundation on which the separation rests is neither a religion or anti-religion but religious liberty. Its inspiration is tolerance and its object religious equality. I think that's a pretty fair definition of church and state as we understand that expression here in the Province of Manitoba.

It has been alleged by some of course that the second definition that has to do with the dedication of public funds isn't a very good one either, and it has been said that, for example, there are some 300 children in the City of Winnipeg who are enjoying shared services now and after all that probably means that some public funds are being paid for that particular service. That may be so but the law officer of the Crown advised me that it's illegal and somehow sooner or later we're going to have to do something to put it right, that there's nothing in the law of the province that permits that at the present time.

And you go on through the third principle that stands before us, namely, the principle by which we say people may have private schools if they're willing to pay for them. I really believe that those three principles which are set out in this resolution do, with reasonable accuracy, describe the present school system in Manitoba, and in putting them in the resolution

(Mr. Roblin, cont'd)...and asking members of the House to vote for them we are merely asking them to recognize that these are the facts. These are the facts, and I do not think that it can be denied successfully that these are the facts if one attempts to describe with reasonable accuracy the school system that we had in Manitoba.

So I do not think that anyone should accuse the government of being partisan for example on that ground, although I believe it has been done. I do not think that anyone should accuse the government of introducing a political note in this respect because we have merely attempted to describe a present existing fact, and I do not think you will find that a majority of the people of Manitoba will reject that definition.

That's the first thing we do in this Bill and that can be voted for by any member of this House regardless of his views on the great question. Regardless of his views, he can vote for this measure without violation to his conscience and with a recognition of facts as they exist, not as we might like them to exist, not as some of us wish they were to be or not to be, but as they actually exist in Manitoba. So this House can vote for that part of the resolution with an easy conscience because it describes the present facts.

The second thing that is done in this resolution is to declare that for our part that we cannot abandon, we cannot change, we cannot alter this basic concept underlying our present school system without some political determination, either a general election or a plebescite or something of that sort for the simple reason that there is no Political Party in this province -- none -- certainly not the three major parties at any rate -- no Party in this province which takes any different stand. There is no Party in this province today, Progressive Conservative, Liberal or New Democratic, which, as a matter of Party policy is willing to depart from the major principles of our present school system except on the basis which I have outlined to you. I am convinced of that. I believe it brooks of no contradiction. I believe we are on common ground, all three of us, and perhaps I should include my honourable friend the Member for Rhineland and those for whom he speaks as well. But I think we're on common ground as there is nothing political or partisan in expressing this sentiment in this resolution because I believe again that it constitutes the plain fact of political life of this province and I've never heard it denied on any side.

So that's the second thing that we do in this resolution. Having tried to define our present school system, we then lay down what we believe to be the fact that no Political Party is ready to change that without some form of political determination of which I have spoken. Now I don't think there's anything partisan or political here. There's no real room for argument or debate. We're too close together; there isn't that much difference between us. We all believe it to be so. So that on these two premises which the resolution includes I think that we will not find too much room for argument or quarrel.

We then come to a third proposition whereby the government is suggesting to the House, to the committee, to the public, to all who want to hear, that there is a way in our opinion in which we can liberalize our present school system for the benefit of children within the private schools, and one has to ask oneself whether this also is something that can be accepted on a non-partisan basis or whether it constitutes a political initiative in this matter. Well I hope that it will prove possible to discuss it on a non-partisan basis because that is certainly our intention.

When I first made my opening speech in this House I think that I made it perfectly clear how the government looked at this matter because I said in that speech that we were not so foolish as to expect universal approval for what we were proposing but we did hope to find a consensus of both majority and minority opinion on this matter, and I want to assure the Chamber that that policy has not changed and that is fundamental to what we do.

The other day the Leader of the Opposition read into the record some remarks of mine with respect to non-partisanship on this question, remarks that I had made I think in reference to the policy of the government in this question, remarks that I had made in connection with the policy of the Liberal Party in this connection, and I am frank to say that what he had to present to us was in my opinion a valid comment on the non-partisan approach that we are all seeking, and I want to assure him that we have not departed from that approach and that I really take issue with him when he comments, as he has done, that we have departed from that non-partisan point of view.

(Mr. Roblin, cont'd)...

In my notes here I have the exact expression that he used. I hope I may be able to put my hand on it without too much trouble, But I did say -- and here it is in my statement of February 10th, "and this reiterates my convictions on this matter expressed in the House and in public on many occasions, and it reiterates the conviction in these words, that there are few of us who wish this to become a matter of issue between Political Parties. I am not so foolish as to expect universal approval for what we suggest but we have hopes for an agreed consensus of both majority and minority opinion." In spite of that, he has found himself able to say that we have taken a partisan stand on the question of public aid to private or parochial schools: "I think the Premier's action in taking a partisan stand against public aid invites partisan division on this explosive issue."

Now let's deal with that concept for a little while. What would my honourable friend have said if we had come out in favour of public aid for private schools? Would he have then said that we had taken a partisan issue in the matter? Logically, he would be just as entitled to do so as he has done on the present occasion. Maybe he would have. I don't know, but a review of this whole matter I think will make clear the duty of the government in this matter, and here I touch on a point the Honourable Member for Lakeside has brought to our attention on more than one occasion, the duty of the government in this matter and its relationship to the non-partisan approach to this problem, and that is something that is worthy of our consideration tonight I believe.

The Honourable Member for Lakeside when he was speaking the other day really anticipated some of my arguments here because he read into the record some of the statements that were made in the early days -- I refer to the 1960's about this question -- and he read into the record then his own very firm views that the government must have a policy on this question. I don't think that I will bother the House tonight by reading what he said. I think he read it himself, in part, but suffice it to say that in 1960 and again in 1961 he made it perfectly clear that as far as the Liberal Party was concerned, it was the responsibility of the government to have a policy on it; while he did not feel on the other hand that it was the responsibility of his Party to have a policy on it. Of course I think that's a bit of a double standard. I'm not going to go into that detail tonight, but I hardly think it will stand up to impartial examination in the long run.

But let's deal with the question that the government must produce a policy on this matter. In the 1960 issue, in the 1960 and 1961 sessions he was very explicit -- I have the clippings here, some of them have already been read to the House -- "Must Take Stand on Private School Aid, Campbell Tells P.C. Liberal Leader Won't Let Government Declare a Free Vote On It." That's January 23 of 1960. In the course of a radio interview he made that stand clear. The rest of the statement is here but the headline pretty well gives the whole story. He said he would not accept any government decision to declare the private school question a free vote. It is a matter of government policy and the government have to stand or fall on it. Asked whether he thought the Liberal caucus should also declare the position of their Party on that matter, he said he felt Liberal members could vote as they pleased. That's what he said then, and he has maintained that conviction all the way through.

Another newspaper clipping of the same time: "School Issue is Seen As Government Measure." Then again in 1961 he revived the matter in the Throne speech debate and said much the same thing: "Government Hit For Not Stating School Stand. Silence on Issue Was Dereliction Of Duty, Campbell Says." Then of course there's the usual newspaper story backing it up. Then on another occasion he accuses Roblin of both floundering and doubt and other similar political comments that are normal for this kind of a debate I suppose.

But the Leader of the Opposition, as he was then, made it crystal clear -- crystal clear -- that under our constitutional parliamentary representative system the government could not escape the responsibility for coming to grips with respect to policy on this matter, and I think he is right. I do not understand how, under our system, a government that is worthy of the name will not accept the responsibility. Sometimes the policy may be to have no policy, but that is still a policy. Sometimes the policy may be one approach to the problem, it may be the approach that we have tonight, but we have a policy on this matter. We are the first government in a long long time to have raised this subject in the way that we have done and we have a

(Mr. Roblin, cont'd)...policy. It's our duty to have a policy. We recognize that. We also think that it will not be quite so easy as some people think for other parties to avoid a policy on this matter because ultimately we have to come to grips with this in one way or another. But you know it does place a government in a difficult position trying to defend itself when we are told by a very experienced parliamentarian and a former leader of the Liberal Party and former Premier that we are derelict in our duty if we don't have a policy, and then we are informed by the present leader of the Liberal party that because we have a policy and because we have had the courage to state it, that we are being partisan in this issue. This is hard to defend, hard to know which particular prong of the attack to ward off because they come from opposite directions; they contradict one another.

I think it's important that we should have some understanding about what the true situation is. We are accused by the leader of the Opposition for playing politics, if you want to use that phrase -- he didn't use it and I'm glad he didn't, he used partisan instead -- making it an issue between parties. How can a government exercise its responsibility without doing what we have done? How can it be done? The answer is that it can't be done. The answer is there is no way in which we can bring this matter to discussion except by the government taking responsibility as we have. The former leader of the Liberal Party was right on that point. We have to take the responsibility for what we do and we have to take it as a government, and to do so is not necessarily partisan, as I hope to show.

And then we have again the Honourable Member for St. Boniface who doesn't like what we're doing very well. He has said a number of things which I just want to comment on briefly because it is, I think, probably well to set our views at least on the record in respect to this matter. He's accused us of -- and here he does use the expression playing politics. You know it's ironic, it's ironic to the nth degree to be accused of playing politics on this issue in the way that he has done, because by that expression "playing politics" we all understand seeking some political advantage. Is that not what we generally mean when one uses that expression -- seeking some political advantage? How ironic it is that we who are doing this thing in this resolution tonight should be accused of playing politics, because does any man here believe that we are going to find a political advantage in what we do?

I used the indelicate expression the other day that if we thought that we need to have our heads read, because we knew before we started this business. Anybody who has had anything to do with it at all knows very well there is no political advantage to be gained in the way in which we are approaching this problem. Of all the approaches that could be devised, I think this is the least politically advantageous because we know it is not going to satisfy those who want the Manitoba school question decisions reversed, and we know it is not going to satisfy those who have pinned their flag to the mast of the public schools.

We have only to lose as a government. There's no political advantage to be gained here. It's all the other way around, and that's a fact that we recognized when we took this step. We recognize it today, and it is a risk that any government must take when it tries to come to grips with this difficult question. So I say that we are being accused of playing politics, of being partisan or of exacerbating the issue, making it a political issue from three different directions, all being something different and it's very hard to know which one to defend oneself against. I suggest none of them are really valid.

The Honourable the Member for Lakeside accuses us of making this a political issue because it took us from 1960 to 1964 to decide what course we ought to recommend to the Legislature in this connection. Well does anyone now believe, having listened to the debates here, having read the newspapers and listened to the public reaction, is there a soul here who believes that it would have made any difference, that there was any less difficulty in this question in 1960 than in 1964? Now that we have seen public reaction to the measure that is before us now, does anyone believe there would have been less public reaction or a different public reaction if we had moved in 1960 than in 1964? I suggest that anyone that holds that view is an idle dreamer -- an idle dreamer -- a foolish idle dreamer -- because we should know that the roots of this question extend far beyond even the experience of men here but into the deep past.

