

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Monday, March 25, 1968

MR. CHAIRMAN: Before we proceed, I have up in the gallery on my left hand here 38 students of Grade 8 standing. They are from the Fort Richmond School. These students are under the direction of Mr. Helgason and Mrs. Broadhead. This school is located in the constituency of the Honourable Member for Fort Garry. On my right, I have 35 students of Grade 11 standing from the Portage Collegiate, the school that I understand turned out two premiers for this province, I believe. These students are under the direction of Mr. Bills and Mrs. Hecht. The school is located in the constituency of the Honourable Member for Portage la Prairie. On behalf of you all, I welcome you here tonight.

MR. McLEAN: Mr. Chairman, two questions were asked by the Honourable Member for Lakeside just as we rose. He spoke of omissions from the list of deputies and I have to confess to him that I haven't been able to figure out what the omissions are, but I haven't had an opportunity of discussing the matter with the officer who was good enough to prepare it, but I just say that we'll check it first thing in the morning and the omissions will be completed because we certainly intended to give all the information.

The second question had to do with the increase in the number of employees in the Motor Vehicle Branch, especially since there has been a great deal, indeed apparently it's been the foremost, in automating its operations. The increase is due to a number of factors. The extension of driver testing beyond the metropolitan Winnipeg area, and we now have arrangements for seven mobile units, six of which are operating, and this accounts at the moment for 14 people. Driver testing in metropolitan Winnipeg has expanded and this has been due, among other things, to the operation of the point system. We have two people that are associated with the new driver education program, a program which has been in operation now for two years. Then in addition to that there has been the increase in automobile registrations, and to take 1957, back in that golden age, there were 258,241 registrations as compared to 404,675 as of January 31, 1968. Not quite doubled but getting reasonably close.

And then in connection with the registrations we now have the -- at least the staff now has the added responsibility of checking on the revenue tax and on the safety certificates in certain cases, both of which functions require of course a certain amount of time. So that this would be by way of explanation for the fact that we don't seem to be reducing the staff even though the functions of the Branch have a high degree of automation.

MR. CAMPBELL: Mr. Chairman, I can understand that there would be added work with the increase in the number of automobile registrations and I can see also that the added responsibilities that the Honourable the Minister speaks about would mean some extra work too. My guess is, however, that both of these areas have been expanding in the last year as compared to the year before, and yet we have a natural reduction proposed as between the year whose estimates we are now considering. I think that if my honourable friend will look at the list he will find that they actually are down one as compared to the fiscal year that we are now in, so you'd expect that if those reasons that my honourable friend has outlined were to carry through all the way, that they would still be going up. However, I think the reasons in general are valid and I don't need to pursue them any further.

The three omissions that I noticed - to save my honourable friend the trouble of checking the lists against one another - the three that I noticed, unless I missed them, are Don Stephens of the Hydro, Elliot Wilson of Workmen's Compensation Board, and General Rodger of an area of a ctivity that I'm sure that my honourable friend is very familiar with, namely, the Liquor Commission.

MR. DOERN: Mr. Chairman, are we on Item 89 at the present time?

MR. CHAIRMAN: We are on Resolution 89 (a).

MR. DOERN: Right. Well, I want to mention a few things here. One of the things that I have been trying to find in the 1966 statutes and have been unsuccessful is to determine whether or not there's a standard height for a bumper on a car or a truck, or whether in fact it is compulsory to have one. One of the things that I think should long have been remedied is the fact that many vehicles, particularly trucks, do not in fact have rear bumpers and I think this leads to very expensive collisions and so on. I once had that experience myself some time ago when I ran into a small truck with no rear fender and had a nice trailer hitch sticking out the back which punched a hole through my radiator, etc., so I know what I'm talking about. What I would like to know then is whether or not it is essential, whether there is any legislation that it is

(MR. DOERN cont'd.) essential, let's say a truck or all vehicles should have a rear bumper, because if it is then it is not being enforced, and you can go on any street and watch the cars and trucks going by and you'll see all kinds of trucks with no real bumper at the back.

The other thing I wanted to mention was in regard to motorcycle safety. The member for Assiniboia mentioned this the other day and I happened to have picked some of these book-lets up some time ago from the department. I think they're a very good idea, but if I might pass a personal judgment, I think the art in them is very poor. But what I think the government should consider doing with this is to possibly run a series of ads in the daily press or some other medium, because although this is very good it's some 50 pages in total, and I just wonder how many motorcycle riders bother sending away for this and bother reading it. If we had a series of one a day, you had 50 or 100 little items with illustrations in the press or even something on television, I think it would be most useful to ensure better motorcycle safety and habits.

MR. DAWSON: Mr. Chairman, I was under the impression that the Chairman of the Highway Traffic and Motor Transport Board was a part-time job. I guess I was wrong because I note that the salary is \$17,500. Now the questions I would like to ask: Is the Chairman appointed by the government and is it or is it not a full-time job; and how many meetings do these people hold a month. Do they have monthly meetings or are they meeting daily, or what?

MR. McLEAN: Mr. Chairman, first of all with regard to the question of the Honourable Member for Elmwood, I'm under the impression - and I would correct this if I'm in error - that bumpers are required but that there is no legislation or no rule that prescribes the height that they must be. I would agree with him that it would be a good idea if they were all the same height.

I'm assuming on the motorcycle ads, he suggests something like Batman and Robin for me.

