

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Thursday, March 28, 1968

MR. MCKENZIE: Mr. Chairman, while I was prepared to carry on the debate, I think at this particular time our Minister is more capable than me for bringing the message from his department tonight so I'll turn the ball over to my friend, the Honourable Minister.

MR. CRAIK: Pardon my short delay, and the hurry will probably show up in my remarks here as well. Mr. Chairman, I first of all want to thank the many members who passed on their well wishes, and assure them that it is a very interesting challenge, not only finding out about the department and its activities but also to attempt to answer the many diversified questions that have been brought up here.

If I could, first of all, go back to the sort of batting order in which the questions were asked, I'll refer to the questions that were asked by the Member from Portage on Monday. I think his first question was with regard to new legislation to protect wildlife from being hunted from aircraft, skidoos and snowmobiles, etc. I did mention this in my opening remarks, that we were quite aware of the problem, particularly the increased use of the motorized toboggans, and we are looking at measures that may be taken to actually inhibit their use in their application to hunting of wildlife. We realize in doing this that the motorized toboggan is an extremely valuable and increasingly popular recreation instrument or device, and we certainly don't want to do anything that inhibits its use for recreation purposes. However, we are also well aware that there are dangerous applications of it in the hunting of wildlife. Before making any move legislatively, which I think he was suggesting in his remarks, we would want to be pretty sure that we have a pretty universal consensus before any steps were taken towards legislation.

I mentioned also in my opening remarks that we were in effect trying out some trial balloons to see whether some approaches which the department had to the problem might not be acceptable. And you may have noted recently that the suggestion had been made at a meeting, I think it was in Portage, that the province might be divided up into three areas regarding regulations over motorized toboggans for hunting. This essentially put the southern part of the province in one area where we have a lot of hunting activity and high pressure on the wildlife where the motorized toboggan would be completely illegal, and another area where you could use it to gain access to the habitat, and in the further northern regions of the province to allow its use for hunting purposes in the northern part. Now we're going to be trying this out to see how much acceptability there is for this sort of an idea, but before we get to the point of thinking about legislation, we'll have consulted pretty thoroughly with the people that are affected and the Wildlife Federation in particular. Wildlife Federation has an interest in this and are actually quite adamant that the government bring in legislation, but until we discover what is the best in the interest of not only the wildlife but the application of the motorized toboggan for recreational purposes, we won't be trying to pass laws to legislate against them.

The second question was with regard to water conservation and air pollution should be in the Department of Mines and Natural Resources. I think it suggests here that it should be. This was in the Department of Mines and Natural Resources at one time, was transferred over to the Agriculture, then to Highways, and it is still with Highways. The reason for this is primarily because most of the problems regarding water up to the present time have been with regard to drainage and many other engineering aspects of water control. So it's quite a logical place from that point of view to have it in the Agriculture and the Highways sphere of operation and control.

There are other aspects of water, though, that very much fall into the Natural Resource areas, and as I mentioned we are active in this, particularly with regard to inter-provincial studies on water control.

The third question I think was with regard to Churchill Forest Industries and there are a series of three or four questions here. The first was with regard to the woodlands debarking facilities with a capacity of 50,000 cords would be established by March 31, 1968 - is this not being met? Well, first of all, I think the answer is yes; that as far as the requirement is concerned, it is being met, or the point he made was that it is to be established by March 31st. As he may well be aware, there are two mobile or portable debarking units in The Pas area. One is owned by Churchill, one is owned by a contractor. The combined capacity of the units - and these units are described as being the most modern of their kind - the combined capacity does meet the requirements of the 50,000 cords per year. I would point out additionally to

(MR. CRAIK cont'd.) him, though, that the agreement calls for the total over five years of 250,000 cords of debarked pulpwood.

The next question was regarding the capacity of the proposed sawmill being reduced from 30 million board feet to 15 million board feet. This amendment was made to the original agreement, and again I would point out that the original agreement, which I think he probably is familiar with, said that it would be 30 million board feet or - I could look up the exact wording here - or what other economic unit was feasible. The decision to move from 30 million board feet to 15 million board feet during the first year of operation, was done -- this decision was made in June, 1967, by an amendment to the original agreement which calls for 15 million board feet in capacity by October 1st, 1968, and 30 million board feet by October 1969. I think he was using also the figure of December 1968, but the agreement as of 1967 says October, 1968 and October 1969.

Now I would point out that the reasons for this were several: First of all, I think probably the primary reason is that we found it necessary to make some minor changes in the original agreement based on, 1: The inventory which they required to establish the initial cutting area for the plant was not sufficient. The target date for inventory which we were aiming at was for the end of 1967. This was a 75-mile radius surrounding The Pas. We weren't able to get the inventory completed by this target date due primarily that we didn't have the aerial photography we wanted at the end of 1966, and we couldn't get the completion of it by the end of 1967, and this is in effect delayed for about a year. It will be the end of 1968 before we have this specified area completed. This was one of the reasons I mentioned in my opening remarks that we were able to provide provisional information that allows them to start their cutting, and it appears that what we will finally arrive at for the initial cutting for the first stages of the sawmill are in the Atik Lake area, and the number of board feet for the first year is reduced accordingly. There is still the requirement for the 30 million board foot plant to be in operation by the end of 1969. I should also point out that I don't think 30 million board feet is the limit. I think probably it will go beyond 30 million feet.

I should also point out in this, that when the amendment was made we had some things going the other direction as well. There were other minor changes to it. One was that 18 square miles of the specified area between Lake Winnipegosis and Cedar Lake was taken out of the specified area to satisfy the needs of one of the existing operators. This area supports about six million board feet of saw timber and other forest values which are needed to support forest activities not associated with Churchill. This was a fairly major concession on their part.

Now the next question, - the Member for Portage posed - was how stable the work force can be built up under the conditions as outlined in Clearance Order No. 346, and this was the request for labour assistance which Churchill apparently placed with the Canada Manpower. Now I don't think that this is really my sphere of responsibility to comment on this. There were some comments, though, that were made and I would point out that at the time the order referred to was placed, the company may have had different plans from those instituted because their present production is now through contract. After that, I think that they went to the contract on the requirements they had for the pulpwood. I understand, though, that the present contractor has adequate camp and cook-out facilities, is able to compete for labour under the very tough conditions in which he's operating, and if and when the company sets up its own camp, it will have to compete for the same labour. The labour force of the contractor that is doing the contract cutting for him is numbered at about 40.

The next question that he posed was: is it true that the government, in co-operation with Canada Manpower, set up a training course during the past year? Were the men not trained with the expectations that they would be hired by Churchill Forest Industries? The answer is essentially no; no special training course was set up aimed at providing a labour supply for Churchill. From time to time basic woodworkers' training courses have been held at Indian-Metis settlements and at The Pas Technical School. These courses do not go much beyond teaching the use and care of chain saws. The last of these courses was held at The Pas last summer; 17 students were trained. And I understand that those who did not return to their homes went primarily to Gillam to work where there was job opportunity and not because they were turned down by Churchill but by personal preference, and Churchill of course, acquiring their pulpwood supply through the contractor, were not hiring directly themselves.

Next question was: did Churchill Forest Industries pour 1-1/2 to 1 yard of concrete to

(MR. CRAIK cont'd.) say they had started plant construction? Well, I never went to see whether they had or not. It wasn't of any great concern to me whether they had or not so I can't answer your question, and in addition to that I'm not too sure it's very critical. The date that I'm concerned about is the end of 1968.

The next question they posed was: how much collateral has Churchill Forest Industries for the money advanced them to date? I would point out to the Member for Portage that the original agreement required that Churchill post, in effect, a \$100,000 performance bond with \$500,000 of initial paid-up capital, and the incorporation of the company required initial authorized capital of five million. Now all of these were satisfied, the terms of the agreement were satisfied, and this is the area of responsibility that, as far as my responsibility is concerned, is satisfied. These conditions were all met.