The Honourable Member for Lakeside should know more than anyone else; he's been 42 years in public life in this province. Most of that time he was a Cabinet Minister, he was Premier for ten years, and he had ample opportunity to develop a policy if he thought it was

(Mr. Roblin, cont'd)...right and proper to do so on this matter and he didn't do so, and I don't criticize him for it. I think it merely indicated an appreciation of the problem and the difficulties that surround it, and even he was candid enough to say after he had excoriated us in a way I suppose for what he thinks to be our fault, he even was compelled to admit that the solution to the question was not easy to find. Is not that an indication of the bankruptcy of much of the criticism that has been directed toward this idea, because the people who have been criticizing it from some points of view are unable I think to offer us a workable alternative that can be dealt with at this particular time?

However, I don't want to labour this point because I want my friend's help. I want the help of the friend of the Honourable Member for Lakeside. I need his help. I need the help of every man and woman here. The government needs it; the public needs it. I solicit his help and co-operation, because after he got through he said, well seeing we've got this committee let's try and make sure that some good comes out of it. I say Amen to that, and I ask for the help and support of every member of this House regardless of how they have spoken on this particular debate.

And I say to my friend the Honourable Member for Lakeside that he's not finished yet. He has time to make a splendid contribution to the future of this province, I think, by the work that he may do in the near future in respect of this province. He has a contribution to make. None of us can equal his experience or his association with this question and I solicit his help as I solicit the help of other members of this House in dealing with this difficult question.

Well, Madam Speaker, our problem is this. How do we reconcile constitutional responsibility and the necessity for a non-partisan approach to this difficult question. Well I don't think we can do it by contracting out. Some members who have spoken give me the impression they are going to contract out -- count me out, I don't like anything about this, I don't want anything to do with it, I want to contract out. I hope they'll have second thoughts, because regardless of strongly held personal opinions, I do not think any member of this House can really contract out of this difficult problem that we are in.

I say that the government has done its duty by presenting the resolution in the terms that it has. I think it has done its duty in attempting to define the present school system in laying down the conditions under which change must be approached because I think both those things are not matters of dispute between Political Parties in Manitoba. I think it has done its duty in proposing a way by which we can liberalize our present school system for the benefit of these private school children, and I refuse to believe members of this House will reject this approach until they prove otherwise.

But I think that having gone that far and having accepted the device of the special committee as we have in dealing with this matter -- not a Royal Commission as other governments have adopted in similar questions in days gone by -- now that we have adopted this committee approach to the problem, and if we are able to secure the assistance of members from all Parties on this committee as I believe and trust we may, I think we can then see to it that this subject is examined and developed and formulated and crystallized in a non-partisan manner, and that as far as possible that we arrive at non-partisan decisions.

The government has been criticized in some quarters because they didn't consult with other people beforehand. It's been suggested in some quarters that we should have consulted with representatives of private schools, or perhaps more closely with representatives of other Political Parties. I think a moment's reflection will indicate how unsuitable this approach would have been. It is an approach that would be I think completely unacceptable to a proper handling of this whole question. It is true that we are seeking in the end non-partisan decisions, but they must be decisions that are openly arrived at. "Open covenants openly arrived at," said President Wilson. It didn't turn out to be so successful a formula with him, but I think perhaps this approach is the way in which we have to approach this problem, and I think in the special committee we have provided a means by which we can seek that non-partisan approach.

But I want to come back -- before I sit down, I want to come back to the point where I started, and that is to repeat the statement that accompanied my first speech in this House on this subject, that we knew we wouldn't please everybody but that we were hoping to find an agreed consensus of both majority and minority opinions. To find the result that a non-partisan consensus can lead us to would be in line with the declared objectives I believe of every Party

(Mr. Roblin, cont'd)...in the legislature in Manitoba, and certainly in line with the objectives of the government. We're going to do our best in the next few months, when we tackle the really difficult part of this question, we're going to do our best to find that non-partisan consensus of majority and minority opinions.

I want to say to the legislature right now that this is important. I want to say that when we have to deal with the question of concurrence on whatever report this committee makes, I think we must consider carefully whether we should not submit that concurrence to the test of a reasonable and representative consensus, because in this field we are not operating in a field where a government may impose its policy in my opinion without regard to that consensus. It therefore will be our policy and our aim to find it. I have sufficient confidence in the goodwill and the effort of the members of the committee, whoever they may be, and also in the opinion of the people of our province to believe that we will find that consensus, that reasonable and representative consensus of our people in this very difficult matter.

That is certainly what we will look for and I believe that if we approach it in the proper spirit we will find it, but approach it in the proper spirit we must because unless we take that open-minded approach to this question, regardless of our personal views; unless we seek with real and sincere effort that meeting of mind and that goodwill even on this measure; I feel we will not have the right to proceed in making it part of the law and the legislation of the Province of Manitoba. And I say to this House that a reasonable and representative consensus may well be the test to which we must submit any decision that this committee may wish.

Now we have to vote. I suppose that it is inevitable that some will vote against this resolution. I think that is a sad thing, not because I expect everyone to approve of this resolution as it stands, but I did hope that we could ask for the approval of all members for the goal that this resolution seeks, which is to open the door of opportunity to children in the private schools within the public school system of our province. I think I can ask every member of this House to approve of the goals that this resolution seeks, the goal of a better feeling among our people, the goal of better understanding, the goal of a degree of unsegregation, assimilation, whatever you might like to call it, between people of different faiths and views of this province. I think those are goals worth striving for. I think they are goals that everyone can approve whether they are wholeheartedly in favour of the particular means that we apply or not.

I suggest, Madam Speaker, that it would not be out of place for me to appeal to all men and women of goodwill in this House to support this resolution as a step forward in trying to find that greater unity that must transcend all arguments. That's the real basis on which I want you to consider this resolution. It's the basis in which I hope our people ultimately come to think of when they think of this resolution, and it's the basis of my request to you tonight. I hope we may find that support for this resolution within this Chamber is wider and stronger than we had any right to expect from the start.

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

MR. ROBLIN: Yeas and nays please, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House is the adjourned debate on the proposed resolution of the Honourable the First Minister.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Alexander, Beard, Bilton, Bjornson, Campbell, Carroll, Cherniack, Cowan, Evans, Gray, Groves, Guttormson, Hamilton, Harrison, Hryhorczuk, Hutton, Jeannotte, Johnson, Johnston, Klym, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Patrick, Paulley, Peters, Roblin, Seaborn, Shoemaker, Smellie, Smerchanski, Steinkopf, Strickland, Watt, Weir, Witney, Wright, and Mrs. Morrison.

NAYS: Messrs. Barkman, Desjardins, Froese, Harris, Hillhouse, Molgat, Schreyer, Vielfaure.

MR. CLERK: Yeas, 44; Nays, 8.

MADAM SPEAKER: I declare the motion carried.

MR. ROBLIN: Madam Speaker, I would appreciate it if you would now return to the Committee of the Whole House.

MADAM SPEAKER: The Committee of the Whole House. The Honourable the Member for Winnipeg Centre.

MR. COWAN: Madam Speaker, I beg to move, seconded by the Honourable Member from Pembina, that Madam Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following Bills: Nos. 57, 80, 85, 88, 90, 108, and 120.

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.

Bill No. 57 was read section by section and passed.

MR. ROBLIN: Madam Speaker, the sponsor of Bill No. 80 phoned me earlier today that he could not be present at the committee meeting and asked the indulgence of the Committee in allowing this Bill to stand until he can be here. I wonder if he has the consent to do that.

MR. CHAIRMAN: Committee agreed -- Stand.

Bill No. 85 -- Sections 1 to 49 were read section by section and passed.

MR. DOUGLAS L. CAMPBELL (Lakeside): Mr. Chairman, on Section 50, would you just read Section 50 as it now stands?

MR. CHAIRMAN: 50? All fines recoverable under this Act should be paid to the convicting magistrate and subject to Section 53 by such magistrate to the Provincial Treasurer.

MR. CAMPBELL: Thank you.

The remainder of Bill No. 85 was read section by section and passed.

Bills Nos. 88, 90, 108 and 120 were read section by section and passed.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Madam Speaker, the Committee of the Whole has considered certain Bills and directed me to report as follows: Nos. 57, 85, 88, 90, 108 and 120 all without amendments and Bill No. 80 is to be held, and ask 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.

Bills No. 57, 85, 88, 90, 108 and 120 were each read a third time and passed.

MR. ROBLIN: Madam Speaker, I have a message from his Honour the Lieutenant-Governor.

MADAM SPEAKER: His Honour the Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates for the sums required for the service of the Province for capital expenditure, and recommend these estimates to the Legislative Assembly.

MR. ROBLIN: Madam Speaker, I move, seconded by the Honourable the Attorney-General, that the message of His Honour the Lieutenant-Governor and the estimates accompanying the same be referred to the Committee of Supply.

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

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

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

MR. CHAIRMAN: Department IX -- Mines and Natural Resources, Item 9, Lands Branch, passed.

MR. LYON: Mr. Chairman, at the time we adjourned we were dealing with the subject of improvements on hay and grazing leases, and I've had over the dinner hour some copies of the policy statement and the chart attached to it with respect to the question of improvements -- I've got about four of these here turned out on a reproducing machine and I would ask perhaps the Sergeant-at-Arms if he could give a copy to the Leader of the Opposition, the Leader of the New Democratic Party and the Member from Rhineland, and perhaps they would be good enough in turn to show them to the Member from Brokenhead and the Member from Gladstone while I look over the extra copy and try to explain the purport of this document.

You'll see on the policy statement on the first page, "The policy is designed to give the lessee incentive for the improvement of Crown grasslands which are held under a long term Ranch Grazing Lease or a Farm Grazing Lease. As all improvements" -- I have an extra one here, perhaps for the Leader of the New Democratic Party --" As all improvements made by

(Mr. Lyon, cont'd)...the lessee belong to him, they are his to sell or assign as provided in the regulations. It is therefore not the intention to reimburse the farmer or rancher for his development costs but to outline certain benefits he may obtain by clearing, breaking re-seeding or otherwise developing Crown grassland." Authority for the granting of these rights is contained in Manitoba Regulation 99/63 which we were dealing with earlier.