The Chairman of the Motor Vehicle and -- the Highway Traffic and Motor -- no, I'm getting the name wrong, but in any event the Chairman is full-time, appointed by the government, and I just quickly would have to look, but they meet pretty regularly. I would imagine that that Board meets once a week and perhaps in many instances more than once a week. The majority of their meetings are held in Metropolitan Winnipeg although they are authorized to, and do in fact, meet at other points throughout the province from time to time to serve the convenience of those who have to appear before the Board.

MR. DOERN: I wonder if I could just make another comment to the Minister. It may be true that there is a law on rear bumpers and fenders and so on, but I would like to know why the law isn't being enforced. How can we have hundreds and hundreds of trucks on the highways with no rear fenders or bumpers, and yet apparently there is a law prohibiting that. I don't see any enforcement on that. Could the Minister get together with the Attorney-General and do something about it?

MR. McLEAN: I would be glad to, I wasn't under the impression there was that degree of violation, but if my initial impression is correct, then I would agree that we ought to be busy enforcing it if it is not being observed.

MR. DAWSON: Mr. Chairman, I note that the Comptroller-General for the Province of Manitoba is paid \$19,000 yet the Minister has told me that the Chairman of the Highway Traffic and Motor Transport Board is paid \$17,500. Now are you suggesting that the two positions are that closely related, one meeting a week? I also understand the chairman is a full-time practising lawyer.

MR. McLEAN: Mr. Chairman, I didn't intend to suggest that the Board was meeting continuously every day. The Chairman of the Board has many duties far and beyond the actual conduct of meetings, being the general supervision of the activities of the Motor Transport Board and that function is a full-time job. In addition, he is the Chairman of the License Suspension and Appeal Board which also is a fairly active operation as members will be aware.

I'm just trying to -- I'm just trying to look here, I have a summary: In 1967 there were 526 applications for structures to and access driveways onto highways; 67 applications for speed zones; 43 miscellaneous applications; hearings - there were 49 hearings held in Winnipeg - I'm in error - 49 hearings held altogether throughout the year.

MR. RODNEY S. CLEMENT (Birtle-Russell): Mr. Chairman, I rather think the Minister is mistaken when he thinks there is a law that all trucks have to have bumpers on the back, because having been in the truck business, we can't buy a truck - we don't get any of our trucks

(MR. CLEMENT cont'd.) with back bumpers on. I wouldn't want to think that our hard-pressed farmers now have to turn around and buy a bumper, and if the Honourable Member from Elmwood runs into the back of a parked truck I think we should have these breathalizer tests.

MR. PETURSSON: Mr. Chairman, I was waiting for just that kind of an opening on the idea of breathalizers. It has to do with Article No. 89 on the Motor Vehicle Branch violations and I ran across the information in the Liquor Control Act, the information that in 1966 there had been 616 violations with regard to impaired driving whereas in 1967 there were 787 violations, an increase of 171 violations in that particular area. There were others who were classified not only as impaired but intoxicated. There was no increase in the intoxicated - I don't know why - when the impaired drivers showed an increase, and the thought that occurs to me is that to permit a person who is impaired or intoxicated to drive a car is pretty much the same as allowing a man who is half-drunk or completely drunk to roam the streets with a loaded gun. An automobile is a lethal weapon. It's been described as such. The countries that have taken steps to prevent drunken driving or impaired driving, in England for instance, or Great Britain, have found that the road accidents and deaths as a result of road accidents have increased by what to many is a traumatic amount, and if it doesn't come under this particular branch then the question of breathalizers, as my honourable friend over here suggests, the question of breathalizers should certainly come before this Legislature and be given consideration, with the idea of having some legislation passed in that regard.

MR. JOHNSTON: Mr. Chairman, is this where we may discuss the \$25.00 deterrent fee in lieu of insurance when one purchases a licence?

MR. CHAIRMAN: That is the Department of the Attorney-General.

MR. DAWSON: Mr. Chairman, I'm not sure if the Minister has given me the answer to my question. Is the Chairman of the Highway Traffic and Motor Transport Board a full-time or a part-time job?

MR. McLEAN: It's a full-time job.

MR. GREEN: Mr. Chairman, I take it that the Board that my honourable friend the Member for Hamiota is referring to is chaired by the same person who chairs the Licence Suspension Appeal Board. I think that's the indication that the Minister gave.

Mr. Chairman, I feel that sometimes when I bring up a subject of this kind I am misunderstood so I have to apologize in advance, but I assure the House that I feel just as strongly as everybody else does about people on the highways whose ability to drive a motor vehicle is impaired by alcohol or who are drunk, and I feel just as strongly as others do that something has to be done about it. I'm rather inclined against the present amendment that has been proposed to the Criminal Code by the Minister of Justice, Mr. Trudeau; and I'm inclined in favour of trying to have some provincial method of withholding a licence from somebody who doesn't voluntarily submit to a breathalizer test. In other words, I think it can be done within provincial legislation. I think we can avoid saying that it's a criminal offence to refuse to breathe into a tube which is in effect what the Criminal Code seeks to do, and it's a departure from our standard, and I believe proper method, of saying that the accused will not be responsible to incriminate himself.

But I'm coming to the Licence Suspension Appeal Board. The reason for that Board, as I understood it, was that a person who did have his licence suspended for various reasons, which would include driving while intoxicated or driving while impaired, could, if he could convince a Board that there was reasonable reason for doing so, have his licence reinstated on particular terms or conditions, and one of the favourite conditions is that it will only be used during the course of his employment and this enabled a person to get back his driving privileges. When I had some of these cases in the past, Mr. Chairman, we could usually get before that Board in about a week's time, which meant that if the person could get a week's holiday and could convince the Board that there was a case which deserved consideration, he could be back at work and the penalty of the fine and the possible imprisonment worked in many cases a sufficient hardship to deter him from doing this again, so that he could retain his job.