The next question was: can the Minister tell us the results of his trip to Europe? I would point out that in late January I went over to meet with the principals of the company and to examine their facilities, and also to meet with their people that are in charge of their woodlands portion of their operation. The first portion of it, I think that if you satisfy your curiosity, I don't think there's anything very confidential about it except it was essentially a working trip. We met with the principals at their plant in Sicily where they have a 300 ton a day pulp mill in operation, a craft mill, and we spent two days in meetings with some of the principals of the company and an examination of their mill. I would point out that this mill is one that is operated in conjunction with the Celanese Corporation of the United States. It's a very modern mill; it's highly automated; it's very efficient. They have approximately 10 Canadians working with them in the mill. I talked with three of them during the course of the meetings, who are training with them over there. These people are the employees of Technopulp who provide the technical and management services that is associated with the SIACE mill, similar to the arrangement that the Technopulp has with Churchill Forest Industries. I'm informed by the principals and by the people working there these Canadians will be brought back to Canada to operate the pulp mill here. They also have other operations which we did not visit. They have a plant in Spain that makes plain paper from esparto grass and this is a novel new plant of some significance in the industry because it has required a new degree of high technology again designed by the technical group from New York which is the same group that I referred to. They also have interest in other parts of the world -- we didn't get there.

The second portion of our trip was with the Woodlands people in Zurich, Switzerland, where we spent two days meeting with the Woodlands people there, primarily involved in going over the inventory details that associated with the specified area of The Pas. The area is broken up into several smaller areas and as I mentioned the area, the critical area which we were concerned about was the area surrounding the 75-mile radius of The Pas itself. That's essentially the results of the trip; we had to meet with the principals and with their staff, the principal-staff people in Europe.

The next question was, does the company keep the government informed of its work progress, the number of persons hired and wood produce. The answer is "yes" to work progress; the number of persons hired -- well I mentioned that they contract so, for their requirements they've had in The Pas, I understand that their total employment in Manitoba is about ten people. At this stage of the game which is primarily the design stage, I don't think that the number that they have here is of any great significance and at the early stages in the design stage the biggest question is, how many people and what qualified people have they got doing the designing behind the drafting board and doing the actual design for the mill. As I stated also, the mill design, the sawmill portion of the design is completed, the contract has been let for it, the pulp mill design is underway.

The next question was what amount of money as stumpage dues has been received from the company in the past year. The answer is "no stumpage dues are due and none have been received." I might clarify this by saying the stumpage is based on the calendar year and is due within three months following the end of the year. Churchill Forest Industries will owe the government stumpage in the initial period of 37-1/2 cents per cord for its 1967 production.

The next question was, does the government intend to establish a pulpwood camp at Sipiwesik to cut pulp and sell to Churchill Forest Industries? The answer is "no", the government is desirous of providing northern Manitobans with the skills necessary to fit into this project. However, no decision has been made to establish a camp along the lines which he has suggested. I would say that we are in discussion with the Department of Education at

(MR. CRAIK cont'd.) the present time and with others involved in my department to see how we can best satisfy the need to supply the training to the people in that area, and I expect that we'll be coming to a decision on that fairly soon.

I think that's most of the questions that the Honourable Member for Portage asked. If I could shift over to the ones that were asked today. First of all, the Honourable Member for Inkster asked about the pollution control. I would indicate that most of the problems that we become involved in in pollution are periphery to the actual problem of health environment and as a result of this this responsibility is in the Department of Health and should probably and rightly be there. So if that's a short enough answer for him - he might want to ask the Minister of Health more about it if this doesn't satisfy his requirements. We are consulted usually on problems involving pollution problems, where natural resources do get involved.

The Honourable Member for Assinibola asked a question regarding cottage owners in the Lea River area and the differential taxation of the cottages held on private property versus the Crown lands property. I would answer him that undoubtedly a problem here exists, it's one of the many problems that exist in taxation and we also have other problems where we have properties that are owned by individuals that are not in organized territories and we have idiosyncraciesthat do exist in the taxation structure and there are some legal problems involved that I think probably do have to be sorted out. But I would indicate to him that if he would supply us with the name and address or the letter which he has received for the particular cottage owner and we can locate where they are, we'll attempt to answer it for him.

The Honourable Member for Rhineland asked several questions. One of these was, why decreases in the metal values as shown on page 8 of the annual report and I think he pointed out as has been pointed out here before that the tonnages are down although the dollar value shows as being up and this is true in most cases, the dollar value is up in 1967. The figures he was quoting were from 1966 which was a difficult year as far as the labour was concerned in the mining industry. I don't think there is any question this was primarily the cause in 1966 for the reduction in production in total tonnage. However, if again, I might refer back to my opening remarks, we are at present undergoing a significant development in mines and the capacity which will be generated as a result of this, and I don't think this is idle speculation, it's an actual fact, you could tell I think reading by the number of mines that are under development, that the capacity will be significantly increased after this development takes place.

1967 was essentially a level period as far as production was concerned, although the dollar value was up. I think the labour shortage that did exist has been considerably reduced or at least changed. I know for a fact that one mine in particular indicated that in January they did have a 17 percent turnover in their staff and if you multiply this by twelve months of the year, which I think maybe January was worse than most, but if you multiply it by twelve months of the year, you are into over 100 percent turnover in one year. Now that more I think than probably just labour shortage is a major factor in affecting your operation and as the Member for Churchill has pointed out on numerous occasions when the attractions of the north reach the point where the living conditions are such that people find that, not only from the point of view of having a good residence, which by and large I thought they did have from a visit up there, although I don't know the country as well as some other people do, when the other benefits are improved such as live television, completion of No. 6 Highway and so on, I think that these benefits will actually improve the drawing power of the north. I think this in itself is a major problem and not an excuse for the effects on production and I think we will see from the development of the mines taking place, a very significant increase in production in the very near future.

What is the basis of subsidization for the Town of Thompson? I would point out to the Member from Rhineland that the Town of Thompson is the same as any other organized town, municipality in Manitoba. They receive no subsidy other than the normal subsidies that other people receive for their services such as schools, hospitals, etc. from the central provincial government, so that there is in effect no subsidization of the town other than that; they are now organized and running their own affairs just like any other municipality or town. The basis for taxation for metals comes under the Mining, Royalty and Tax Act and for industrial mines on freehold property the metal taxation comes under the Mining, Royalty and Tax Act and on Crown land a straight royalty is charged on mine minerals and on oil there is a slightly different arrangement - on freehold property we use the Mineral Taxation Act and on the Crown properties from which oil is taken we charge a straight royalty of 12-1/2 percent on

(MR. CRAIK cont'd.) the sale value.

The Member for Turtle Mountain brought up several questions - if I might just comment on them. First of all with regard to fishing in his area. This is a problem all across the southern area. I would point out to him that far more stocking is done in the south than there is in the north, in fact fish are taken from the north and brought to the south. The problem of fish kill is still held to be lack of oxygen or winter kill when the oxygen disappears under the ice and the major problem is to get rid of the winter kill that takes place. Several areas are using techniques of introducing compressed air into deep spots and so on to introduce oxygen and attempt to reduce the winter kill, and if it works effectively, it's not widely accepted yet, but there is usage of it, and some of the Game and Fish Associations are actually taking it upon themselves to do this.

With regard to some of the other problems that he mentioned in his area, I thought he may have mentioned the Turtle Mountain Conservation group that has been organized out there. We actually are putting a fair amount of faith in this group. They are working very effectively. They are doing a good job; we are quite interested to see what comes out of it. We are co-operating with them as much as we possibly can along with agriculture and a lot of the problems are actually being left in their hands for their decision, although we -- in terms of the resource development of the area. We feel that -- we are anxious to do this, when you get a group as aggressive as this group, who have a small staff and are organized, are determining their own destiny, they have a fully qualified biologist working with them in the area and we endorse what they are doing 100 percent and I'm sure that they are going to come up with some answers for that area. I would say also that in terms even of Crown land, that we are holding off the sale of any Crown land in that particular area which may actually have disturbed the plans which they had.