Then the attached chart outlines the rights which may be granted for development and re-grassing of Crown lands. The chart is to be used as a guide in setting comparable standard of agreement for all farmers and ranchers, and with the multiplicity of conditions in improvement programs it has been found impractical to design a plan to cover every conceivable circumstance, so this is the general guide line. This, Mr. Chairman, was the material that was used at the various meetings, the dozens of meetings that were held throughout the province on this subject, and perhaps the Leader of the Opposition will recall when he sees the chart, and others who perhaps attended those meetings, the explanations that were given I am sure -- I am convinced much more lucidly than I will be able to give the explanation tonight, by people such as the Director of Lands and so on.

If you turn over to the second page of that sheet that has been handed to you, you'll see a guide to field men in establishing grassland improvement programs and then you see land cover types, Open Land to Light Scrub, Scrub to Medium Bush, and Heavy Bush; and you see Development Without Cropping, and then you see on the other side Development with Cropping; and you see that under Item 1, Open Land to Light Scrub, if a lessee does improvements up to \$10 per acre on that land he pays the basic grazing fee which anyone else would pay, but from the date of the making of that improvement the classification of that land will not be changed for five years from the date of that improvement.

Coming down to scrub to medium bush, if he makes improvements of \$10 to \$25 per acre he pays the basic grazing fee, but the classification as a result of the improvements that he has made to that land will not be reviewed for a period of eight years from the date that the improvements are made to the land thereby giving him the benefit of those improvements for eight years beyond the time that they were made to the land. Heavy bush land -- \$25 per acre -- he pays the basic grazing fee and the classification, that is basically the grazing fee subject only to the variable of the cost of cattle themselves, the price of the cattle themselves, this classification will not be reviewed for ten years from the time of the making of the improvements to the land thereby giving him the opportunity to amortize out the capitalized investment that he has put into this land and of course providing incentive for him to make improvements to the land.

And if you carry on over to the -- what we've been talking about there is Development with Cropping where nurse crops may be used. In the other heading, Development with Cropping, if he makes improvements of up to \$15 an acre on open land to light scrub he pays the basic grazing fee and he retains the nurse crop, the classification reviewed in five years; \$15 to \$30 he pays the basic grazing fee and the lessee is allowed the nurse crop, the classification reviewed in eight years; the estimated development cost per acre of \$30 plus basic grazing fee he pays, he's allowed the nurse crop and the classification is reviewed in ten years.

Now the way it has been explained to a layman such as myself is this, that if you had a piece of land which was in say Category 4, heavy bush land or scrub land, and by virtue of the category you were paying a low basic grazing fee for this land because of the classification it was in, after you had made the improvements, say let's take it scrub to medium bush, after you had made the improvements on development without cropping of say \$10 to \$25 per acre, you still pay only the basic grazing fee that you initially paid for that land when it was in scrub and you are entitled to have that classification maintained for eight years beyond the time when you made the improvements to the land. That is only one example of how the scheme works but it seemed to explain itself best to me when that example was used, even though the carrying capacity of the land will have been increased tremendously as a result of the clearing of the land and so on, and so these are the incentives that have been filled in in the improvement plan and in the policy surrounding improvements under this new policy.

MR. MOLGAT: Mr. Chairman, I took advantage of going to a number of the meetings that were held in my constituency last fall to explain the new system, and I attended two of them in fact. I attended as well two other meetings that were not called by the department but by the

(Mr. Molgat, cont'd)... department but by the local people who were concerned about this, and I appreciate the statements made by the Minister. I don't recall, I must admit, seeing this chart before. It may have been explained to the meetings but if it was I certainly missed it, because one of the matters that came up with this very subject of leasehold improvements. So I would say this to the Minister, that what he gives us here is an improvement over what I had seen at that time.

I'd like to ask him, however, why is it that the land has to be reclassified when it's the same owner. Let's assume that a rancher rents land from the government, raw land in the category of scrub to medium bush. He takes it in that condition. He proceeds to improve it. Why, as long as he is a tenant, is it necessary for the department to come in and charge him more money because of improvements that he's made on the land? I don't follow the logic in this. If the department is prepared to rent him land in a raw state and he puts the money into it -- the department doesn't put any, he puts it all himself -- why, as long as he is the tenant, is it necessary to raise the classification because of improvements that he has made?

MR. LYON: Mr. Chairman, again this is because the policy is to reclassify or review every five years all lands to determine to what extent there has been change in the carrying capacity of the land, either through -- I'm not going to say through improvements -- but through natural changes that might take place on the land through grazing habits, etc. etc. etc. There are many multiplicity of reasons, all of which don't come to my mind at the present time, for reviewing classifications, the same as you review the rent under any form of lease. I think it's clear and apparent to my honourable friend that by giving this extra period of five, eight, or ten years, this is an extra built-in period which provides in addition to this regular period for reclassification a further period beyond which no change will be made, or no reclassification made in the land itself, so that even with the lowest period say of five years which is offered on the first category there, if the man makes improvements in the fourth year of his five-year lease he is then automatically guaranteed that he will have the same classification of this land for another further five years, which to me seems to be a reasonable incentive.

MR. MOLGAT: Mr. Chairman, it's better than what this policy was when I first heard of it, I agree. But still I don't see why he should be charged extra in the future for improvements that he puts on the land. I agree with the reclassification. No argument on that score, provided that its reclassification on other matters than the ones that he has contributed to personally. But if he invests \$10 an acre to improve the land, I don't see that during the whole period of his tenure that he should be in effect re-charged for it later on through a higher classification fee. If there are other aspects that come into it, or other reasons altogether than the amount of money that he has spent on that land for reclassification, then I accept; but insofar as his investment, I don't think it should be reclassified on that basis.

Mr. Chairman, I'd like to make some general comments on this new policy in the department. I'd like to say that we were very anxious that there be a new policy of long-term leases. We were pushing my honourable friends across the way to come out with this policy. I must say that I'm somewhat inclined to the views expressed by the member for St. George that in the minds of a lot of the ranchers in the province the main effect of the new policy has been to increase their costs very substantially. I have had the following complaints, for example. Here's one rancher who previously was renting five quarters from the department. His total cost of \$16.50 per quarter which was \$82.50. Now, under the new classification it turns out that four of them are reclassified at \$37.00 each and one of them is reclassified at \$59.00, so his new total cost per year is \$207 as compared to \$82.50 previously, and the carrying capacity of the land certainly has not increased during that period.

Now it could be said, well possibly he was under-charged previously. Mr. Chairman, this may apply in a number of cases, but I think that by and large across the province the reaction of the ranchers has been that the increase has been much too drastic by comparison to the state of the cattle industry at this moment. It seems to me that the Minister might consider some changes in the policy, because at this time as I understand it there's one policy applicable through the province, whether you are leasing land some 30 miles or 40 miles from Winnipeg, say out to the east of the city, or whether you're leasing land up at the very north end of the Interlake or out in my constituency or that of the Member for Rupertsland or further even than that up in the Swan River country, you are assessed on the same basis, because the basic

(Mr. Molgat, cont'd)... calculation is 225 pounds of gain per animal during the period.

Mr. Chairman, I don't think it's reasonable to say that you will get the same amount of gain from an animal that is grazed here in the southern part of the province as an animal grazed in the constituency of the member for Rupertsland or my own, or even worse further north, because there is a substantial difference in the length of time on which you can have the cattle on pasture. I am told by the ranchers in my area, and I'm sure the member for Rupertsland can speak much more authoritatively than I can because he's on the ranching end -- he's actually engaged in it himself and I'm looking at the ranchers as one who has lived with them for many years but has not been actively engaged in the industry -- but they tell me that the shorter grazing season in the more northern parts means that there isn't the increase that one can expect here in the southern area.

Secondly, there's no consideration made for distance to market. Now this can be a sizeable factor on cost insofar as the rancher is concerned, because once again if he is 30 or 40 or 50 miles from the basic markets in St. Boniface, he is in an entirely different category than the man who is ranching up north of Gypsumville or down in the Waterhen country, because his costs of transportation for his livestock are very different, and to take the basic cost or basic price of livestock in St. Boniface and assess that across the province takes no consideration of the cost factors involved for the ranchers.

So those are two factors that I think the policy might reconsider. Then of course the matter of the leasehold improvements which I mentioned, where I think the department should take a new look completely and not take in any improvements that the rancher makes himself. I'd like to know from the Minister whether he is prepared to reconsider this policy on the rate of gain, based on 225, and the basic average price at St. Boniface, and have some way either by distance or by region to take into consideration the different circumstances that exist in various parts of the province.

MR. LYON: Mr. Chairman, we're always prepared to look at any new idea which is thought to be constructive and helpful and beneficial to the public wheel in Manitoba. Not being an expert in these matters, I can't immediately say whether those advanced by the Leader of the Opposition might fall in that category totally. Certainly we're prepared to look at it. Are we prepared to make changes immediately or in the near future? I'm afraid the answer would be "no," because we haven't seen that there's any great prejudice resulting from the formula that has been worked out after some considerable time and thought by close consultation of the people in the Department of Agriculture and our own people in the Lands Branch and so on.

We don't envisage any changes at the present time. We certainly are willing however to look at any new ideas that might be helpful and that might be more equitable. We don't know of a system at the present time that is more equitable than the present plan. It has been said of course that this is not -- my honourable friend will appreciate this -- this is not a hand-out or a welfare policy, this is a businesslike economic policy for handing out or for leasing hay and grazing land in Manitoba on an equitable basis to all comers; and we would, I think, want to see displayed and proven that it is working hardship much more than we have at the present time before we would want to make any subsequent changes.

MR. MOLGAT: Mr. Chairman, if this is a businesslike policy -- fine. If it's a businesslike policy, then let's follow business principles. The new basis for example says that the new rental fee will be determined early in November when average prices of beef for the six months previous to October 31st are available, with an expected market price in the St. Boniface stockyards -- I repeat, St. Boniface stockyards -- of approximately 20 cents on which the fee is based. The rental will be somewhat higher than the present minimum of \$16.50. All right. So the fee is based on the price at the St. Boniface stockyards. Now on a purely business proposition, as my honourable friend mentioned, is he going to tell me that a rancher here at Shoal Lake say, or in the area around Teulon renting land from his department is in the same category as the rancher in the Ethelbert area or up in Rupertsland or out in my constituency from a cost standpoint? Entirely different basis of cost, because you've got to haul your cattle or pay to have them hauled in here, and the policy takes no consideration whatever of this, and this is a purely businesslike proposition, as my honourable friend says.

MR. LYON:and the taxation that's imposed on municipal land in my honourable friend's constituency and the constituency of my honourable friend from Rupertsland and so on

(Mr. Lyon, cont'd)...has no relationship whatsoever to the cost of that farmer of hauling his cattle to the market any more than the lease value of this Crown land has relationship to extraneous factors -- extraneous factors to the land but not extraneous factor to the person doing the business. So I can't give my honourable friend any hope whatsoever that that type of factor, at the present time at least as far as I am aware, will be taken into consideration in arriving at the formula we use for leasing purposes.