Now my understanding is now, and it's somewhat related to the question that was asked by the Member for Hamiota, that it takes much longer to get before the Board, and that being the case it may not serve the purpose that it once did serve and that is protect the man's, at least vocational driving privileges after he got involved in one of these offences. Mr. Chairman,

(MR. GREEN cont'd.) it's very easy to come down and be as hard as possible on these people, and again I apologize in advance if I lead this House to believe that I think that they should be driving on the streets, but I think that there is also a duty to, in a proper case, see to it that it doesn't work an extraordinary hardship.

MR. McLEAN: Mr. Chairman, when the legislation to provide for the Licence Suspension Appeal Board was introduced, it was introduced to provide a suitable mechanism under which cases of hardship could be dealt with, and that is the principle upon which the Board has been operating since that time. I'm interested in what the Honourable the Member for Inkster says about it taking longer to get before the Board because my own understanding was quite the reverse, that actually the cases were dealt with more quickly than they had been before. However, he has raised a good point and I would only say that if my understanding is incorrect we'll do our best -- I should point out of course that the number of applications has increased rather rapidly and the care with which the Board has been dealing with them has I think been better, because we're in a sort of a double position here. We have concern about a person who may be affected in the making of his livelihood because of having his licence suspended, and at the same time of course there is great concern about people driving who it is alleged ought not to be driving, and so there is a difficult middle line in there that makes for some problems. I am confident that the Board is doing its very best and this may take a little longer time. But I note what has been said and assure the Committee, Mr. Chairman, that it is really our desire to have the applications disposed of as quickly as possible and we'll do our best.

Just while I'm on my feet, I'm never certain how much to say about the breathalyzer, because I'm as well aware as anyone else about the emotional impact that this makes, and yet my concern is that it is going to be oversold and expected to produce miracles when in fact no such thing will happen. Dealing with the experience in Great Britain, I note the public press reports about the reduction in accidents, but then what the press reports do not say is whether there are any other factors. In other words, this may or may not be a controlled experiment, and all I'm saying is that whether it's due entirely to the use of breathalyzers or not is not at all clear to me. I'm not saying that it's not, I'm merely saying that the reports do not make it clear whether or not there have been any other factors.

The other circumstance to be taken into account is that if we're not all to be stopped at every corner and asked to take a breathalyzer test, then of course the breathalyzer will largely be used to prove the facts after the event, and in that sense will be perhaps no more helpful in preventing accidents. It will be helpful in proving the guilt or innocence of the accused person but it may not necessarily be helpful in preventing accidents unless, as I say, all of us are required to take a test before we start out and maybe two or three times along the way in case we may be suspected of having something to drink.

My own personal feeling is that there will be many hardships that will be worked by the breathalyzer, because any time you use a mechanical device to say whether or not someone is guilty of an offence, you run the very grave risk that there will be those who, because of their physical make-up, will push the needle up over the limit, but who by all measurements may be entirely capable of doing good driving, whereas there are undoubtedly those who would be far from reaching the limit on the breathalyzer machine who ought not to be on the highway.

So that all I'm really -- I recognize as I say it's an emotional issue; it's easy to grasp and to promote. All I'm saying is -- and I'm sure that we're going to have it in the Criminal Code where it ought to be and where it belongs in our legislative process -- but I would take this opportunity of simply warning the members of the committee that in my opinion it will work hardship for which members of this Assembly no doubt will be demanding remedial measures in due course and it will not necessarily prevent accidents happening from the unwise use of alcohol. And indeed if you want any illustrations it ought not to be Great Britain that you're looking to but what about British Columbia and Saskatchewan and Alberta, where members have said they have the breathalyzer test. Are you able to point to their accident record being any less than Manitoba? I'm afraid not.

MR. PETURSSON: Mr. Chairman, if I might just make an observation. The accident rate in Great Britain according to the newspapers -- and those are my only source of information -- did show a very dramatic decrease after the introduction of the breathalyzer tests but it wasn't because of the use of the breathalyzer; it was the threat or the deterrent, the knowledge that the breathalyzer would be used that deterred people from drinking and hardship was

(MR. PETURSSON cont'd.) certainly visited upon some people but those were the pubs that were selling the beer. There were far fewer customers in the pubs and the innkeepers were complaining bitterly at their great loss of business. The drivers of cars in Britain, I imagine, contented themselves with driving home and taking a drink after they got home where they were out of any danger of being tested with a breathalizer, unless their wives happened to have one hidden somewhere in the cupboard and was able to bring it out to test her husband, whether they were or were not. This is purely an observation but it isn't necessarily the use of the breathalizer. It can be the breathalizer, it can be any other test that is regarded as being effective, that could act as a deterrent on men who might otherwise be driving under the influence of alcohol, because the death rate in highway accidents has become tremendously great. They are not all caused by drunken drivers but, according to the statistics that we have from Great Britain, a great many of them were and they were very dramatically reduced after the introduction of the legislation there that called for the use of the breathalizer.

MR. HILLHOUSE: I wonder if the Honourable Minister has any figures on whether or no, when Saskatchewan introduced its breathalizer legislation, whether it cut down in any degree at all the amount of impaired driving, cases of impaired driving, or drunken driving?