Now the Honourable Member for Inkster brought up some other points primarily with regard to water policy and I thought this was very interesting. He endorsed very much the concept that the Department of Mines and Natural Resources should become interested in water. I can assure him that we are. As a matter of fact I have had an interest in this long before ever assuming this particular job I have now; this goes back several years. I would like to point out to him first of all that I'm very very happy to see that although he won't say outrightly, he endorses water export policy and that this is going to be a very useful topic for conversation and for debate in times to come, because I agree with him 100 percent that it is going to be a topic that in the years to come regardless of whether it is 10, 15 or 100 years is going to occupy the attention of all of us. Manitoba sits in a very unique position, not because it owns all the water in Canada because the logical place to put the tap to put it into the United States is in the southwest corner of Manitoba, if in fact he believes the theories of Professor Kuiper who he has referred to.

Going a step further, I think the real interest in this topic was aroused when a group of Americans, the Parsons Corporation in San Francisco or Los Angeles wherever it was came out with the NAWAPA scheme, a National Water and Power Line scheme that would involve the investment of 30 billions of dollars and would have seen all the water coming from the Rocky Mountain trench in the northern part of British Columbia, diverted down across the prairies and south into the United States then east into eastern Canada and so on, right through the Pre-Cambrian shield. It was a very ambitious scheme.

There have been other schemes that have come out. I think the one he was referring to that Mr. Kuiper was involved in would have seen the water from Great Slave Lake diverted across into Manitoba down through Lake Manitoba and then pumped south across the border south of Lake Manitoba and into the United States and sold for agriculture or any other purposes. I think he made the point that at the moment it had some economic liability in that you couldn't justify the price for agricultural products to afford to get the water down there. I think this is probably going to be an inhibiting factor which will override any philosophical arguments that may generate in the meantime. I think that the topic is very interesting because it defies all logic. I think our whole approach to natural resources sometimes defies logic. We have no hesitation, historically, of selling non-renewable natural resources to anybody that wants to buy them and we go out and take a renewable resource like wheat and we do the same thing - we sell it to any customer we can find at the best price we can get. Wheat is an annual crop the same as water is, and when we come to the topic of water, which is essentially an annual crop too, or a little more continual through the year, we become very religious about

March 28, 1968

(MR. CRAIK cont'd.) it, because there is something about water, that everybody knows about it but they don't know too much about mining of gold or whatever else the mineral might be. We very logically will prevent very irrational arguments against the sale of water to anybody but we will stoutly defend the sale of non-renewable resources to almost anybody who will buy them, and they're non-replaceable. So I think that this whole approach is going to have to be looked at fairly rationally sometime along the way and I'm going to dodge saying the same as the Member for Inkster dodged saying whether or not at this point he was for or against the export of water.

MR. CHAIRMAN: The Member for Portage.

MR. JOHNSTON: Mr. Chairman, I appreciate the Minister's re-explanation of the Churchill Forest Products operation but I must say that I am a little bit surprised to find that we on this side of the House were discussing an agreement that was made in 1966 and just now we find out there have been changes made in the agreement. And I don't consider it a minor change when a sawmill operation was announced as a 30 million board feet annually, changed back to a 15 million board foot annual production. I can't seem to consider that as a minor change. And I notice the Minister, if I heard correctly, used the plural and he said "minor changes". I wonder if some time during the course of his remarks on his estimates he would tell us all of the changes instead of us having to piecemeal drag them out, so to speak. So perhaps later on he could inform the members here what all the minor changes are, and if there are any dates, any target dates have been changed, we would like to know about it because, if I may go back to the Minister's opening statement on this, on March 25th, and I quote in part: "There has from time to time been comment that nothing seems to be happening on the project. Let me assure you this is far from the truth, but major developments of this scale do not happen overnight nor can they be planned, particularly in the tough environment of our north, on a casual basis."

Well, Mr. Chairman, one of the people who was concerned and making comment was the Mayor of The Pas, and The Pas has quite a stake in this proposition through their tax structure and concessions that they have made, and I wonder if they know about these minor changes and if they know of all of them. I go back again to the original statement in this House on March 8th, and I'm quoting from the letter from Dr. Reiser of Monoca, and this is what he said at that time, and I'm quoting in part: "These surveys and investigations have now been completed and the decision has been reached to promptly initiate a multi-stage, fully-integrated forest products development program in northern Manitoba. To this end, a new Manitoba company, Churchill Forest Industries (Manitoba) Limited, has been formed with an authorized capital of \$5 million." And I repeat again, "Stage 1 - would be the establishment of a woodlands debarking and loading facilities for 50,000 cords of debarked wood to be in operation by March 31, 1968." Now perhaps the Minister could elaborate a little bit and say, in the past year did they produce the 50,000 cords of pulpwood?

On Page 739 - and this is the then Minister of Mines and Natural Resources, the Honourable Mr. Evans speaking, and I just quote part of the paragraph; it's at the top of Page 739, March 8, 1966: "Work on the initial stages will commence immediately and will require capital expenditures of \$45 million by the spring of 1971. This will include the establishment in 1967 of wood cutting and forwarding operations throughout a large area of northern Manitoba. It will also include the development of rail, truck and river transportation facilities, a pulpwood processing plant at Arnot on the Nelson River, pulpwood handling and loading operations at the Port of Churchill, and a major lumber mill at The Pas, including debarking, milling, drying and shipping." Now I admit that this quotation says "by spring of 1971" but it says, "Work on the initial stages will commence immediately," and this is over 24 months later, so if there are being \$45 million spent between 1966 and 1971 I'm sure the members here would appreciate a more detailed statement in this regard.

Also I understood the Minister to say that there have been established camp and cook-house facilities. If he could tell us where these were and if they belong to the Churchill company or not.

When the Minister was describing his trip to Europe to see the Monoca people, I think I did ask the question but I'll rephrase it again, and that is: is he satisfied that all requirements are being met and are being kept? I find it rather odd, Mr. Chairman, that after over 24 months have passed, that the Minister felt it was necessary to go to Europe when there are the management people here in Canada, so perhaps he could explain a little further.

MR. CRAIK: I'll just answer that right away because I can tell you what's in the amendments to the agreement and I see no reason why this can't be tabled so that you can have a look at them yourself. First of all, it covered casual permits, it covered extension of deadline on the plant site access road, extension of the deadline on the public road, deletion of 19 square miles from the specified area which I mentioned, and possible alternate land for the plant site and mill site, for the sawmill and the mill. The sawmill site was changed because of poor soil conditions in the original site. That's all it covers.

Now, as regarding whether or not I had to go to Europe or not, I suppose this is a matter of speculation but if you care to match me I'll walk to The Pas if it means getting a sawmill there.

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

MR. GREEN: Mr. Chairman, I was rather disappointed that the Minister answered the problem that was raised by the Honourable Member for Portage la Prairie merely by indicating what is the present unsatisfactory situation, that is, the problem with regard to pollution. I think the Member for Portage la Prairie was concerned that the Minister is not really involved in all of the resources that are of importance, and I too have the same concern, Mr. Chairman, and I don't think that it's an answer to our concern, that things are the way they are. As the Minister has said, "Well, the problem of pollution, you can find some of it on the periphery of health and you may find some of it in my department insofar as Fisheries are concerned, and if you look around you'll probably find some of it in some other department." I would hope that the Minister is as broadminded in his attitude towards the air that we breathe as he obviously is when he considers that the water is a resource which is more and more within the ambit of his department. I would think that air, although hitherto not possibly considered as one of our natural resources because it was taken for granted, it's becoming increasingly apparent that we can't take it for granted any more, and one of the problems that is involved in terms of the air that we breathe is that it is found on the periphery of various areas and I think that the Minister should be in the forefront, that it should be his initiative to identify this problem and to take steps or to indicate to the House that he is taking steps to deal with it.