MR. M.N. HRYHORCZUK, Q.C. (Ethelbert Plains): Mr. Chairman, I only want to add one other factor that I think the Honourable Minister should consider, and I suggest that he discuss this matter with the Honourable Minister of Agriculture, and that's the difference in the shrinkage of the animals shipped say from Rupertsland and Teulon. That's quite an important factor, in fact it could run into several dollars per head, almost equivalent to the lease charges on it.

MR. S. PETERS (Elmwood):the Honourable Minister a few questions earlier on this evening and I haven't received an answer.

MR. LYON:and the allocation of it. Originally, Mr. Chairman, summer cottage property was allocated on a "first come first serve" basis. Choice properties were being acquired under that policy by individuals, some of whom had no real summer cottage interests, and they were acquiring the properties primarily for speculation. Permit rights were being sold privately with fairly high profit scheme by those who were fortunate enough to be first in line. In addition, the field staff were then accused of showing favoritism and so on for accepting applications for choice properties. Since this is public property, all Crown land, any capital gain realized through its development should accrue to the public as a whole, at least this is the principle upon which the policy was developed and this is done by the tender process which is now in force.

A range of choices are provided in the summer cottage properties from select sites, and in many cases these are waterfront sites, to second and third tier sites. The select sites bring in large bids while those remaining often are bid in at the upset cost. In effect, the summer cottage land market now is little different than the residential property market and this is growing by leaps and bounds each year in terms of request. The individual acquires what he can afford. Summer cottage sites provide for an exclusive land use and must be considered separately insofar as equal opportunity is concerned for public recreation area. That is the policy of the department at the present time.

MR. SHOEMAKER: Excuse my ignorance for asking this question, but does the federal government lease any of their Crown land in the province for agricultural purposes? It strikes me that in and around Riding Mountain National Park they have a policy there. Now does this government operate it for the federal government, and if so, are the same terms applied to the federal Crown land, if I am using the correct term, as to provincial Crown land, or have they a different policy altogether?

MR. LYON: I have no information on the subject, Mr. Chairman.

MR. PETERS: Mr. Chairman, if I heard the Minister correctly, he said it's on a tender bid system. Is that correct? This is what I am opposing because the fellow that has the money is going to bid and he is going to bid high, because when you get the circular from the Lands Branch of the Department of Mines and Natural Resources, they tell you that the minimum bid is \$25.00 -- or it might be \$50.00 -- and you wind up with the choice lots being bid at for \$1,200 and the ordinary guy doesn't have a chance. There are cases where there are six lots in a row where they are bid on high, and the tenderer gets that six choice lots and then builds them for speculation. This is what I'm against and I think that the government should revise their system. They should set a set price, let everybody put in who wants a lot, and if there's more than one that wants it, put all their names in a hat and the first one that is drawn out gets it.

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, one matter that disturbs a lot of people is the difficulty in obtaining or purchasing Crown land. Now I know the Minister will argue with a lot of -- and will say for his argument that if they sell land indiscriminately that they will have to provide schools, roads and what not to the persons purchasing the land. But I know of an area such as the northern part of my constituency and in the constituency of Rupertsland where people have land already and they want to purchase an adjoining piece of

(Mr. Guttormson, cont'd)...land to go along with the land they already own, and they are experiencing great difficulty in obtaining land such as this. Now the Member for Rupertsland and I have both received requests from an individual who lives in my constituency but who is anxious to purchase a piece of land in Rupertsland and is having a great deal of difficulty doing so, and as I say, the land that he wishes to obtain is adjacent to other land that he has and it doesn't seem reasonable that we should refuse him because he is already located in the area anyway.

MR. LYON: Mr. Chairman, there's been no change in the policy of the department with respect to the permanent sale or alienation of land from that expressed by the Minister last year. Arable lands, land classed as arable and suitable for continuous cultivation are available for sale and are categorized and approved for sale by the Land Utilization Board. Some grasslands -- scattered parcels of Crown land located in organized municipalities where all of the required services have been provided, with the approval or recommendation -- or approval I should say of the local municipal council and again having been approved by the Land Utilization Board, are available for sale.

But there's nothing new in this policy. This is precisely the same as it was last year. I know that there are individual cases where alleged hardship is pleaded and certainly if there are those cases we are prepared to look at them again. But we do have to depend in the vast majority of the cases on the judgment of the people on the Land Utilization Board and the other staff members in the branch who are well equipped to give us an opinion as to whether or not land should be finally alienated and sold, having regard as we always must to the experience that the province had in the years gone by. I say though that the policy is not changed. It's the same as it was last year.

MR. GUTTORMSON:the point that I'm making is that it doesn't seem reasonable that they shouldn't sell a piece of land adjacent to land that's already owned by the individual seeking to purchase the new piece of land because he's already located in the area and an extra quarter isn't going to alter the situation at all.

MR. LYON: If my honourable friend would let me know of that particular case I'd be glad to look at it myself. There must be some good reason, such as the type of land, erosion or some other reason why the Board has seen fit not to sell it, but I'd be happy to look at it if you would let me have the particulars.

MR. GUTTORMSON: Well after the House rises I'll be happy to furnish him with the information.

MR. MOLGAT:is taking the same position as my colleague from Gladstone and acting as the ombudsman from my area. I have a number of pieces of land that residents want to purchase and they have been turned down for the past six years. I agree with the member for St. George that where someone who is resident in the area and who has already shown a capacity to make use of that type of land and knows how to use it, that the department should consider their request to purchase, so I'll be in to see my friend with those requests.

MR. LYON: I think it -- isn't it President Johnson who says, "Let us sit down and reason together." I'll be happy to sit down and reason with my honourable friend.

MR. E.R. SCHREYER (Brokenhead): Mr. Chairman, I merely wanted to say that having heard the remarks of the Honourable Member for St. George and the Leader of the Opposition, I only want to say "ditto," I'll be in to see the Minister too.

MR. SHOEMAKER:Mr. Chairman, I wonder if the Honourable Minister could provide every member of the House with one of the sheets that has been presented to us within the last few minutes. It is marked 223 at the top. I guess he knows the one I mean.

MR. LYON: Every member of the House will get one. I could only have that small number produced over the dinner hour.

MR. SHOEMAKER: Thank you, I think it would be useful.

MR. MOLGAT: Mr. Chairman, Iconvincing the Minister that he should have another look at his policy on long-term leases based on the one price for cattle across the province of 225 pounds. But I would just like to ask this of him. Between now and the next session -- I realize now he's under pressure, Mr. Chairman and it's difficult for him to get up here in committee and say: "Well, all right, I'll look it over again." I won't insist upon it right now, but let him consider the situation between now and next session. Let him look at his

(Mr. Molgat, cont'd)... statement tonight, that this is a businesslike proposition, and I think he'll agree with me that on that basis there should be a consideration made for setting up this policy on a regional basis, because if he doesn't do that, then either his policy is right close to St. Boniface, in which case it's wrong; 300 miles from St. Boniface -- or it's right up there and it's wrong near St. Boniface; one or the other, it can't be both.

Mr. Chairman, I'd like to know from the Minister what the policy in the recreational areas in the province is with regard to land tenure. What is the length of lease given in, say the provincial parks, the summer area sites. I presume the policy is the same there, that the government refuses to sell cottage lots. What is the tenure that it will give on private residential lots and the tenure on commercial?

MR. J. M. FROESE (Rhineland): Mr. Chairman, before we leave the matter of lands for sale -- apparently there are lands for sale and I'm wondering, are these lands advertised when they are offered for sale? How much is there available, the price asked, on what do you base the price that you're asking, and where are these lands located. Could we have some information in this regard?

MR. LYON: Mr. Chairman, I'm going on memory because I can't put my hand on the information. I believe that the summer cottage leases are for a five-year period, renewable every five years, and I think the rent is subject to change during the same -- that is not subject to change except during the five-year periods. The commercial leases, I couldn't give my honourable friend the answer without getting direct information from the Lands Branch on that.

MR. CHAIRMAN: Item 9 -- passed. Item 10 --

MR. FROESE: Mr. Chairman, I didn't get the information on the question I put.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, may I ask the Minister a few questions under No. 10, the Acquisition of Land. I have here an Order for Return No. 49 concerning the lien property out at Delta that was recently acquired by the province. I think last year I made a short speech on the subject that the province should watch this property with a view to acquiring it, and I'm very happy to see that they have done this although I am somewhat disturbed to see that they didn't acquire the property directly from the estate and thereby save a considerable sum of money.

The information I have was that this particular property was appraised at \$80,000 if it was sold in a parcel with the other property and it was appraised at \$90,000 if it were purchased singly from the estate, and I see in the Order for Return here that \$170,000 was paid for the property from another party, and this includes some property at Grants Lake. Now I've been told -- and I haven't checked this information -- but if all the property at Grants Lake were purchased it was worth around \$40,000 to \$45,000, so it would appear to me, although I stand to be corrected, that the province has paid about \$35,000 more than they needed to if they had bought it direct from the estate. I'm surprised that this government allowed it to lay around that long that someone else acquired it and made such a handsome profit out of it.

MR. LYON: I'm not aware of where my honourable friend got his appraisal figures from because we have no such appraisal figures. The only information I can give him with respect to where the property was acquired from is that it was bought from a group who had an option on the total property which was given, as I understand it, by part of the estate apparently without the knowledge of -- certainly without our knowledge -- and the Crown was in the position of having to purchase the property then from those who had taken the option for the total property in order to make sure we got it. We feel that the price we paid, having regard to all of the circumstances of the case, was a reasonable price based on what our own people were able to tell us.

There is a total of some -- just a little better than 3,600 acres involved. Some of this is choice arable land as my honourable friend will know, particularly in the Delta area. The rest of it is some of the finest marshland indeed in the North American continent, land for which I am sure that money in excess of \$170,000 would have been paid by other sources to acquire it for private hunting rights, so we do not feel, by any stretch of the imagination, that the province got a bad deal on this property at all. In fact all of the evidence that we have had from our staff and from outside sources indicates that it was a good deal for the province to get it at this price. I suppose if we were to put it on the market tomorrow we could quite easily

(Mr. Lyon, cont'd)...get the amount that we paid for it and perhaps a little bit to boot.

MR. JOHNSTON: Just one more item, Mr. Chairman. I thank my honourable friend for his information. The province now has the property which I'm very happy, and I'm sure that the experts in his department will decide what is the best use in the public good for this area, but I would like to make one suggestion in regard to the lodge building itself. I certainly hope the province will not take this down and I hope that they will find a use for it that will be to the benefit of our people. I would like to offer one suggestion, that it would make a wonderful camp for underprivileged children or some use of this nature and it would still not spoil the use of the surrounding area for wildlife or a public park.