MR. McLEAN: I have no figures except my own understanding that, generally speaking, per population that their accidents, that is to say the incidence of impaired or drunken driving corresponds to our own. My impression is that in Saskatchewan that perhaps the matter of proof in those cases where, for example, there may have been an accident or a violation, the matter of proof is somewhat facilitated because of course they use the breathalizer after the event, as a matter of proof in the particular case that may arise from the accident, but I'm not aware that they use the breathalizer on the basis that I think the Honourable the Member for Wellington has in mind, that if I'm afraid that I may be stopped in the middle of the block and given a breathalizer test, I may very well desist from having anything to drink, and I agree that if everyone was afraid that that would happen, naturally it would have a dramatic, I would think, a very important effect in reducing the amount of drinking prior to the time, that is, of people who might be otherwise driving. But I think on the other hand, Mr. Chairman, that if we were to follow that practice, that the uproar by the many thousands of us who never take a drink but who would be being stopped because no one could tell - a car coming down the street or the road, each one looks the same - I think the uproar that would come from those who were being, as it were, troubled in having this test, would rather tend to make us draw back. Now that's just the expression of an opinion under circumstances; I can't say how it would work. That would be my strong suspicion that . . .

MR. HILLHOUSE: . . . legislation in Manitoba you wouldn't give to the police the arbitrary right of stopping anybody, would you? Wouldn't it be on reasonable and proper grounds? Because if they are going to have the right arbitrarily to stop somebody, regardless of their conduct on the highway, well there would be quite a holler raised in this House.

MR. McLEAN: Mr. Chairman, that's exactly my point. For any of these devices - I recognize we're talking about breathalizers and there are others - but for any of them to work in the way that is contended for them, then they must be used continuously under all circumstances because, while I acknowledge that it would be an effective instrument for proof after an accident, but what everyone is asking for is some method of preventing the accident happening, and to do that then you have to detect the, shall we say the impaired driver, to use an expression - before he's had an accident. Now in order to do that you would - it's quite clear to me - you would set up a road block on No. 1 highway between here and Portage la Prairie, and every car that would come along, the driver would be asked to get out and take a breathalizer test, and you'd have to do that, if it's to do the job that those who are contending for it hope it to do, and under those circumstances I agree that it would probably do what it is reported to have done in Great Britain because, being aware of that possibility, those who would otherwise drink and then drive would be less inclined to drink because of the concern they would have about being asked to take the test and being discovered as having been -- the possibility of being over the limit. In other words, the safest course to adopt under those circumstances would be not to drive after having a certain amount to drink, because you would run the risk of being - even though driving quite satisfactorily - you would run the risk of being found to have more than the legal amount of alcohol in your makeup and therefore you would be guilty of an offence.

MR. SHOEMAKER: Mr. Chairman, my honourable friend is saying that if you introduced the breathalizer legislation you're going to make some people mad. Well, naturally you're

(MR. SHOEMAKER cont'd.) going to make some people mad but which is the lesser of the two evils? To have some people mad because we implement breathalizer legislation or save 101 lives, as I said before? If it results in reducing traffic accidents to the same extent that it has done in Britain, then we can save 101 lives in Manitoba, according to the Winnipeg Safety Council.

Now, I don't think that this is the parallel to use at all. I agree with my honourable friend you're going to have some people mad because they were stopped and they were found to have been drinking nothing but water. Well, let them be mad. That's fine and dandy. But if you're going to save 101 lives, isn't this the important thing? Why just yesterday, I believe, Mr. Chairman, the whole world got to know that 65 people were killed in a plane accident just off Ireland, but if we have 101 people killed in Manitoba because of drinking, they seem to slough it off as "Oh, well, this is the way we live in this day and age." But I think that we've got to do something about it. Now in British Columbia, my honourable friend has said they've made people mad up there or something, but in B. C. -- and no doubt they have. In British Columbia and Alberta and Saskatchewan, there have likely been a lot of people mad because they were stopped, but it says - this is from the Brandon Sun - it says: "This question has been posed in many areas following the implementation this year of such a law in British Columbia. In that province, a driver suspected of drinking must submit to a breath test or lose his licence for 24 hours." Well, what's so great a hardship about that? If you're suspected of drinking, then you're stopped; you're stopped on the highway. Now surely, if you're driving down the highway behaving yourself, like 99 percent of them are, they're not going to stop you, but if the Mounties are on the road like they were last Friday night, and will be every Friday night from now on I guess, they are not going to stop you if you are driving along - and I wasn't stopped for the information of the House - but they were out there in quite large numbers between here and Neepawa last Friday night. I have no objection to that; they were out there doing the kind of job that they are expected to do and there are probably less accidents because of their appearance out there. But they are not going to stop everybody. Mind you they did stop quite a number Friday night, but as they do in B. C. they stop those that are suspected of having a drink. That's what it says here, and if they don't submit to a test then their licence is suspended for 24 hours - a day, one day. I don't see any great hardship about that and I think it is high time that we took a stand in this House on this subject.

I was talking to a doctor today and I told him that we intended to introduce a resolution on this subject matter and he said if you want any help let me know. And he said we will give you all the supporting evidence that you require. I wonder if my honourable friend met or read Dr. Penner's letter to the editor in the Tribune - yesterday wasn't it? Or the day before? I believe my honourable friend is treading on pretty thin ice, that's the term that someone used about me the other day, when he raises this question about, well we are going to make a lot of people mad if we introduce it. I know you are, but you have got to weigh the consequences one against the other and I think it is time we took a stand for the breathalizer tests.

MR. CHAIRMAN: Resolution 89 passed. That concludes the Department of Public Utilities.

Department X. Mines and Natural Resources.