In this regard, Mr. Chairman, I'm referring to an article in the Calgary Herald dated August 28, 1967, and this article is headed: "Ten Agencies Involved in Control," and I think probably, Mr. Chairman, if we look at the agencies it may be that we'll find that the similar type of situation exists in Manitoba. Now the agencies that are referred to are not with regard to air but with regard to water, but I think that the same situation applies. "Most water pollution authorities interviewed by the Herald this summer share a common impatience with the jungle of divided jurisdiction and scattered legislation directed at the province. A stream affected by industrial or domestic pollution in Alberta could come under the authority of several or all of the following bodies," and I wonder, Mr. Chairman, whether the Minister would note these and see whether something similar is happening in Manitoba. The Provincial Board of Health - he's already indicated "The Division of Environmental Health in the Department of Public Health, authorized by laws and regulations to detect and control water pollution in the province. The Fisheries Branch of the Department of Lands and Forests, which keep watch on the effect of pollution on the biology of lakes and streams. The Water Resources Branch of the Department of Agriculture, which coordinates withdrawal uses of water within the province. The Oil and Gas Conservation Board if pollution arose from the activities of the petroleum industry. The Federal Department of Fisheries authorized to enforce laws against polluting water with substances harmful to the fish. The Water Quality Division of the Inland Waters Branch of the Federal Department of Energy, Mines and Resources. The Water Resources Branch of the same department. The National and Historic Parks Branch - and I'm paraphrasing - and if the polluted stream crossed the international border, the Federal Health and Welfare Department.

Now, Mr. Chairman, I think that what is indicated in this particular article which was one of a series of water pollution investigated, is that it's with impatience that most water pollution authorities regard that particular situation, and I regret to say that the Minister hasn't said anything with regard to sort of pacifying this type of impatience if the authorities looked at the Province of Manitoba. I believe, Mr. Chairman, that possibly Manitoba is one of the furthest provinces behind in the area of air pollution, and I just wonder whether the Minister is aware as to just how serious this problem is and as to how it affects the Province

(MR. GREEN cont'd.) of Manitoba and the City of Winnipeg in particular, and if he does have this concern, which I'm sure he should have, then I think that he should be just as concerned with making the air and our environment safe for human beings as his department is in making the environment suitable for wildlife, and as a matter of fact the air pollution problem is probably just as much of a concern - and maybe this will inspire the Minister - maybe just as much of a concern for wildlife as it is for human beings.

I'm reading, Mr. Chairman, from a magazine called "The Agenda", edition of December 1966, an article entitled "Poison in the Air" because I think this article, in a very good summary fashion, gives some of the serious consequences of air pollution and I think that they will be found startling indeed. "During 1942, 4,000 people died in London in less than a week, stricken by a killer fog which blanketed the city. In 1948, thousands of people, 43 percent of the population in Denora, Panama, were stricken by air pollution and 17 died." (no, this should be Pennsylvania.) "During 10 days of smog in New York City in 1953, there were 200 statistically excess deaths, and again in January 1962 another 400 such deaths. Experts warned that the potential for similar disaster exists in many areas of the United States."

And then further on in the article, Mr. Chairman, and this relates specifically to areas such as Manitoba: "Every city with more than 50,000 population has an air pollution problem, and at least 7,300 have serious problems." Now every city with over 50,000 so we have at least the City of Winnipeg in Manitoba falling within that category and at least 7,300 have serious problems. "The gaseous and particulate invaders of our air affect not only the large cities notorious for smog, but places famous for their good climate, such as Denver, Phoenix and Albuquerque, which now have air problems. The dirty plumes of polluted air waft outward from the great metropolitan areas into forests" - and this will relate possibly more directly to what the Minister is usually concerned with in resources; I'll repeat: "The dirty plumes of polluted air waft outward from the great metropolitan areas into forests, orchards, grazing land and tiny hamlets. Nearly 20 states have experienced serious losses of farmland, destruction of crops and death of cattle. California has suffered damage to 11,000 square miles of farmland and the blight continues to spread."

And closer to home, Mr. Chairman, I'm sure that most of us can remember that several years back, in the summer I believe it was of 1964 or 1965, numerous residents in the area of West St. Paul had their gardens, their vegetable gardens, their flower gardens, their trees, indeed heavy oak trees were polluted and blighted by air pollution which occurred as a result of one of the industries in that particular area. So, Mr. Chairman, I suggest to the Minister in all urgency and in all seriousness, that it is not an answer to this pollution menace - and that's what it's referred to in an editorial in the Calgary Herald dated August 30, 1967: the editorial was headed "The Pollution Menace" - it is not a solution or an answer to that problem for the Minister to say that it's covered under the peripheries of various departments. I would suggest that he should take the initiative of seeing to it that there is a coordinated program with regard to pollution. That program should come within the ambit of his department so that somebody is responsible for the whole problem, and that problem as it exists, Mr. Chairman, with regard to both land, air and water, because each one of them is affected by pollution and I suggest that they are all related to one another. I think probably, for some reason or other, the Manitoba Government is behind most of the other provincial governments in this area which have had some sort -- which have enacted various anti-pollution measures coordinated under a single department.

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MR. CHAIRMAN: (1) (a) -- passed. The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): We're still on (1) are we?

MR. CHAIRMAN: Yes.

MR. SHOEMAKER: Yes, well, I just want to make a couple of observations and a couple of comments on this item because I have been missed a few in the past and I understand that on the Minister's salary you can cover the waterfront. And I do not intend to spend very long on this department.

I would like to congratulate my honourable friend, as the other members have done, and I would like once again to go on record as paying tribute to the many volunteer organizations that we have in the province who do, in my estimation, a lot greater service to the province than a good many of the people in this Assembly. I refer in particular to the Game & Fish Associations and the Junior Rifle Clubs for their very healthy contributions over the many years to the whole field of conservation: soil, water and wildlife.

I notice in the annual report that the Hunter Safety Training Program has taken on new dimensions and I think this is a wonderful improvement in the department. And I guess my honourable friend knows that the first Hunter Training program, or I think nearly the first one, started in Neepawa nearly ten years ago, and from that beginning it mushroomed all over the province, and it's a very, very worthwhile venture.

I don't intend to go into any discussion on the Churchill Forest Products other than to repeat my request that I made the other day, that it seems to me we could have flown up there and back again and saved time, because we have spent most of the time on my honourable friend's estimates talking about Churchill Forest Products and the progress that is not being made in this venture in the north. But there is no question about it, the Honourable Minister of Mines and Natural Resources, Mr. Evans back two years ago nearly to the day, led the House to believe that phase one was going to start right away.

MR. EVANS: And it did.

MR. SHOEMAKER: Pardon?

MR. EVANS: It did.

MR. SHOEMAKER: It did? Well on page 739 it didn't get off to the dynamic start that my honourable friend envisaged at that time, because I think the word "initially" means first and he says, half way down the page on 739, initially, initially, several hundred jobs will be provided during the construction of the big plant -- several hundred jobs initially. Well it just hasn't developed and I hope as my honourable friend does, that even if its two or three years late in getting off the ground that sooner or later initially there will be several hundred jobs made available.

Now these are the things I believe that most members on this side of the House are talking about, they are just wondering whether or not things are progressing as envisaged by the Minister two years ago. It seems to me that we are a little bit behind. I heard one fellow say that the only debarking plant that they had up there was a local Indian with a drawknife and he -- this was Phase No. 1 and Phase No. 2 was when they hired his wife.--(Interjection)-- Well this is the story I hear. Now this is a far cry from the several hundred that was going to be offered jobs, initially.