MR. LYON: I would like to thank the member for that helpful suggestion. That is among a number of suggestions that have already been made and we're hopeful -- I can assure him, that the property will not be taken down -- we're hopeful we can put it to some use such as he has suggested for the benefit of Manitoba.

MR. PAULLEY: On this Item 10, is this where the expenditure is to be made insofar as the new development in Birds Hill is concerned?

MR. LYON: The new development -- the new park program -- part of that money will be found in the Capital Supply which we'll get to before too long and the balance is in this vote for the other parts of parks program and land acquisition that I mentioned before. This includes land acquisition other than for ARDA program, forest protection, roads, towers, fireguards -- some of it's shareable, some of it's non-shareable -- parks division, the recreational development, part of the program that I mentioned -- not the new park though. The capital for the new park is in the Capital Supply vote coming up. Forest management division gets some for seed extraction plants; fisheries for the fish research and culture station I mentioned for Grand Rapids -- (Interjection) -- Yes. If there's any particular question that my honourable friend has though I'd be happy to try to answer.

MR. HRYHORCZUK: I only have one question to ask the Minister and that's in connection with land sales. I notice on Page 70 of the report that 128 parcels have been sold last year, 9 of which were townsites and the balance land sales. Then on Page 75 of the report we notice 835 land dispositions were processed. I take it that out of a total of 835 only 128 were found acceptable, or the land placed under the category of sales. Now I was wondering, Mr. Chairman, I'd like an answer as to whether my interpretation of those figures are right. They point to me that there are a large number of applications filed with the department which are turned down and I believe probably turned down because the land isn't thought suitable for cultivation.

I wonder, Mr. Chairman, whether the government has made a survey of Crown lands in the Province of Manitoba and if they have any idea of the number of acres or sections of land that are arable and are available for sale in the Province of Manitoba. I believe that there are areas still in the province that have excellent lands within them, lands that are suitable for cultivation, lands that can meet some of the best we have in the Province of Manitoba, and I just wonder whether a survey has been made and whether we can get any information on it.

MR. LYON: I think we have this information, perhaps not in as specific a way on a quarter-section basis as we hope to have ten, fifteen or twenty years from now when we finish the total land inventory. In a general way this information is available, but not as specific as perhaps was indicated when I was talking about land use inventory and so on.

MR. HRYHORCZUK:take me twenty years to get this information.

MR. LYON: I'm talking about the whole province on a quarter-section basis.

MR. HRYHORCZUK: But even the whole province, the northern part of the province where the muskeg is and the tundra, I don't expect you to find very much there. I'm talking about the land that's within reach of the settled areas.

MR. SHOEMAKER: Mr. Chairman, I would like just for a moment to refer to the Order for Return No. 49 and the Bain estate at Delta. I'm not familiar with it at all. I don't know it at all, but I understand that the price paid was \$170,000 for 3,600 acres or thereabouts plus buildings. Well now my question is this: What is the assessed value of the land? I have always maintained that there is a relationship between the assessed value and the real value of property. In fact we use it in our office every day on establishing values and I'm sure that the government use when they go out to appraise farm lands for loan purposes under Manitoba Agricultural Credit -- and I suggest that this is the basis on which the government should

(Mr. Shoemaker cont'd) establish the real value in future. The government are going to have to purchase I believe 5,000 acres of land in this area for the Portage Diversion and there must be a relationship between the assessed value and the actual value or there'd be no purpose whatever in assessing it. So I wonder if the Honourable Minister would attempt to provide us with the assessed value of the property in question as referred to in the Order for Return No. 49.

MR. LYON: information that's available I presume through the office of the Rural Municipality of Portage la Prairie. I haven't got it now. I don't know if it's in the department at all. My honourable friend raised an interesting question though because when the Crown is acquiring land either by way of expropriation or straight purchase, it would be nice ideally if they could acquire it on the basis of assessed value, but I think the Member from Lakeside will agree and perhaps some others, that we'd be buying some pretty cheap land sometimes if we could buy it on the basis of assessed value. It's a nice thought but I think pretty well you end up paying the going price, and I know when you're expropriating you end up paying the going price plus a little bit because that's always been the case in my experience with acquisitions of that nature.

MR. SHOEMAKER: Mr. Chairman, I think the Minister misunderstood me and that's probably understandable, but all I said was that there is a relationship. Now I have found that so far as Neepawa is concerned that the going price of farm land is about 300 percent of the assessed value, and on town property roughly 200 percent of the assessed value. We know this by sales that are made every day. Now I just want the assessed value of this property to determine in my own mind whether the province paid too much or too little. That's all I want it for. It's as simple as that, Mr. Chairman.

MR. LYON: Even when we do get it I don't know if it will answer the question for my honourable friend.

MR. CAMPBELL: the Bain property because, like the Honourable Member for Portage la Prairie, I am interested in it. I understood the Minister to say that the total acreage is in the neighbourhood of 3600.

MR. LYON: There are 2800 acres south of Delta, or at Delta, and 800 acres in the Grants Lake area.

MR. CAMPBELL: That's the question that I was going to ask, was to get the relative amounts between the Delta area and the Grants Lake area. One question that I have from the report that's been laid on our desk -- I recognize that this is now a year old -- I see on Page 72 under the heading of "Land Acquisition" that though the average price of the land acquired was only \$21.15 per acre, it's another case of where averages don't tell the whole story because that portion that was acquired for recreational purposes seems to have an extremely high figure on it. I don't suppose the Minister has figures in that regard now before him, but would he get the details that would inform us as to why that happens to be so much out of line with the rest, because I figure it to be between \$600 and \$700 per acre. Maybe once again my mathematics aren't too good, but it does seem to be very high. Perhaps it was some particular site or sites that

MR. LYON: under that same heading, that in the case of land purchased for recreational purposes, 45 acres of valuable property was acquired from the Motor Country Club adjoining the Federal Historical Site of Lower Fort Garry for future park development on behalf of Manitoba, and I think that would make up a fair portion of that big price.

MR. CAMPBELL: found there, would it amount to any figure such as that?

MR. LYON: No, it wouldn't amount to that total, Mr. Chairman, but I think that total of 45 acres makes up a fair portion of the total of \$120,000 that is shown in the table above. Now I can get that figure though.

MR. CAMPBELL: If the Minister would get a breakdown of that I'd appreciate it.

MR. CHAIRMAN: Item 10

MR. MOLGAT: Mr. Chairman, before we pass this item I wonder if the Minister could give us some information on the land in the Forebay area of the Grand Rapids project. I believe this was handled by Lands Branch. I understand that there are a number of cases there where people who were previously in business in various locations in the Forebay area and who had to move out because of the flooding found themselves in the position where they did

(Mr. Molgat cont'd)not have land available. Now this ties in, Mr. Chairman, with a question I asked the Minister on No. 9, and that's regarding the term of lease available to commercial interests and as well to private interests on Crown lands. Now what provision has been made by the department to provide additional land. I understand for example at Moose Lake that one of the traders there was unable to get land from the department, that he was simply told there would be no land available. Now is this the case and what provisions did the government make?

MR. LYON: Except from the standpoint of the land acquisition, I haven't heard myself, Mr. Chairman, of the problems relative to leasing of land after the water rises and so on. I'd be happy to learn of any particular case my honourable friend has because I must admit I have no information in front of me indicating any problems in that regard at all. I will get for him the commercial leasing policy a little later on.

MR. MOLGAT: Mr. Chairman, I hope the Minister will have a lot of time after session because he's obviously going to have a line of MLAs there with special problems, --(Interjection) -- yes, ombudsman problems. In view of the fact that he's inviting us there, I'll be in to see him.

I'd just like to make this general point, Mr. Chairman, on the matter of the leases, that unless the department is prepared to either sell land to people going in on a commercial basis or at least to give them a long term tenure, that it puts people in the position where they cannot possibly borrow in order to build on these locations. If you expect a trader or tourist camp operator or someone to go in, get funds in order to build something suitable, then you have to give either a title or tenure so that he can obtain funds from someone else, and I would appeal to the Minister to have a careful look at this situation otherwise I think he will be preventing the development in Manitoba of a number of tourist enterprises and also some commercial interests which legitimately should be located in some of these areas where the province owns all of the land.

MR. CHAIRMAN: Item 10

MR. MOLGAT: Mr. Chairman, the suggestion that roads should be discussed under capital division, and I want to refer him for want of a better map at the moment to his own booklet or the one that was handed out to us this afternoon, "Fish in Manitoba, Area Map 2, page"-- I guess it will be 24. Mr. Chairman, last year when we were discussing the situation of the San Antonio Gold Mines at Bissett, one of the problems that was facing the government and the people of Manitoba then was the Bissett was a one industry town, that should it happen that the gold mines would close then the whole of that area would become dependent on the government for welfare or for relocation elsewhere.

I pointed out at that time to the government that some years ago the previous government had begun a road development program in that area and that my honourable friends when they took power had indicated that they were interested in continuing this procedure. In fact I remember a map that was -- or I should say a tentative map that was produced at that time showing a highway along the east side of Lake Winnipeg. This was to be a development highway. Now if the Minister will look at that map he will see on Area Map 2 that the present Bird River road branches off and goes to Cat Lake. Between that location and Long Lake is not a very long gap, but if this gap were filled, as I had suggested last year, and a road were built that this could develop that whole area in through there as a very important potential tourist area. There are possibilities in here.

Secondly, it would open some of this area close to the Province of Ontario to further pulp or lumber developments and possible mineral developments as well. It's my understanding that there are possibilities in that area for further mineral -- in fact I think in some cases certain of the mines who are there now were interested possibly in putting in some local processing, and if this were done it would give an opportunity to the people in Bissett to have other industry apart from just San Antonio on which they depend now.

So I would appeal to the Minister again to look at the situation and see if it would not be wise in the long run for the province to proceed fairly soon with that connection from Cat Lake to Long Lake to develop that area. There would be I think, Mr. Chairman, a further advantage in this, in that we might be able to tap some of the Ontario developments to the north of Minaki. At present, most of this as I indicated last year does flow into Manitoba through our own

(Mr. Molgat cont'd) highway system in the Bird Lake and into Lac du Bonnet. There are developments further north than that, possibly connections with Red Lake in the future, and this would get this traffic into Manitoba. It would assist that whole section of eastern Manitoba and would help out the problem that we were faced with last year in Bissett. I think it would be a wise investment and in the long run possibly save a great deal of money to the province.