MR. CRAIK: Mr. Chairman, before getting into the details of the Estimates of the Department of Mines and Natural Resources, I think it's customary to pass on the congratulations from the Minister to the many people that do the 99-odd percent of the work that results in us standing here. In particular I would like to extend a thank you to the staff, that has had their difficulties I think probably in breaking in a new Minister in the short period I have been here and probably in particular, to the Deputy Minister, Mr. Mair, who has done such a fine job in handling this department. If I can pass on a few comments in some of the particular areas before getting into the details I would like to do so. I am going to - in deference to the Member from Lakeside I think I will probably this time pay fairly close attention to my notes.

The fiscal year 67-68 has been a good year for Manitoba in the natural resources area. There have of course been some minor setbacks but these are primarily related to factors beyond the control of the department or in fact beyond the control of Manitoba in general and an example of this is the existing slack in the pulp and paper market but there are other factors which have more than made up for the good year that we have had in the natural resource area. I don't think we can overlook the importance of natural resources as our economic base in Manitoba. As a matter of fact, we stake a great deal of our future to not only the development

(MR. CRAIK cont'd.) of the Mines and Natural Resources from an economic point of view but also from the recreational point of view and for our general well-being of existence.

If I might first of all concentrate on our mining and petroleum industries before going on to the others. We know that in mining we do hear mainly of such companies as International Nickel, Hudson Bay, Sherritt Gordon, Falconbridge and so on. Now these are very important but there are extremely important events going on among other companies and in other activities in this general area.

I would first of all like to just review for you some of the producing mines and possibly secondly, some of the developing mines and thirdly, some of the areas which appear to hold considerable potential for economic development.

First of all we know that the Hudson Bay Mining and Smelting Co. Limited has their facilities at Flin Flon, at Schist Lake, at Chisel Lake and at Stall Lake. These are all operational. We very well know of the International Nickel Company operation at Thompson and we are well aware of Sherritt Gordon Mines Limited at Lynn Lake and also of San Antonio Gold Mines at Bissett. And we have other mines, not mineral mines, but for example, Western Gypsum Products which has an underground gypsum mine at Silver Plains near Morris and British American Construction Materials, an underground gypsum mine near Amaranth.

The important developing mines that are of interest at the moment are first of all Hudson Bay HBM and S has the Osborne Lake Mines under development, Anderson Lake Mines, Dickstone Copper Mines Ltd. which is option property near Snow Lake, and the International Nickel Company has the very substantial and important development taking place at Birchtree at Soab and at Pipe Lake, and Sherritt Gordon Mines Limited with their development at Fox Lake. Other properties that are of noteworthy potential are Agassiz Mines Ltd., the Bowden Lake Nickel Mines Limited which is related to Falconbridge, the Cerro Development Company, the Copper Man Mines Limited and Stall Lake Mines Limited.

And I would like briefly just to give a comparison of the value of the principal classes of minerals for 1966 and 1967 estimated.

| | \$ Value 1966 | \$ Value 1967 (estimate) |
|---------------------|----------------------|-----------------------------|
| Metals | \$142,775,326 | \$149,060,687 |
| Industrial Minerals | 23,509,352 | 23,636,674 |
| Oil | <u>13,086,922</u> | <u>13,894,500</u> |
| Total | <u>\$179,371,600</u> | <u>\$186,591,861</u> |

Dealing more specifically with the individual developments the \$100,000,000 expansion program of International Nickel is progressing apace, with full production of the new Birchtree mine scheduled for later this year and production at Soab scheduled for early 1969.

Inco and several other companies are actively engaged in exploration along other parts of the nickel bearing geological formation. Bowden Lake Nickel Mines continues work in the Wabowden area and Falconbridge Nickel Mines I mentioned is the major shareholder in this program. No official estimates of tonnage and average grade in the Bowden Lake and Bucko Lake deposits have so far been made available although we are very optimistic about them. Large tonnages have been indicated and Falconbridge Nickel Mines Limited is reported to have allocated \$50,000 for metallurgical studies. Merritt Copper Company Limited has drilled on a property twenty miles south of Thompson and drilling is being carried out a few miles southwest of Soab Lake on a property optioned by Noranda Mines Limited from Gencona Mines Limited. Gencona holds options on a 54 claim group northeast of Bowden Lake.

In the Lynn Lake area Sherritt Gordon's Fox Lake mine shaft sinking is well underway; underground development will follow. Agassiz Mines Limited has announced plans to sink a shaft to a depth of 350 feet on its gold property adjacent to the producing copper-nickel property of Sherritt Gordon at Lynn Lake. A shaft pilot hole has been drilled and sinking is expected to start in April following which 2,000 feet of lateral development will be done on two levels.

In the Flin Flon Snow Lake area Hudson Bay has development work underway at its Dickstone copper property and at Anderson Lake mine. Its Osborne Lake Mine will come into production by mid 1968.

Falconbridge is continuing on the optioned Snow Lake property of Stall Lake Mines Limited. Copper Man Mines has optioned the Herb Lake property to Western Nuclear Mines Limited. The latter company is continuing geophysical surveying and diamond drilling with the expectation of adding to previously indicated reserves.

(MR. CRAIK cont'd.)

Guggenheim Explorations and Cerro Development are proceeding with plans to develop their copper deposit 12 miles east of Flin Flon. Maverick Mines and Oils Limited are still active on their 150 claims near Cranberry Portage and a number of other exploration companies are carrying out geophysical surveys and diamond drilling in the Flin Flon-Snow Lake mineral belt.