However, Mr. Chairman and deputy speaker, two years ago the then Minister -- and I believe at that time it was the Attorney-General was it not, the Minister in charge of wildlife; that was the days when we were talking about the goose preserves, etc.-- but the Attorney-General said that Manitoba's wildlife and the future of it was in a perilous state. I think that's the words that he used, that the duck population in particular was dwindling very rapidly and that something would have to be done almost immediately to reverse this trend. Now I don't know whether my honourable friend has told the assembly yet whether or not the duck population has improved over that stated by the Minister two years ago. What is the condition at the moment? At that time, there was great concern by the Federation of Manitoba Game & Fish Associations over the whole field of wildlife and the drop in numbers -- and they even blamed the Grand Rapids project, the Grand Rapids Hydro project, as having a great effect on both fish and wildlife, that is the flooding of this vast area and the lack of placing proper and adequate fish ladders in the huge dam at Grand Rapids and they claimed at that time that it had a great effect on the future wildlife of the province. I don't think we have had a complete report on that yet. The article that I have before me expresses real concern over what will happen at the Nelson River project -- have they done everything possible at Nelson River to assure that

(MR. SHOEMAKER cont'd) . . . their operations up there will not in any way deplete wildlife in the province. If they didn't take the proper steps at Grand Rapids, let's make sure that they do when they are proceeding with the big job at Nelson River.

Now, Mr. Chairman, I have made this statement I think nearly every year that I have been in the House, one of the ways that you can assure that the wildlife, and in particular, the game birds, can be preserved is to encourage the farmers to do what they can to promulgate the duck population; and I think the only way you can do that is to guarantee to farmers that are affected that they will not suffer a financial loss through their efforts to preserve wildlife. And in the Langruth area, the Amaranth Area, the area immediately adjacent to the Big Grass Marsh and Lake Manitoba, as my honourable friend knows, is fairly rich land, the land immediately west of Lake Manitoba, and if you get a wet fall and the crop is in the swath, the wild ducks and the sandhill cranes will go out there and just ruin a farmer's whole year's crop in a few hours and there is no reason on earth why these farmers should not be paid for the depre-dation done by wildlife - no reason at all. My honourable friend the Minister of Agriculture used to argue well this is one of the things covered under the Manitoba Crop Insurance program, but as everyone in this house knows full well, the first half is not covered - my honourable friend the Member for Souris-Lansdowne used to talk about the Manitoba crop insurance plan as covering the last half of the crop, that it never was intended to cover the first half. Well the farmer is entitled to the first half of his crop if the ducks, sandhill cranes or wildlife eat it up and I say that something should be done to assure the farmers that they will not suffer a financial loss if they play their part in promulgating the wildlife for those who benefit from having it.

Mr. Chairman, I notice two rather conflicting stories in the report that is before us, one of them confirmed in the annual report of the Department of Agriculture and Conservation on page 70 of the annual report of the Department of Agriculture and Conservation. It gives the story about the rapid increase last year in rabid skunks and reports on that page that there were 41 cases found in skunks, and I think it is confirmed in the report that is before us on Mines and Natural Resources. But -- yes on page 60 of your Annual Report Mr. Minister. And then over on the following page or shortly thereafter, on page - Table 3 of the report I don't see the page number, Table 3, of the report it shows that the number of pelts, skunk pelts taken for the whole year 1966-67 totalled 79, totalled 79. On the other page it said 41 of the skunks were rabid. Now surely to goodness there is an error there some place because it seems to be very conflicting. And incidentally, on Table 3 the number of pelts tanned, tanned in 1965-66, 964. And how many do you think last year? - 68. So it looks as if of the 79 skunks that were killed, 68 of the 79 were tanned, and 964 the year before. Well there must be an error: maybe it's a printing error I don't know but I wonder if my honourable friend would comment on that.

There are a couple of questions that I would like answered Mr. Minister if you will, and it's this one. I'm not absolutely certain or clear on, not being a hunter myself, I'm not quite clear on the bag limit, the possession of, say wild ducks at the moment, and the total take for the entire season. As I understand it, a hunter can shoot 5 wild ducks in a day or he can have ten in his possession or if the season lasted 50 days then you could shoot 250. Am I right or wrong? Or if you wanted to eat 5 a day, if there was a bunch of you there, 5 a day, you could shoot 10 a day - you could eat 5 a day. What is the total limit that one hunter can shoot in a season? --(Interjection)-- No, not in his possession - in a season. You can eat them, you can eat them all the time you are shooting them, but "in possession" would mean in your deep freeze I suppose, you couldn't have more than ten in your deep freeze at one time. But how many can you shoot? When you buy a duck hunting license, do you have to report the number you have shot in the 60-day limit and do you have to report where you shot them or what information do you have to report, or do you have to report any and how accurate is it? It seems to me that if we want to make certain that we'll always have ducks around to shoot, that something is going to have to be done to place a real control on the number that can be shot in a season per hunter. I think that's the secret. And let's forget about talking about the bag limit or the number in possession, because I don't really think it means anything. So I would like my honourable friend to answer that question.

I wrote the department a year ago or so and requested -- of course this was to the Department of Public Works, or Department of Highways, Minister of Highways -- and requested a "deer crossing" sign 4 miles east of Neepawa because there had been I think since

(MR. SHOEMAKER cont'd)... 1959 there has been, well there's an average of 3 or 4 deer a year killed in this particular spot, within a quarter mile spot right there, just as you come out of the valley. They wrote and told me that they were experimenting with a new game mirror, a game mirror. These are small metal mirrors which are erected at the edge of the highway right of way which direct the beam of headlights towards the woods. The effect of these mirrors is that deer are startled by the approaching headlights and remain stationary at the side of the road until the traffic has passed.

Well I wonder if my honourable friend could report how effective these game mirrors are. I haven't seen any in my travels. Are they more beneficial than the old deer crossing signs? I know, my honourable friend the Minister of Labour said it's too bad that snowmobiles can't read: everybody knows that deers can't read either, but the motorist can read and they slow up a little or they should, when they see these deer crossing signs. How effective are the game mirrors, and how many are there in the province? I would like an answer to that one?

I would also like, Mr. Chairman, to have my honourable friend elaborate a little bit more on the new program relating to hay grazing fees, permits and so on - this does come under your department does it not? When Mr. Hutton was Minister of Agriculture he looked after that department and he also determined, or he said he did, what the actual fees would be for grazing and it was all based on the price of beef on a certain day. --(Interjection)-- Well this is a fact - this is what he said: "Hay grazing fees cut by 10 to 12% reflect a lower market for the price of beef." And here's one of the propaganda sheets outlining the whole formula that he used to establish what the grazing fees would be. They established how many head of cattle that a certain area would pasture and then they took the price of beef and multiplied one by the other and came up with a fair price. Does my honourable friend use the same formula? --(Interjection)-- And perhaps, Mr. Speaker, by the time my honourable friend gets some answers for that, I will think of one or two more questions to ask him.

One question that has never received an answer in my opinion is, what has happened to this pothole pay for farmer program that started about seven or eight years ago. The Federal Government, and this was back in the early days of ARDA, they were going to devise a whole new plan for the whole prairies, the three prairies at least, three prairie provinces, to pay farmers to leave potholes on their farms so that the ducks and geese would have a place to feed and breed. What has happened to that program?

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Mr. Chairman, I noticed that just as you were calling the item the Minister was going to get up and I hope that he will have something to say about pollution. I just have one further last comment to make on it. There is an article in today's Tribune that the Minister might find of some interest. It's headlined: "Hitting the brakes on auto may be inviting cancer," "San Diego, California. Every time you hit your brakes you may be polluting the air with a substance suspected of causing cancer a pathologist said. The substance is asbestos, widely used in brake lining. It also is found in roofing, insulation and many other industrial materials." And the article goes on to give various statistics and what have you. Mr. Chairman, I just think that it's difficult for us to get serious about this problem. We all can't see it happening or feel it happening, it's happening imperceptibly and therefore I think we tend to not treat it as an urgent issue. But I suggest it is a very urgent issue, it's a critical issue and I think that it's being handled in a rather cavalier fashion by the government benches at the present time.

MR. JOHNSTON: Mr. Chairman, before the Minister responds I have two short questions. When he announced the fact that the Blue Construction Corporation at Spokane has been contracted to build the sawmill by Churchill Forest Products could he tell us the date when construction will start and when the mill will be completed? That's one question. The other one is I note in his remarks on page 504, about half way down the page, he's speaking about the operators who were in the area which is called the specified area, wherein Churchill Forest Products will be operating, he states that all operators have quotas from the government good for a further 13 years and we have every intention of honouring our commitments. Does this include the operators who have sub-contracted with Churchill Forest Products?