MR. LYON: I thank my friend for that suggestion and certainly it will be considered. There is nothing in that area in the estimates provided this year.

MR. CHAIRMAN: Item 11 -- passed. Resolution

MR. MOLGAT: Mr. Chairman, I believe that item was left open at my request in order to obtain information from the government on the matter of unconditional grants. This information was given to me by the Minister of Municipal Affairs under his own estimates and as far as I am concerned I was satisfied with the information given and the item can pass. There may be others who have matters to bring up, I don't know.

MR. CHAIRMAN: Resolution passed. Schedule A, 1 -- passed; 2-- passed.

MR. MOLGAT:

MR. CHAIRMAN: The schedule A -- the Capital.

MR. MOLGAT: Oh, just one moment. Could you give us one second, Mr. Chairman, to get the information here. I wonder, Mr. Chairman, if we could obtain from the Ministers in each case here the amount unexpended and carried over.

MR. ROBLIN: Could my honourable friend tell us on which particular item? About telephones?

MR. MOLGAT: The first on Schedule A is the Manitoba Telephone System and we are being asked for \$7,500,000.00. Last year according to my figures we were being asked for \$16.5 and there was an unused authorization of \$3 million plus surplus and reserves of \$6.5 million, and I wonder if we could get the same comparable figures this year.

MR. ROBLIN: Yes, Mr. Chairman, the total amount to be spent by the Telephones this year on capital purposes is \$17,400,000, and it's made up as follows: capital contribution CATV network, half a million dollars; transfers from reserves, \$6.4 million; carryover of unused authorization, \$3 million; net new authority required, \$7.5 million.

MR. PAULLEY: ... of the telephone system of \$7.5 million that we are dealing with at the present time out of capital?

MR. ROBLIN: Yes, that's the net amount they need out of capital.

MR. MOLGAT: I presume there are no unusual items in here, Mr. Chairman, that this is the normal expansion of the telephone system?

MR. ROBLIN: Yes, that's right, Mr. Chairman, it's the usual list of things, nothing exceptional in this list at all.

MR. CHAIRMAN: Schedule B. 1 -- passed.

MR. MOLGAT: Mr. Chairman, on Schedule A, No.2, the Water Supply Board?

MR. ROBLIN: Yes, Mr. Chairman, the total program for the coming year is \$1,670,000.00.

MR. MOLGAT: \$1.6 million?

MR. ROBLIN: Yes, \$1,670,000 less the carryover of unused authorization of \$770,000, and the new money that's required is \$900,000.00.

MR. PAULLEY:

MR. ROBLIN: Well now, I haven't got that figure with me, I'm afraid. It is just the coming program that I have here.

MR. PAULLEY: Mr. Chairman, in the amount of the appropriation for capital expenditure that was approved last year and the amount

MR. ROBLIN: Mr. Chairman, I appreciate that. I haven't got last year's.

MR. PAULLEY: Could you get it for me?

MR. MOLGAT: Mr. Chairman (Recording trouble -- not audible)

MR. PAULLEY: It seems to me then, Mr. Chairman, that if we only used, what was it again, Mr. Molgat?

MR. MOLGAT: unused, \$1.5 million and \$370,000 requested, for \$1,870,000.00. In other words, \$1.1 was used leaving \$770,000 unused.

MR. ROBLIN: Yes, that's right.

MR. CHAIRMAN: Let us proceed. Schedule B. 1 -- passed, 2 -- passed.

MR. MOLGAT: Mr. Chairman, I wonder if we could have the same information in all the cases and then, in addition, in the case of provincial buildings if we could have a breakdown as to what this covers.

MR. ROBLIN: Mr. Chairman, the breakdown for provincial buildings is as follows: School for the Deaf, \$1,800,000; Junior Vocational School, \$750,000; Laundry at the Mental Hospital at Selkirk, a new building is being built, \$55,000; Juvenile Detention Centre at \$1,500,000; and acquisition of real property, \$770,000; Total \$4,855,000.00.

MR. PAULLEY: I wonder if the Honourable Minister is in a position to disclose to us the location of each of these particular buildings. If I've got the figures jotted down correctly, there's \$1,800,000 for the School for the Deaf. Is the Minister in a position to tell us where it is going to be located? Similarly I note, if I've jotted the figures correctly, there is three-quarters of a million dollars for a Junior Technical School. What is the location of that and also the \$1.5 in respect to the Juvenile Detention Home?

MR. ROBLIN: I can't give you the positive locations for some of them, Mr. Chairman, because they haven't yet been settled, but the Junior Vocational School will be within Winnipeg, the School Division of Winnipeg, and the Laundry at Selkirk is obviously at Selkirk. The locations of the other schools, the School for the Deaf and the Juvenile Detention Centre are not settled though it is likely they'll be in the Metropolitan area.

MR. PAULLEY: Mr. Minister, that it is likely that they will be in the Metropolitan area, the exact location is not -- that's satisfactory to me, Mr. Chairman.

MR. MOLGAT: The School for the Deaf was one million how much?

MR. ROBLIN: I'll give them again. The School for the Deaf, \$1,800,000; The Junior Vocational School, three-quarters of a million; Selkirk District Laundry, \$550,000; Juvenile Detention Centre, \$1.5 million; and acquisition of real property, \$750,000.00.

MR. MOLGAT: \$750?

MR. ROBLIN: Yes.

MR. MOLGAT: Mr. Chairman, the Laundry at Selkirk, as I have my notes from last year, we passed an amount of \$550,000 for a laundry at Selkirk Mental Hospital then. Are we now being asked for \$550,000 for a laundry at Selkirk as well?

MR. ROBLIN: No, no. We're asking for an additional sum of \$55,000 to complete the investment that we have there.

MR. PAULLEY: Mr. Chairman, the Minister mentioned, if I got the figures correctly, was it \$750,000 for acquisition of the extra property or additional property other than the School for the Deaf? What exactly has the government in mind so far as acquisition of property is concerned and for what reasons?

MR. ROBLIN: This is a sum that is put in -- it doesn't necessarily mean that we have any particular acquisition in mind but we like to have some authority to purchase, but we are negotiating with the federal government as my honourable friend knows with respect to the Rupertsland Ladies' College, in respect to the Portage la Prairie Air Station and things like that, and that's where the money will come from.

MR. PAULLEY: . . . include for instance the government taking over installations at Cranberry Portage and the likes of that? Would that be correct?

MR. ROBLIN: That's correct.

MR. PAULLEY: And Churchill?

MR. ROBLIN: Well, we've no negotiations at Churchill.

MR. MOLGAT: If this figure is correct for that laundry at Selkirk, \$525,000 last year and another \$55,000 this year or a total of \$580,000, it seems like an awfully expensive laundry.

MR. ROBLIN: No, I'm sure that you've got the two items, some items mixed up there, Mr. Chairman. Probably my honourable friend is referring in the first instance to the Community Health Centre that was built at Selkirk. That's the big investment that was made there recently. That was about a three-quarters of a million dollar proposition all told.

MR. MOLGAT: . . . Hansard for last year. Is there any unused in this section, Mr. Chairman.

MR. ROBLIN: No, Mr. Chairman, there is no money unused that I am aware of. I must warn the committee though I have not got the same figures in front of me that I had with respect

(Mr. Roblin cont'd) to the Utility Appropriations so I'm just giving this to the best of my knowledge. But I do not think there's any large sums outstanding in unused in any of the appropriations.

MR. PAULLEY: Mr. Chairman, I asked the Minister of Mines and Natural Resources a few moments ago as to whether or not an item that was in his estimates had anything to do with the contemplated extension of the park system to include the area in around Birds Hill. He told me that -- at least I thought he told me that the moneys for that particular purpose were included in the Capital Expenditures under Item No. 2. I wonder if the Minister; the Treasurer could outline what they have in mind insofar as this expenditure of \$1 million is concerned, particularly regarding Birds Hill.

MR. ROBLIN: I think, Mr. Chairman, that this appropriation here is the first of a number we will have to take care of the parks program that was outlined by the Minister when he introduced his estimates. This is the first installment.

MR. PAULLEY: I want to hear a little bit more from the government in connection with the development in the Birds Hill area. As we know, the Minister of Agriculture is making considerable expenditures in the building of the Floodway, and the Floodway as I understand it will be going through the general area of Birds Hill. If memory serves me correctly, from looking at the maps and the profile of the -- (interjection) -- that's right, I want to know that because -- and not only that, Mr. Chairman, I'm also concerned with the development of the Floodway and this new park system and the over-all cost of the Floodway, because it appears to me that if you're going to have to move a lot of gravel out of the general area of the Birds Hill ridge in order to develop the recreational park, then it seems to me that one development should be co-incidental with the other. It we're going to be requiring a considerable amount of gravel say for the construction of the inlet to the Floodway in my constituency where the inlet of the Floodway is to take place -- and I note from press releases the other day that this was the largest single contract ever awarded by the Province of Manitoba. Now it does seem to me unless there are engineering problems, that co-incidental with the development of a park area and the excavation for the Red River Floodway through Birds Hill and the expenditure for the Inlet, that there should be some close relationship between using materials that are coming out of one area in the other area so that we get the best value for our money. Now I'm not sure whether this is being done or not.

Now we have listed before us, Mr. Chairman, Items No. 2 and 3 calling for capital expenditures. One has to deal with the question of parks which does include the area in Birds Hill; the other has to do with capital expenditures in respect of the Red River Valley, and I suggest that this also is included with the Floodway. I want to make sure and be satisfied that we're working in conjunction one with the other to the advantage of all concerned. Now I don't know if the First Minister has the answer to this. He may need an assist from the Minister of Mines and Natural Resources and maybe the Minister of Agriculture could be the referee.

MR. ROBLIN: Mr. Chairman, I see, I think, the point my honourable friend is driving at. The park that is intended is located adjacent to the floodway property. It's situated on the north side of the floodway you might say, and if my memory serves me correctly the relocated Highway No. 59 would run between the floodway and the park. The floodway property is really not much use with respect to the park because obviously it's in the flattest and least attractive area of the location. It's true that it runs through the Birds Hill Ridge at a point but if my memory serves, the park does not come down that far south. The park consists of that part of Birds Hill which is north of where the floodway runs through the Birds Hill town. As my honourable friend will recall the land runs in a northeast, southeast, southwest direction there insofar as this escarpment is concerned. So the park proper is really removed from the path of the floodway and over to the northeast from there, although we intend to join them up because of the fact that there's not much land between the two and I think they are actually contiguous. But it's really being developed quite separately from the floodway itself. And as far as the floodway itself is concerned and the gravel that is contained therein, because there is some where it runs through the Hill, separate arrangements are made I believe to make use of that gravel; either we sell it and get paid for it or we use it in the construction -- one's as broad as it's long. So they're really quite two separate propositions. I hope that gives my

(Mr. Roblin cont'd) honourable friend the information he's looking for.