In southeastern Manitoba there has been considerable activity. Most prominent have been the announcements by Tantalum Mining Corporation Limited of indicated reserves of 2 million tons grading about .25 percent tantalum oxide. Previously 300,000 tons of cesium ore and 6 million tons of lithium ore have been announced. This property was formerly held by Chemalloy minerals who retains 40 percent interest and the cesium reserves. Cesium has been a metal of considerable potential. It's probably the most exotic space age metal. The Tonnage requirements in the world today are not that great but its potential is very great and reserves on it are apparently being held by the original company.

Incidentally this deposit of cesium is still considered to be the largest and purest known in the world.

In the east and northeast Manitoba diamond drilling has continued at Island Lake by Kerr Addison Mines Ltd.

North of latitude 59°O, which we have heard some of lately, the first exploration program of any consequence began in November last year with the issuance of five reservations to Denison Nickel Mines, Roman Corporation Limited and Goldray Mines. These three companies are obliged to spend a minimum of \$171,000 in the first 18 months of exploration and if the permits are extended for a further year, a further expenditure requirement is made of \$342,000. It would appear that the aeromagnetic survey which was carried out jointly by the Federal and Manitoba Government has created the active interest that has brought about this further exploration in this far northwest part of the province. This also extends into Saskatchewan.

Industrial minerals have showed continued promise, and highlights of the year 1967 included establishment of a new gypsum mine by BACM at Amaranth and commencement of construction of a caustic soda chlorine plant by Dryden Chemicals Limited near Brandon. There has been a certain slowdown in cement production but we are optimistic that the factors concerned will ameliorate themselves during the coming year. Production has continued in the areas of silica sand and bentonite.

Petroleum activity has continued steadily upward with the extension of the West Rutledge Field and development in the North Pierson and Waskada area. Oil production increased more than 300,000 barrels to 5,585,375 barrels in 1967.

Perhaps the most exciting present prospect for the future of our petroleum industry is the exploration work being carried out in the area of the Hudson Bay as was noted in the Throne Speech.

The first exploratory drill hole in this area commenced in September 1966 and ceased in July 1967 after reaching a total depth of about 3,000 feet at the Pre-Cambrian basement. This well was drilled by Banff Oil acting as operator for Aquitaine Company of Canada and other interests. The information obtained in this structure test forecasts better prospects for finding oil in the deeper portions of the basin in Hudson Bay and its surrounding mainland. Aquitaine has acquired an interest in some 50 million acres in the off-shore Hudson Bay and 1.1 million acres in the adjacent areas on-shore in Manitoba. A seismic on-shore program is presently nearing completion. An off-shore seismic program involving the use of three ships will be undertaken this summer.

I have mainly been telling you here what has been taking place in the industry and what appears to be its directions. I would like to emphasize here that a large program over the last couple of years was undertaken in the aeromagnetic survey which was jointly financed as I indicated by the Federal and Manitoba Government, and these are very important as we have discussed earlier in the House here to the future development and to more intensive geological work.

The second year of Project Pioneer has been completed. This comprehensive geological study of the area around Bissett, Southeastern Manitoba, is a joint project of our department of Mines and Natural Resources and the University of Manitoba Geology Department.

Geophysical work by the University included a gravity traverse and so on. As a result of this, a lot of the work has been and is presently being computerized so that ready access and

(MR. CRAIK cont'd.) correlation of it can be obtained. There have already been four theses published at the University and four more are on the way.

Now something was said in the House the other day which I think I have to comment on. The Honourable Member for Inkster made a statement in Hansard, page 217, which in effect said that the department had very few geologists on the staff and furthermore they don't have the attitude that it is their responsibility to make explorations, to do the mapping which is necessary as a prerequisite to proper development taking place. I'm afraid I must take very strong exception to this statement and I think it is a near slander statement in light of the fact that the geology capability of the Department in this province combined with that at the university is probably one of the best that exists in the country. We have now a total of six Ph.D's on our staff; they are working very actively, they have long-term programs in mind and although the reduction in the Estimates this year would imply that some slowdown is being made, this is not a fact, we'll have more teams in the field in 1968 than we have ever had before. They are providing the basic geological mapping that is necessary for the more detailed exploration activity which is carried on by mining companies and it is also our intent to accelerate this program at a greater rate to do more of this basic work in the years to come.

The Geology Survey of Canada is also carrying on extensive work in their airborne electromagnetic survey. The Mineral Exploration Assistance Act that has come under some discussion in the House, was the topic of discussion here, has contributed greatly to the resurgence of interest that there has been in the eastern area of the province. It isn't considered to be a very major factor in the areas where there has been more intensive exploration work going on. It could well have a similar influence in the far northern regions and in these north-eastern regions as it has had in the southeast, and this is under active consideration.

While these foregoing remarks scan the broad range of activities in the mineral field in our province, it occurs to me that, in light of the current concern over the stability of gold as a monetary medium and the effects of the price of gold on part of our mining industry, I think it would be valuable to take a few minutes to examine the factors which determine this price and how it may well affect our industry here in Manitoba. As you know, the one mine that is exclusively or primarily devoted to gold production is the San Antonio Gold Mines at Bissett.