MR. FROESE: Just before the Minister gets up and gives a reply to some of the other questions that have already been put to him - when I spoke before we recessed earlier, I had several questions put to him and I'm not sure whether I got all the information that I was

(MR. FROESE cont'd)...looking for. The matter of selling these metals to whoever buys them - and I would like to know from him whether he could give us some indication as to what percentage is sold to the United States and how much of it is used in Eastern Canada and so on and the pricing mechanism, who sets the price and are these prices f. o. b. Manitoba some point or is this based on like some other commodities, like we have on wheat, based on the Fort William price? What is the situation here? I would like to get a little more of this information.

MR. CHAIRMAN: 1 passed; 2 passed...

MR. MOLGAT: Mr. Chairman, if the Minister suspects for one moment that one will pass without any answers, I think he has delusions.

MR. EVANS: ... point out that he was rising at that moment and I don't think the Honourable Leader of the Opposition should take that attitude.

MR. MOLGAT: The Chairman was on to Number 2.

MR. EVANS: I was referring to - the Minister was rising at that point.

MR. MOLGAT: Well he was sitting back down if you had looked. Mr. ...

MR. CRAIK: Well with regard to the Honourable Member for Inkster's question regarding the jurisdiction responsibility on pollution, this has been in the Department of Health and I said our peripheral involvement was in, when it came to questions that involved the Department of Mines and Natural Resources we were brought in, but primarily this is and always has been in the Department of Health in terms of their responsibility for air, water and soil. I think I could go further and say that there is good probability that legislation will yet be forthcoming this year regarding clean environment and he'll have plenty of opportunity then to discuss it further.

Regarding the questions of the Honourable Member for Gladstone, I don't know whether I can answer all his questions here yet. I think he's going to have to answer a question I have, how do you promulgate a duck; and perhaps if he'd tell me how to promulgate a duck I could answer one of the questions at least he thought he asked. Regarding the duck population, there has been a recovery throughout the prairies with the exception of mallards in Manitoba and there is still a problem here in this flyway with mallards. There has been a good recovery in Saskatchewan and Alberta but not so good here and the answers aren't really all known. As I indicated in my opening remarks, we are still looking for the right answer. The Member for Turtle Mountain discussed this too. I think that there is a school of thought contrary to the Member for Gladstone where you control the total bag over the season - there is a school of thought that says bag limits should either be one of three types: zero or an upper bag limit, a halfway bag limit totally or absolutely zero bag limit, that is you cut off the shooting season completely. Now the problem here is that you are in an international agreement with the United States when you get to the point of considering whether you have to cut off the shooting season completely; we haven't reached that point yet. With regard to the bag limits as they exist, theoretically one could take the daily limit every day of the season. This as far as I know always has been.

Hay grazing is on page - no I guess it's not in the Annual Report. Here I can give you that answer as far as the details are concerned. The formula still is based on what he mentioned it to be, based on the stockyard price during a previous period to which calculation is made, the formula is still based on that.

Regarding the Member for Portage's question regarding the plant at The Pas. I mentioned that the contract had been let to the Blue Construction Company which is a subsidiary of the Pack River group and their starting date -- in terms of an actual date I can't give him the date -- they are waiting for the spring breakup. The problems there are difficult at the present time. I assume it will start as soon as they can get into the site. -- (Interjection) -- Completion date is October '68.

As far as the honouring of the quotas is concerned, the quotas were doubled as I indicated, they were doubled back a year or two ago, and as I said, we have every intention of honouring our commitment as far as the granting of their quotas are concerned. The actual cutting areas that they will eventually have will be areas which they will have to negotiate with Churchill and when their present cutting areas are past the completion date they will have to perform their negotiations. As you will see though from the amendment that was made, in one case at least we had to remove an area to make sure an existing operator in a far off region - a portion of the specified area was actually created for him.

(MR. CRAIK cont'd.)

Now the Member for Rhineland, I'm sorry I didn't get your question completely and if you wouldn't mind restating it.

MR. FROESE: My questions had to do with the matter of price of these metals that are being produced at Thompson. How are the prices set and is this f. o. b. Manitoba some place or is the pricing of metal done like, for instance, we sell our wheat - the prices are f. o. b. Fort William or on that basis. What is the situation. Are we in over supply or are we short? Are they sold as they are produced or what is the situation?

MR. CRAIK: Well the actual price of the refined metal is certainly not set here but is set by the trading area they are in, which I imagine is an international market, their final price. Where it is f. o. b. I'm sure is an internal decision as far as the company is concerned. I certainly wouldn't have any information to pass on on that. As far as the demand is concerned for it, the demand for all the metals I know of particularly nickel and copper is high. I think in nickel, the nickel sulphite ores that are common to the Pre-Cambrian shield are still competitive and probably more than competitive with nickel refined from the oxide ores which come from the further southern regions of the world, primarily Guatemala, where they have very extensive deposits of nickel oxide and which are not competitive yet but are under pretty intensive research programs to improve the methods of refining from the oxide.

MR. FROESE: Where is our production sold to? Does most of it go to the United States or ...

MR. JOHNSTON: Mr. Chairman, did I understand the Minister to say that one of the amendments that had been renegotiated was the cancelling out of some of the present operators in the specified area?

MR. CRAIK: No, what I said was that part of the specified area, 19 square miles or 18 square miles was taken out of the specified area on the southern edge of it, for the purposes of satisfying the requirements of an existing operator.

MR. JOHNSTON: Mr. Chairman, I go back to the remarks of Mr. Evans at the time of March 8, 1966, and this is what he said -- top of page 740 March 8, 1966. This is speaking about in the reserve area, "The rights of the cutters presently operating in this area have been well protected. Not only are they to be allowed to continue cutting in the reserved area, but arrangements have been made so that they may achieve a rate of operation double their present size. This compares with some other provinces where in similar circumstances the permits of existing cutters were not renewed after expiry. Not only are their cutting rights protected but new opportunities are opened up to them for employment." Now unless I misunderstand, Mr. Chairman, this is quite a change for the operators in that area, this new amendment that the Minister is speaking of.

MR. CRAIK: No, let me make it clear, their quotas were doubled and their cutting rights were left the same as they were. The termination date of their cutting rights are different with every contractor or with every cutter.

MR. GUTTORMSON: Mr. Chairman, the Minister in his remarks a few moments ago mentioned that the duck population, particularly the mallard specie was in short supply on the flyway that covers Manitoba. Well the policy of the government last year certainly didn't do anything to enhance the situation. Last year we had a situation where the government imposed regulations whereby the duck season opened and the mallards were to be protected and this did nothing but see thousands of mallards slaughtered needlessly. What happened is that too many hunters went out into the field, shot mallards, supposedly by mistake and they threw them away rather than take them home or run the risk of being caught with them on their way home.

I just can't understand the department imposing a policy so asinine as this last year. The loss of ducks, of mallards, last year through this policy is just almost impossible to count.

I hope that when they put the policy in effect this fall that if they want to protect a particular specie they wait and delay the season for all birds, rather than restrict one particular specie and then have them shot accidentally or otherwise earlier and then just have them thrown away by the hunter.

We have some particular difficult situations in some parts of the province with regard to the wild game. I'm referring to the game preserve along Lake Manitoba near Clarkleigh which includes private property and yet it's a sanctuary for the geese. It seems most unfair to me that a farmer has his land, his grain farm included in the sanctuary and the geese are able to

(MR. GUTTORMSON cont'd.) come in and feed on this property and the farmer is taking a big loss. Surely he should be compensated in some way for losses such as this.

The Minister is aware of this situation. I have discussed it with the department and they suggest that the farmer get up at 3 o'clock in the morning and set off bangers to get rid of the birds themselves. Surely he must have more respect for the farmer than to think he has got that kind of time to spend all morning in the fields scaring away birds. Surely we should come to some kind of a compromise which would be more profitable to the farmer.