MR. PAULLEY: Yes, but Mr. Chairman, I want just to say to the government woe betide you that if in the construction of the floodway and the excavation for the floodway through the Birds Hill Ridge, it contains as I am informed a very valuable quantity of gravel and sand, woe betide the Government of Manitoba that if they simply make an excavation there for the floodway purposes without using the materials that they have to remove for the floodways on the construction of roads in the adjacent area and in connection with the development of the park. The Honourable Minister of Public Works is going to build a perimeter highway in around this particular area -- here we have three projects taking place within close proximity of each other. We have the development of the park of the Honourable the Minister of Mines and Natural Resources; we have the development of the floodway of the Minister of Agriculture; and we have the construction of the perimeter highway, and not only that but other highways, the new location of Highway 59 for the Minister of Public Works. And I say to the government, "woe betide you" that if at some subsequent session of this House, whether I'm here or whether I'm not, it is disclosed that the gravel, or usable gravel in the Birds Hill Road is not put to the advantage of the construction in the interests of the Province of Manitoba; because I don't agree with my honourable friend the First Minister when he says maybe it will be sold or maybe it will be disposed of in some other way. Now, if he means by some other way that it will be used in the construction of roads, then I accept this and I say woe betide the Government of Manitoba if they're going to use the residue in the excavation just simply to dispose of it and not use it to the benefit of the people of Manitoba, because this is a very valuable asset in that particular area.

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Mr. Chairman, are we to assume, and I'm directing this question to the First Minister, that you have actually acquired the land for the parkway adjacent to this Birds Hill section.

MR. ROBLIN: Mr. Chairman, I think that notices went out to the landowners there, some 100 or so, at the time the Minister made his statement in the House, but that is yet to come.

MR. HILLHOUSE: I hope, Mr. Chairman, that every effort is made towards negotiating a purchase from these people rather than following the procedure that was followed in the floodway in expropriating.

MR. PAULLEY: Mr. Chairman, further to the point raised by the Honourable Member for Selkirk, it's still not been concluded.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, I'd like to say a few words about this proposed park that is going to be built in the area. As the Minister of Natural Resources indicated last Friday it will be a very large park area intended to serve the Metropolitan area primarily. I have a great interest in this in more ways than one. I do believe that when the 100 or so property owners receive indication of what is going to happen that there will again be some difficulty ironing out all of the claims and all of the offers and so on. The Member for Gladstone complains that he has had to act as an ombudsman on too many occasions. I just hope that this government will so conduct its negotiations so as not to put the Member for Springfield and myself into the position of ombudsman in this matter. I think that I have, in this connection at least, done enough of my duty in view of the fact that the floodway has involved so many property owners in my area.

I'm interested to see just what will be made of this land lying northeast of the floodway channel in the area in close proximity to Birds Hill. The Pine Ridge area has always fascinated me because when one looks at it at first glance it seems to be in most respects waste land, not arable; on the other hand it doesn't have enough of the green vegetation to make one think of a park. So I'm very curious as to what the Department of Mines and Resources is going to make of this. I would assume that since the acreage involved is so large, 9,300 - odd acres, obviously much of it is going to be left in the natural state and while I hope that this will be, still that it will be made into a nice park. The vegetation there is almost Mediterranean because of the aridity up there, but still I'm sure that the purpose which is envisaged here for that area will be far better than any other alternate use that could be made of that land and so I certainly welcome the news and look forward with interest.

MR. SHOEMAKER: million dollars in Item No. 2. I would like to know for instance

(Mr. Shoemaker cont'd) the number of acres of land required for the Portage diversion and the amount expected that the government will have to pay for that. If we can have a breakdown of the million dollars -- (interjection) -- what isn't?

MR. FROESE: Mr. Chairman, the Honourable Member for Brokenhead mentioned 9,300 acres. Is that what the government is purchasing?

MR. LYON: as to the method of acquisition of the land, notices were sent to the landowners affected and there's a fair amount of this land owned now by the municipality in the area. Notices were sent out concurrently with the announcement of the park and the notices of expropriation was filed and we're now starting to negotiate with the owners. There'll be nothing done this year. The owners have all been advised that there will be nothing done in terms of development until probably the winter of '64-65. We've had some enquiries in the Lands Branch from them already and we're already in touch with some of the people.

MR. PAULLEY: They've all had notice though?

MR. HILLHOUSE: I take it from that there was no effort or attempt made to negotiate a purchase from these people before the expropriation proceedings were taken.

MR. LYON: with the Land Utilization Board and with the whole group who had advised on the Greater Winnipeg Floodway and it was deemed advisable to file the notice of expropriation and then to proceed to negotiate, as we are doing at the present time with the owners who are affected by this procedure.

MR. PAULLEY: Mr. Chairman, I can't really orient the area in my mind. Maybe the Minister of Mines and Natural Resources could help me out. Does the general area that is under consideration for a park area include the gravel pit and the water therein that was stocked a few years ago by the Government of Manitoba with trout fry, Rainbow trout, if I remember correctly; and if the answer is yes, how is the fishing there now because it seemed to me that this was a fizzle?

MR. LYON: not familiar with the gravel pit in that area except to tell my honourable friend that there are gravel deposits and pits in the south end of the property that we are acquiring. A general description would be, it's immediately north of the two golf courses in that area. My honourable friend the Member from Springfield nods his head knowingly, so I've at least struck one responsive chord. I think the Member for Brokenhead realizes where it is -- immediately north of the two golf courses.

MR. PAULLEY: I hope, Mr. Chairman, that before it is declared a park area that all the old bedsprings, all the old used tires are removed from the bathing areas to make it reasonably safe for the customers that we hope to attract into the area.

MR. HRYHORCZUK: Mr. Chairman. Coming back to the matter of expropriations in this area. Do I understand the Minister to say that the owners of these lands that are being expropriated had no notice of any description until they received the notice of expropriation. There were no contacts made insofar as negotiations were concerned prior to the owner receiving the notice of expropriation?

MR. LYON: Mr. Chairman, they didn't receive the formal notice of expropriation. They received a letter signed, I believe, by the Director of Lands advising them of the expropriation proceedings that were under way and of the general policy of acquisition of the department advising them about insurance coverage, and so on, and that people would be in touch with them shortly. A number of them have already been in touch with the Director of Lands about the acquisition question.

MR. HRYHORCZUK: I'm not trying to suggest any policy to the Honourable Minister but I think we ran into considerable grief in connection with the floodway because the approach, I believe, in that instance was the same. Now what is the reason behind notice of expropriation instead of negotiating with the owner in the first instance?

MR. LYON: Well the main reason -- I think it's apparent to my honourable friend, of course, is that the price of the land dates from the date of expropriation and if you announce without expropriation, particularly in an area which is so close to a large metropolitan centre as Winnipeg, you inevitably without fear of contradiction will have large areas of speculation going on and you can't really -- in the interests of the public purse, you can't afford to have this speculative activity going on while you're negotiating with people without some hold on the price of the land, because A sells to B, B sells to C, C sells to B, all at a profit, and the next

(Mr. Lyon cont'd) thing you know you're dealing on a piece of land that has been sold at a price perhaps double what you could have acquired it for two, three or six months before. And it's purely for that reason that the government has to, particularly with respect to properties close to urban areas, you must file the notice of expropriation first -- at least this is the combined advice that we receive from the best appraisers and the most knowledgeable people in this field -- file the notices of expropriation first and then proceed to deal because your price dates from the date of acquisition, that is, from when the notice is filed in the Land Titles Office. That's the main motivation for handling it in that way.

MR. HRYHORCZUK: The effect of that procedure is that you freeze the ownership? -- (interjection) -- You freeze the ownership and then do you enter into any type of negotiation at all? You make an offer and if it isn't acceptable you go to arbitration.

MR. LYON: Yes, yes. Then we proceed to deal with the people, negotiate with them with respect to the price for the acquisition of the property. And in some cases I anticipate -- in many cases they'll make agreement. In other cases if they can't agree they will go through the arbitration proceedings provided under The Expropriation Act; and in any case pursuant to the amendments that we have now to The Expropriation Act, they're entitled to receive 75 per cent, I think it is, initially of the first offer that is made for the property, without prejudice to any future negotiations that they may have with respect to the ultimate price that they do receive.

MR. SCHREYER: It will be very interesting to see how this method of land purchase will work out in reality, because we have had some experience with the way which the floodway property was purchased and while it would seem that there is no one way of going about it that is free of any sort of real complaint, I feel that in many ways the method used in the purchase of floodway property left a great deal to be desired. And that I believe was not quite as difficult as the purchase of this land is going to be; for this reason Mr. Chairman -- when the government set out to buy the different parcels of land for floodway purposes in many cases, in most cases, you were buying up agricultural land or arable or -- well let's leave it at that -- but in this case Mr. Chairman, you are buying land that while it does not have any potential, any great potential for agricultural purposes, nevertheless it does have in the minds of many people -- and the trend has already started in the past two or three years -- it does have a potential for residential purposes. When you have land with some escarpment, some undulation to it, people like it for building homes, for residential purposes and I'm going to watch very closely to see what sort of standard this government sets in terms of price for this land, because while on the one hand I agree that for agricultural purposes it's not much, for residential purposes it definitely has a great potential and has already shown it in the past two years.

MR. SHOEMAKER: The Honourable First Minister has been good enough to give us a breakdown of item No. 1 of the schedule B. Could he do the same for item 2 and 3 please.

MR. ROBLIN: Well I simply say that \$1,000,000 is the sum that we have in the estimates this year for the purchase of land for parks and it's probable that most of that will be used on the Birds Hill operation. We are not sufficiently far advanced that I can give any other information myself than that I've just stated.

MR. SHOEMAKER: Mr. Chairman, then it can be taken that the amount of money required for Birds Hill property will be in the neighborhood of \$1,000,000.00.

MR. ROBLIN: That's an assumption that you can make. Possibly if we get it for less than that as we hope we do -- it isn't all residential development property, that's been drawn to our attention by the Member for Brokenhead -- he's not helping us very much tonight on that score -- but we'll need to spend some money for the actual development of the property itself so it may be purchase of the property and development both. We haven't got to the stage yet where we can be very precise about the amount in this connection.

MR. CAMPBELL: Minister, I think it was the First Minister, intimated that approximately 100 notices had been sent out. Have we any indication as to the number of residents that there are in this area?