As you are aware from the recent news coverage, the price of gold as an international trading medium is pegged at \$35.00 U.S. per fine ounce. The second market, of course, is the open world market, and I understand today's price is around \$38.00 per ounce. The price on the open market is fixed by the supply and demand forces which exist. In Canada, though, the price paid for gold by the Royal Canadian Mint is based directly on that offered by the United States Treasury, or the \$35.00 per fine ounce U.S. However, in addition to that, the Canadian gold mines, not owners of gold but gold mines, may receive a subsidy. The maximum subsidy is reached when the average cost of production rises above \$45.00 an ounce. When calculated on the basis of all eligible factors, the maximum assistance payable amounts to \$10.27 per ounce. The annual average of the weekly buying prices in Canadian funds by the Royal Mint in 1966 was \$37.71 Canadian dollars per ounce. Now the price can vary, the parity price of the Canadian dollar can vary by plus or minus one percent and the exchange rate is not drastically affected. The total change in buying price in the last couple of years has ranged from 37.46 to 38.22 per ounce. The one operating mine in Manitoba receives the full subsidy. Now, as a result of this, they receive approximately \$48.00 Canadian money per ounce of gold produced. So unless the world market, the open market, exceeds the \$48.00 per ounce, there is no additional income that they can possibly make. As long as it's less than \$48.00 per ounce they're better off selling their gold to the Royal Canadian Mint.

The subsidy that they do receive comes under The Emergency Gold Measures Act which was passed by the Federal Government in 1948. This Act has had two extensions and its present expiry date is set for the end of 1970. Most marginal gold mines would be in extremely severe difficulties if this subsidy did not exist. Some gold mines do not receive it. Their ore deposits are rich enough and their mining facilities are good enough, effective enough and efficient enough that they are self-sustaining. Some new mines have opened up but since 1948 I think the number's reduced from about 86 in 1948 to some 40 in 1966 and 1967. The number of gold mines is reduced by about half.

Along with the other things that we do intend to do, or look at very strongly, in addition to increasing the geological survey and intensified geological surveys such as we have done in

(MR. CRAIK cont'd.) the southeastern part of Manitoba, is that, with the geological know-how that we do have in Manitoba - and I'd like to emphasize that we do have a very strong group here; potentially it has -- between the university and the department we have the strength to produce people of very high calibre - we would like to see the establishment in Manitoba of a national Pre-Cambrian Institute which could provide research and development, information for the total Pre-Cambrian shield. We realize that three-fifths of our province is in the Pre-Cambrian area and we feel that the logical location for an institute of this sort would be here in Manitoba.

We are also undertaking a study in depth of the total return to the province as a fair part from all of our natural resources with the exclusion of water, which does not fall under this department.

You might also be interested to know that we are planning to hold seminars with mine union members where the regulations governing the safety of workmen will be discussed. It is expected that the first of these seminars will be held shortly at Thompson.

While you will find that the estimates for activity under mines are somewhat reduced for the coming year this should not be construed as indicating lessened activity. The main reason for the reduction is the fact that the Canada, the joint aeromagnetic survey program carried on by the Federal-Provincial Government came to an end this year, and as a result of this our expenditures were reduced in that area by about \$116,000.00.

We are presently actively examining a major program for substantial increase in our geophysical and geological survey work.

Now, if I might leave this area of mining and go on to another area of the Department's interest, that of the Lands Branch. We have had a lot of activity in the Lands Branch and some of you, the rural members in particular, would be aware that it was recently announced, as a consequence of our land studies and certain improvements in agricultural technique it is now possible to release further Crown lands for sale. I might clarify this matter at this time since there have been a great number of inquiries about it. The Department is now prepared to consider sale of Crown lands within organized municipalities in the southern and western portions of the province, provided the land is not required for public purposes, will not cause erosion problems if developed, and the municipality in which the land is located will provide the necessary municipal services, that is, mainly roads. In order that lands may be classified, land use studies have been carried out in many areas of the Province to determine land capability for resource uses such as agriculture, forestry, wildlife, waterfowl, recreation and water storage. The Interlake area of the province has received considerable publicity, but I would point out that land use studies are also underway within other areas such as the periphery lands of the Turtle, Riding and Duck Mountains, Spruce Woods-Carberry area, Westlake area and several other smaller land areas. These studies will bring forward recommendations for use which will assist in determining land policies for each specific area.

Studies are proceeding apace under the Canada Land Inventory program and we can expect that some areas not presently covered under the arrangements just discussed will indeed be available for some further disposition of Crown lands. It seems the part of wisdom that we should await the results of our intensive land use study and not move too rapidly on it. We are all aware of some of the earlier misfortunes that were experienced under the Soldier Settlement program where lands were disposed of without concern for the land capability. Indeed, the well known ARDA program bears witness to testimony in part to too hastily conceived land programs which trapped people in uneconomic situations.

We are moving rapidly in the Interlake region, in the area covered under FRED. A detailed land use plan for the area is almost complete, and has been the subject of discussion between municipal councils, development boards and officers of the Department. Efforts are being made to produce a program for effective land use that will be based on the best judgments of people of the area and specialists of several government departments. This could be a first for Manitoba and set the standard for approach to long term, wise land use planning and development throughout the province.

My department administers all Crown lands within the province, and this, of course, includes a range of interests quite far removed from the agricultural scene as well. The one of interest that I think I might point out is the Rocket Recovery Range that the National Space Administration and the National Research Council require in the Churchill area. We are presently under negotiation with them for the designation of quite a large area running about 100 miles or

(MR. CRAIK cont'd.) so south of Churchill and east to the Bay. This is very important as far as they are concerned. We do have to sort out details like who is liable if a nose cone lands in a surveyor's hip pocket.

I have mentioned already the intensive land use plan being developed in the Interlake region. An important aspect of this planning is the establishment and maintenance of wildlife management areas. A number of areas were tentatively identified for wildlife purposes under ARDA studies that were previously conducted. In the more intensive planning and discussion now taking place, those proposals are being reviewed and certain changes in boundaries proposed to meet the needs of all concerned. We place a very great importance upon our wildlife resources, and these are being recognized in all our resources planning.