We also have a situation in other areas where the deer are ravaging the crops and I think it's time that the government implemented a policy whereby the farmers could be compensated for these losses. I'm suggesting that one way might be to increase the licence fees to compensate for the losses that farmers receive in this way.

Earlier in this debate, the Minister suggested that the government wasn't going to go ahead with the Fish Marketing Board because the needs of the fishermen had to be determined. Now this government's been in office for 10 years and if they don't know what the needs of the fishermen in Manitoba are now, they'll never know. This last winter the fishermen of Manitoba particularly those on Lake Manitoba, suffered probably the worst season in memory, and for the Minister to suggest that we have to determine the needs of the fishing industry is just preposterous. We've got to do something for the fishermen and do it now. The McIvor Commission pointed out in his report that it was urgent that something be done to put a Fish Marketing Board into operation, and now the Minister indicates it should be delayed perhaps for a year or more. This is just not satisfactory. We've got to do something for the fishermen and it's got to be done soon.

I visited a fisherman on the lake this winter and I'm sorry to tell you that many of them just pulled out long before the season ended because they just couldn't make ends meet at all. I spoke to a number of them, some of the best fishermen on the lake, and they report to me that they can't recall a season which was so bad in their memory. It seems a crime to me, with all the poverty that we have in the world and the millions of people that are starving, that we permit a situation to see the mullet virtually go to waste on the lake during the winter months. The fishermen I had occasion to talk to tell me they are able to get two cents a pound for mullet at the most. Now this is certainly an edible fish, and why some steps aren't taken to try to make use of this fish is beyond me. I don't mind telling the House that on the lake this winter I went out to a site of a fisherman and I bought in the neighbourhood of 100 pounds of the mullet, filleted them and took them home, and I don't mind telling you that they are certainly an edible fish, particularly for fish cakes and things like this, and I've urged this in the past and I'm going to urge this House again, the Minister particularly, that some steps should be taken to find a market for this specie so that the fisherman could get a price for it and he'd also be doing the people who can't afford the expensive species a favour.

HON. J. B. CARROLL (Minister of Welfare) (The Pas): How much did you pay for them, Elman?

MR. GUTTORMSON: I paid two cents a pound. The Minister of Welfare may think it's a huge joke but . . .

MR. CARROLL: I'm not thinking it's a joke.

MR. GUTTORMSON: I'm suggesting to this House that this fish is certainly an edible fish and it's a crime that it should go to waste on the lake. We have all kinds of people starving in parts of the world and I think we should take some steps to make use of this fish. I talked to the fishermen and if they could get five cents a pound for this particular specie they could make a living, and I'm suggesting that we should do something to promote the sale of this particular specie.

I've also suggested in the past and I want to suggest again that we should try to establish a canning factory. I've tasted canned mullet and it's a delicacy. I don't know why steps aren't being taken to find a use for these fish because in the past I've gone to the lake and when you see piles of mullets lying around like cordwood, in many instances just to rot, it seems a most unfortunate situation.

There are other aspects I will raise on the fishing industry when we get to the department but I would hope that the Minister would reconsider the position with respect to the Fish Marketing Board so that it might be in effect this coming winter when the season gets under way again.

MR. CRAIK: Mr. Chairman, let me nail that one right on the head. We're certainly not holding up the Fish Marketing Board. We've been fighting for it tooth and nail for the last year,

(MR. CRAIK cont'd.) and if you've got any pull down in Ottawa next week you crank somebody's tail down there . . .

SOME MEMBERS: Hear. Hear.

MR. CRAIK: And if you want copies of the correspondence, they're being tabled on another Order for Return and you read the correspondence and find out for yourself where the hold-up's coming. We're quite prepared to -- we recommended the McIvor Report Commission to them. They rejected it. They came back, and if it hadn't been for us sticking to our guns here, we wouldn't have got the joint Federal-Provincial Board we're getting now, and the only reason we haven't got it right now is because they're held up in their legislation and they had their whole bevy of experts out here last week and we met with them last Wednesday, and the last word we gave them was: "If you fellows get off your can and get this through, we're not asking you for the complete legislation; all we want is the draft of your Cabinet approval that you're going to send for legislation so we can bring in the enabling legislation to get it going." So don't for a minute accuse this government of holding up the Fish Marketing Board. We've spent hours and days working on it.

MR. GUTTORMSON: Why did the Minister in his remarks the other night infer that these had to be determined amongst the prairie provinces before the plan could go into effect?

MR. CRAIK: It's a joint federal-provincial program.

MR. GUTTORMSON: That's not the point. The Minister indicated in his remarks that the needs of the fishermen had to be determined by the prairie provinces. Why did he say that the other night?

MR. CRAIK: Let me answer this again. There is the fishermen and there's the fishing industry to dovetail into this program, and you're trying to do both of them at the same time. The needs of the fishermen are known. This is not the problem.

MR. PAULLEY: Mr. Chairman, this is most interesting and I'm glad to hear the Honourable Member for St. George and the Honourable new Minister of Mines and Natural Resources discussing the question of Fish Marketing Boards. I think, first of all, I may say to my honourable friend, the proposition of the government in respect of Fish Marketing Boards is vastly different than that that has been adopted up until now by the Minister of Agriculture in respect of marketing boards, who has thrown every obstacle that he can before the endeavours to establish a Potato Marketing Board in Manitoba - Vegetable Marketing Board - and he's still doing the same, incidentally, as far as I'm able to ascertain insofar as poultry is concerned. It's true that the Turkey Marketing Board has just been established by a vote in the industry but if we relied on the activities of the members opposite, particularly the Minister, in respect of Fish Marketing Boards, I think there will be a lot of fish tails wagged before it becomes an accomplished fact, because psychologically that government does not believe in marketing boards, particularly marketing boards that are producer-controlled.

I don't know if my honourable friend has done any research into the question of marketing boards in the fishing industry. I was doing a little research myself. I find that a former member for the City of Winnipeg, who's now an alderman, Donovan Swalles, was on a couple of commissions that were set up, and committees of the Legislature set up to inquire into the Fish Marketing Board and the difficulties that the fishermen of Manitoba were facing at that time and are still facing, principally due to inactivity by government, not only this government but the previous one as well, insofar as the establishment of fish marketing boards are concerned.

I have here - and I'm using the script of Donovan Swalles - dated 1957, and I want . . .

MR. JOHNSON: What year was that?

MR. PAULLEY: Just a minute, if you don't mind. This was what Donovan Swalles said in 1957 when dealing with the question. His opening remarks, Mr. Chairman, I'd like to draw to the information of the Minister of Mines and Natural Resources, and it reads as follows: "In spite of the fact that two commissions appointed by this government . . ." and that of course refers to the previous government, "have made specific recommendations to improve the position of the commercial fishermen of Manitoba, practically nothing has been done to implement these recommendations." And then he goes on to say, "Twenty-three years ago the Fish Commission reported: 'As far as the fishermen are concerned it is evident that they are in a most unfavourable position. Conditions in the industry cannot be greatly improved unless the fishermen are organized, not only to protect the welfare of the group, but also to make their contribution in working co-operatively with the distributors and the government in deciding

(MR. PAULLEY cont'd.) what courses to follow. We believe that co-operative collective action between all parties interested in the Manitoba fishing industry is essential to its maintenance.' " And that was 23 years prior to 1957. And what is the situation prevailing today? Although may I interject, first of all, Mr. Chairman, this government brags of the fact that it has had the control in the Province of Manitoba for 10 years. They had an opportunity long before there was consideration of the recommendations of the McIvor Report to establish a fish marketing board inside of Manitoba.

MR. LYON: . . . impossible . . .

MR. PAULLEY: My honourable friend the Attorney-General says it would have been an impossible situation, it wouldn't have worked. It worked in the Province of Saskatchewan.

MR. LYON: Yes, it went broke.

MR. PAULLEY: It doesn't matter. It worked and the return to the fishermen in Saskatchewan was hundreds of dollars per year, members . . . it did not go broke.