MR. LYON: There are not too many residences in the area. Large tracts of it are unoccupied -- as the Member for Brokenhead mentioned -- unoccupied, sort of rough land. There are some homes but not too many, not too many.

MR. CAMPBELL: Mr. Chairman, it looks though to me, as though we are again heading

(Mr. Campbell cont'd) . . . into one of the arguments similar to what we had with regard to the floodway property, because I can remember two such eminent counsel as my honourable friend the Minister of Mines and Natural Resources, and myself arguing at great length just exactly what the Expropriation Act provided, and I maintained then -- I haven't looked at the Act, I imagine since -- that there was authority there to negotiate at any time. And surely Mr. Chairman, surely it would be better from the standpoint of public relations if nothing else, surely from the standpoint of fairness it would be better for the government who has the opportunity in the end to expropriate, to deal first with the people, at least give them notice, at least talk to them, and if there are a comparatively few number of local residents, and even a comparatively few number of owners, if there are only a hundred to be dealt with in total, . . .

MR. LYON: Two hundred. I'm just getting the figures myself.

MR. CAMPBELL: I think that particularly with the residents, and to a good extent with the owners as well, surely it would be better to deal with them first. I understand though that that has not been followed. If that's the case I'm sorry to hear that, because I think my honourable friend will find that he will run into the same kind of difficulties that my honourable friend the Minister of Agriculture ran into. I'm sure that if my honourable friend did consult with the Minister of Agriculture he would have advised another procedure.

MR. HUTTON: Mr. Chairman, most of my trouble was in the House here.

MR. FROESE: Mr. Chairman, is this the general area where the wells run dry early in winter -- the properties that we are purchasing here?

MR. CHAIRMAN: Item 2 passed; item 3 passed.

MR. ROBLIN: Mr. Chairman, this particular expropriation is, although the title is rather broad, is in fact, for the Shellmouth Dam and the Portage Diversion. It is estimated that construction on the Portage Diversion and the Shellmouth Reservoir will run in the neighborhood of \$2.8 million this coming year, or something in that neighborhood, half of which is recoverable from Canada, so the net amount required will be the \$1.5 million shown here. I'm going to leave the details on this to the Minister of Agriculture, except to say that as I recall the arrangement with the federal government, we do the Portage Diversion and they pay us half, they do the Shellmouth Dam and we pay them half. So it works out on that basis.

MR. PAULLEY: Mr. Chairman, the point the First Minister has mentioned it, that this sounds pretty grandiose when we're talking about Red River Floodway, Assiniboine River, Seine River, and the likes of this. It is my understanding Mr. Chairman, that the provincial obligations in respect of the Seine River have now been completed and that any other expenditures I believe are the responsibilities of the municipalities, or very little now or a capital nature at least, so far as the provincial authority is concerned, and I'm wondering whether or not it's not now time to drop reference to projects that have been completed. I don't know if I'm correct or not, I believe they are handled in Maintenance, Drainage Maintenance organization, municipalities and the likes of that, so that we are not under a misunderstanding when we read the appropriation each year, as I did in respect to the Seine River.

MR. ROBLIN: That's a good point. Probably we should take that title out. The Treasury's office always like these broad descriptions in case they do get an expenditure on . . . item, but I think probably we can eliminate that Seine River one, and I'll ask . . .

MR. CHAIRMAN: Item 4.

MR. MOLGAT: Would it be possible to get a breakdown between the Shellmouth and the Portage on this?

MR. ROBLIN: I'm sorry we are not able to estimate that at the moment, we've just put in a lump sum.

MR. MOLGAT: Mr. Chairman, would it be possible to obtain from the Honourable Minister the length of time over which we expect these projects to last, in other words, like the Red River Floodway, the Portage Diversion and the Shellmouth, over what length of life do we estimate these projects. Do we estimate them over 20 years, 30, 40 or what?

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): Well in terms of an earth filled dam such as the one at Shellmouth, the engineers tell us that the longer it stands the stronger it becomes. Now if you're talking about the concrete -- certain aspects of it have a longer life than others and I wouldn't want to offer a comment on it without referring to the engineers. I would think that based on the figures that were used in calculating the cost

(Mr. Hutton cont'd) of the Red River Floodway when it was thought that it would be, that the cost would be amortized over a 50 year period that one could look for at least a 50 year life in a project of this nature; but it would be a great deal longer than that, because with proper maintenance these projects should last longer than any of us in this Chamber would need to concern ourselves about. I just wouldn't want to make any exact statement though on this. I'd rather try and get the information and maybe offer that information to the Honourable the Leader of the Opposition tomorrow if I can get it.

MR. MOLGAT: period we capitalize these projects -- the three of them. Are they all the same and if so, what is the

MR. ROBLIN: Page 1 of current accounts, and that doesn't enter into the calculations. The borrowings for these two have not yet been established because we haven't yet borrowed the money and can't do until we have authorization. Nevertheless, all our borrowings are amortized on a 23 year turnover basis, as my honourable friend knows; so any money we borrow is paid back within a 23 year period, so it's certainly far shorter than the life of a project.

MR. MOLGAT: in deciding whether to go ahead with the project or not I presume there was some structure set up of capitalization and amortization. Now this is the figure I would like to arrive at, because I think this is directly dependent, or at least the cost benefit is dependent I think on the period over which you amortize the project. Now what were the calculations? Were they 23 years, were they 30, 40, 50 what were they?

MR. ROBLIN: If I recall correctly, the amortization was 50 years in the cost-benefit study, but we're in a position so far that we're not borrowing for the main item at all, we are taking that out of current and it's only these two that we're borrowing for.

MR. CHAIRMAN: Item 4 -- passed, Item 5 -- passed.

MR. MOLGAT: Could the Minister indicate what is in 4. I have it that last year this was to be for a new farm at the university to the extent of \$462,000.00. Now we have an additional 425 this year. What is that for?

MR. HUTTON: mink farm at Glenlea. There are the barns to be built and general development of that research station.

MR. MOLGAT: This is still the farm at Glenlea then?

MR. HUTTON: Yes.

MR. MOLGAT: Mr. Chairman, I wonder if we could get there on Item 5 the unused

MR. ROBLIN: Mr. Chairman, I can give that information. The carryover of cash and authority as of March 31st, '63, was 25 million eight.

MR. MOLGAT: Twenty-five million, eight.

MR. ROBLIN: The 1963 capital authorization was \$15 million giving a total cash and authority available for the year of 40 million eight. We have an estimated expenditure net of 16 million eight, giving an estimated carryover for March 31st, '64 of 23 million, nine, plus these capital authorizations of 15 million, giving a total amount available for the year of 38 million, nine. We expect to spend with the '64 program and all up 24 million-seven, which means that we come out with an advance of authorization for the '65-66 program of \$14 million. So that is the amount that we have available for the letting of new contracts during the winter period and that kind of thing that we've discussed on a number of occasions.

MR. MOLGAT: Thank you, Mr. Chairman. I wonder if the Minister could indicate over what periods we consider our roads to be good? When we build a highway in Manitoba do we consider it to be good for 15 years, 20 years, or what is the plan?

MR. ROBLIN: Well I would say 20 or 25 years minimum.

MR. MOLGAT: Mr. Chairman, the point for which I was asking my questions. We estimate that the Red River Floodway will be good for 50 years, at least this is the amortization, or the basis on which the cost-benefit schedule was set -- a 50 year schedule; we say that our highways are good for 20 or 25 years; yet the government is paying for the floodway out of current but is borrowing for the highways. Could the Minister indicate to me what is the reasoning behind this procedure where we are borrowing for shorter term assets and we're paying out of current for our longer term assets.

MR. ROBLIN: the slightest difference. It doesn't make any difference. It doesn't make any difference in the world as far as the net position in treasury is concerned. So I don't

(Mr. Roblin cont'd) really see the point in the question. It is true, however, that there is a difference in these two assets in respect of their direct ability to generate revenue. The direct ability of the floodway to generate revenue is hard to calculate apart from the cost-benefit studies we've had, but they don't generate cash in that sense. But the highways do generate cash because they do form the basis of our very substantial highway revenues.

MR. MOLGAT: Mr. Chairman, that then re-enforces the point that I'm trying to make, that if the government was going to pay for something out of current, then it should pay for highways out of current, because they are a revenue generating asset. The other one is certainly a dormant asset and would be one that one would normally consider to be one that you would pay out of capital borrowings, whereas the highways could be considered to be one that would fit more properly into current. It seems to me here that the government is doing the very reverse. Now the Minister says it doesn't make any difference. Well I think in the long run what we're going to find out is this -- that the Government of Manitoba is going to go about the province saying to the people of Manitoba, "well, you know we were able to pay for the floodway out of current. There are no debts because of the floodway," because the government doesn't want to be going to tell the people of Manitoba that there's a 50 or 60 million dollar debt for the floodway around Winnipeg. It wants to tell the people it was paid out of current. And I'm suggesting to them that it is just simply fooling the public in this regard because it's paying for that asset, which is a dormant asset, which is going to be capitalized over a much longer period out of current, whereas what might much more properly be considered a current asset, they are putting into capital.

MR. ROBLIN: is not being capitalized over any period. It's being paid out of current, which my honourable friend knows very well. I think the argument is awfully simple, that if you're going to borrow money it is certainly a much better idea to borrow money for an asset that generates cash than one that doesn't. It's as simple as that.

MR. CHAIRMAN: Item 5 -- passed. Schedule C

MR. ROBLIN: Mr. Chairman, it's 11 o'clock. We've made pretty good progress. I have to urge to labour longer tonight. If I can persuade members of the committee that it's time to rise, I would so move.

MR. CHAIRMAN: Call in the Speaker.

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

MR. MARTIN: Madam Speaker, I beg to move, seconded by the Honourable Member for Dufferin that the report of the committee be received.

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

MR. ROBLIN: Madam Speaker, before I move the adjournment I just draw the attention of members to the resolution on the shared services committee that's been placed on their desks and we will expect to be moving that sometime tomorrow.

I move, seconded by the Honourable Minister of Industry and Commerce that the House do now adjourn.

MR. MOLGAT: Madam Speaker, before the question is put would the First Minister be in a position to inform the House as to the order of business for tomorrow. I believe there are still some bills in committee and there may conceivably be some people who would want to be present. I don't know.

MR. ROBLIN: Yes, Madam Speaker, I thought we might meet in the House and get through some business and then I guess about 11 or 11:30 we might adjourn to go into the committee and polish off those items that remain there. I think that would probably give us enough time and I would make that suggestion around 11 or 11:30 tomorrow.

MR. PAULLEY: Are there any other bills, Madam Speaker, other than the capital bills that we have to deal with?

MR. ROBLIN: None that I can advise on at the moment.

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 9:30 Wednesday morning.