MR. LYON: It went broke.

MR. PAULLEY: It didn't go broke until the Liberals took over. That's when it went broke. It went broke because of the fact that the Government of Saskatchewan, insofar as marketing boards is concerned, has the same psychological and philosophical attitude toward marketing boards as the Government of Manitoba. That's why.

MR. LYON: It's not doctrinaire; neither are we, but you are.

MR. PAULLEY: It doesn't matter whether we're doctrinaire or not. -- (Interjection) -- The fishermen went broke. And I'm going to say, Mr. Chairman, that if the fishermen have to wait to get a fair shake for their labours for action on the part of this government in concert with the governments of Saskatchewan and Alberta, and possibly Ontario, with the federal authority, they're going to wait a long, long time. There are immediate problems in the fishing industry today. Don't believe me. Take a look at the reports that were presented at the conference at Arborg when federal Minister Sauve, together with our own Premier, ex-Premier, laid the basis for the inflowing, as they called it at that time, of \$85 millions into the Interlake area, and one of the points that they raised at that time and one of the bases they gave for the need for the program, the FRED program, was the deplorable situation insofar as the fishing industry was concerned. If I remember the figures correctly - somewhere in the neighbourhood of \$600.00 income per year. And what is this government doing about it other than giving lip service and hoping and praying that some day they will be able to unite with other provinces to do something insofar as the fishermen are concerned? I've been following with a considerable degree of interest the shenanigans that have been going on by this government. You never know, Mr. Chairman, from day to day what is the attitude of this government in respect of this. First, you can pick up an item in the news media either through the propaganda sheets or statements of Ministers, that "the matter is under consideration," and then a week later, "It seems unlikely that Manitoba will be able to convince the other provinces and the federal as to an early establishment of a marketing board." The Minister himself, the present Minister

MR. CRAIK: Who said that?

MR. PAULLEY: You said it. You said it that there'd be delay. And as I've pointed out here, Mr. Chairman, by the remarks of my former colleague Don Swalles in 1957, that 23 years ago prior to 1957 was the recommendation that we're faced with here today, and the situation of the farmer's no better - as a matter of fact it's worse.

A MEMBER: The fisherman.

MR. PAULLEY: The fisherman. Well, the farmer's just as bad as well. But the fisherman. I say, Mr. Chairman, that there is no need for my honourable friend the Minister to hide behind the proposition of having to have joint action. There can be established a Fish Marketing Board in the Province of Manitoba that can render the fisherman a great deal of service. You don't have to wait until there is full implemation of the recommendations of McIvor.

I want to ask my honourable friend, what initial steps have you taken towards setting up a Fish Marketing Board here in the Province of Manitoba? Have you any alternative if consultations and discussions collapse between the other provinces? What attitude will my honourable friends opposite take, Mr. Chairman? What proposition has the government to offer to the fishermen of Manitoba in the event that the recommendations of McIvor are not acceptable to other jurisdictions? The same as it's been over the years? Absolutely nothing? Have you

(MR. PAULLEY cont'd.) no alternatives. I've never heard of any from across that side, and I suggest that it is time that you did have. I don't know what the laughter is and may I suggest that possibly the chortling that I hear on my right is indicative of the attitude of the Liberal Party towards the fishermen of Manitoba. It could well be. It could well be that they're not concerned. Well, it appears like that.

I wonder, Mr. Chairman, whether or not we may be able to continue in interest of a depressed industry without the childish shenanigans that I'm getting from my right. I'm sure the fishermen of Manitoba are far more concerned with their plight than my Liberal friends are. I want the Government of Manitoba to take a little more interest in the fishing industry in Manitoba. My friend the member for St. George just talked about buying mullets at two cents a pound. -- (Interjection) -- Yes, I guess fish lay eggs. Again I say, Mr. Chairman, the attitude and my honourable friend the Minister of Agriculture's chortling - I can appreciate that coming from him, one of the biggest opponents of marketing boards that this province has had in the position of Minister of Agriculture, so I can understand him -- and the former Premier of Manitoba; he had exactly the same attitude, exactly the same, and I have also uncovered in my research of the attitude of the previous government to fish marketing a speech made by my honourable friend the -- (Interjection) -- No, it's not worth reading. It's not worth reading.

Mr. Chairman, I say to the Government of Manitoba, they will be and are irresponsible if they don't establish an alternative, insofar as the fishing industry is concerned, that can be used on behalf of the fishermen in Manitoba in the event of a collapse or non-progressive action by the other provinces. I would far rather hear the Minister of Mines and Natural Resources stand up in this House and say, "We are endeavouring to bring this about but if it isn't brought about, that is the joint action, within a reasonably short period of time, here is our program for the fishermen of Manitoba." It isn't a depressed industry. It was once an industry that did provide for many of the people in the areas of Gimli and Riverton. I recall as a youngster being up there particularly in the fall . . .

MR. JOHNSON: You were healthier then.

MR. PAULLEY: Yes and I was healthier then. Maybe I should have stayed up there and continued fishing. You see, at that time I was fishing for fish. Now I'm fishing for some action from an inactive government on behalf of the fishermen. -- (Interjection) -- Oh, I often used to get up. I used to get up there on Icelandic day too. As a matter of fact I'm even related to an Icelander so there is some association. But I would like my honourable friend the Minister of Mines and Natural Resources -- he's just starting out; he's just a young fellow. Maybe there's some hope for him, but I'd like him to instil some hope for the fishermen of Manitoba.

The McIvor Report is good, but as I indicate, we have had reports on a number of occasions previously in respect of marketing boards. My friend the Honourable the Provincial Treasurer just a year ago, I believe it was, reported to us that there was, what was it? - two million pounds of fish in cold storage, because of the fact that the fishermen were not able to control their own product. -- (Interjection) -- That's right, I'm getting closer. Because the fishermen were not able to control their product. Just like the Honourable Minister of Agriculture says that the vegetable marketing people should not control their product.

MR. ENNS: If they tell me they want to control it, they'll control it.

MR. PAULLEY: What? With impossible conditions under which a vote is taken. I say, Mr. Chairman, that if the Honourable Minister of Mines and Natural Resources insists on the same type of proposition as the Minister of Agriculture, the fishermen will never have a marketing board that they can control. It'll still be controlled from the outside and, as the Honourable Minister of Education just indicated when I spoke of the necessity of the fishermen the producers having a greater degree of say in the marketing of their product, he said I was getting on the right track.

MR. JOHNSON: I told you the answer last year and I'll tell you again as soon as you sit down.

MR. PAULLEY: This, Mr. Chairman, is most interesting. My honourable friend the Minister of Education says he told us the solution to the problem last year and he's trying to tell us again this year. I welcome this. But if you have the solution to the problems of the fishing industry in Manitoba, don't tell me about it. Tell those on your side of the House that can do something about it.

MR. JOHNSON: I'll try and raise my . . .

March 28, 1968

MR. PAULLEY: That's what we want, and I'm sure that if you do that and you convince your reactionary colleagues on that side of the House ...

MR. JOHNSON: I don't think you'll understand if I tell you again.

MR. PAULLEY: What do we all understand? If it's going to solve the problem in the fishing industry to the benefit of the fishermen in the industry I'll certainly understand it, and I'm sure, I'm sure too that the fishermen will understand it, but get your colleagues first to understand it. That is the start and that is what is necessary. We need more positive action from that side of the House in the interests of the fishermen who are not getting it. And while my honourable friend the Minister can stand up in this House and ... pardon?

MR. CHAIRMAN: It's 10:00 o'clock.

MR. PAULLEY: Ten o'clock? All right. I'll continue again.

MR. JOHNSON: Please do.

MR. PAULLEY: Yes.

MR. LYON: Mr. Chairman, I move the Committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of the Whole House has considered a certain resolution, begs to report progress and asks leave to sit again.

IN SESSION

MR. SPEAKER: Order, please.

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the Committee be received.

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

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Welfare, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 10:00 o'clock Friday morning.