Studies have been undertaken in The Delta marsh, Oak Hammock, Maple-Hunter marsh and Plum Lake marsh, with a view to establishing potential of the areas for waterfowl management. These studies have been multidisciplinary since they involve considerations of water, agricultural lands, and so on. Wildlife estimates for 1968-69 do not contain funds for any of these projects, as there are a few matters still to be worked out before we can finally determine feasibility and costs.

We did have critical comment in the Wildlife Branch from many quarters last fall respecting our attempt to protect mallards while permitting sportsmen to harvest certain other waterfowl species that were available, and it is no particular pleasure to have to say that the trial approach was of very limited success.

MR. PAULLEY: Almost a flop.

MR. CRAIK: That's right. I say this because the continuation of hunting over the years under continually increasing hunting pressure rests in part upon species management, by seasons and harvests. The main alternative open in many instances is to close all hunting of a group of species to protect one or two that are endangered. It was a rude shock to find out, as I imagine it was to the many sportsmen, to find so large a number of hunters who either would not or could not distinguish a mallard - our most common waterfowl species.

Despite shortfalls in our expectations, our objective of reducing the number of mallards killed was partially achieved as many sportsmen simply refrained from hunting, or from shooting mallards during the early closed period. We are all agreed that we must help solve the problem but as yet we don't have the complete answer and we're going to be holding pretty intensive discussions with the sportsmen on this and with the Wildlife people during the rest of this year. In this connection we find that we do get very valuable information and actually consult very closely with the Manitoba Wildlife Federation, because they do provide us with good advice, not only in wildlife management, but in many other areas. As an example of this co-operation, we are presently discussing with them what may be required in the way of legislation to best control the increasing illegal use of motor toboggans for hunting. As you may be aware, we have been floating some trial balloons on this already to find out what is best in terms of the general interest of the public and the wildlife folk.

Now, I'd like to turn to our Fishery resource and discuss it briefly. The most important thing we have going on in the fishing field is the Fish Marketing Board, which most of you have heard something about over the years and maybe possibly particularly this year. Last year at this time we were hopeful of early establishment of the Marketing Board. My predecessor in this portfolio, the Honourable Provincial Treasurer, did pilot the negotiations for this along to a stage that were well matured when I took over the responsibilities. We thought we had the Fish Marketing Board pretty well along the way and then the hopes were subsided as the Federal Government was not prepared to go along completely with the McIvor Royal Commission's recommendations. Then, after, we did get the negotiations back on the track again and we have now ended up with a federal-provincial fresh-water Fish Marketing Board and the negotiations are coming along very well. I am hopeful that if we can get the necessary federal legislation through the Federal Cabinet, not necessarily through the House, that we may in fact be able to look at enabling legislation here before this year is out. A lot of this will depend, though, on whether or not they can in fact get approval of such legislation if a Federal Cabinet exists in April. There is hope here where - we're quite sure of it - the other provinces are in agreement; we're in close contact with them; we think that we're on the right track. We have to try and keep both the fishermen and the fish industry well informed on what we're up to and we can't tell them everything because we don't know everything, because the way the legislation will likely come out the responsibility of all the regulations will be in the hands of the Fish

(MR. CRAIK cont'd.) Marketing Board.

There have been some severe market adjustments in the fishery this year occasioned by the forces which acted extraneously to conditions here in Manitoba. And now's the time to take the positive steps necessary to meliorate the difficulties which we have had. We have a fish surplus on hand but it fortunately is much better than it was last year. The reduction is significant. The total storage is said to be considerably below the one million pound mark at the present time, and when we say this we must consider that much of the storage that is kept in Winnipeg is, in fact, fish that comes from outside Manitoba.

We had trade missions that went down to the United States this year to help sell more fish and we had a program within Manitoba itself to promote the use of fresh-water fish, and we had considerable success in public institutions alone in having this achieved.

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(MR. CRAIK cont'd)

Now, Mr. Chairman, I'd like to turn to what I think is probably the most important part of my remarks, and that is our forest industry and our forest resources. I can say, first of all, that there are some very important developments here in terms of job opportunity, resource utilization, as far as small operators are concerned, large operators, cutters, primary and secondary industries, round timber, lumber, mining timber, furniture stock and pulp and paper. The quota system, first of all, I would like to comment on. It was established in 1965 and has proved eminently satisfactory from every viewpoint. It takes a certain period of time to realize whether some of these programs are working, and this one definitely is. The forest industry had in years past suffered seriously from the fragmentation of cutting operations, and difficulty of development of efficient woods operations; as a result of bringing in the quota system in 1965, when we started out with 632 individual timber sales and 1922 pulpwood permits, the number has been reduced by amalgamating the permits and rights to the point where we have 410 timber sales and 1056 pulpwood permits, and one sees thriving forest operations developing with increased investments in plant and equipment contributing greatly to added efficiency. It is perhaps unfair to single out any one operation but that of Röblin Forest Industries typifies the beneficial outgrowth of the quota system. That company through the acquisition of quotas has diversified its operation and has recently installed a fully modern, high utilization sawmill. I understand that the official opening of the new sawmill will be taking place in the next week or two -- probably two to three weeks.

Now I would like to speak very briefly about Churchill Forest Industries (Manitoba) Limited at The Pas. I am going to start out by saying that first of all I think there has been a concerted effort by certain interests in Canada to vilify this company by a campaign of innuendo and insinuations. And in particular, as an example, I refer to the article in the Financial Post, dated September 2, 1967 which insinuated this company was of questionable composition and probably dominated by hitherto unnamed business interests. This article which received headline space was unequivocally refuted in the back pages of a later edition, but nevertheless it epitomizes the general suspicions of the operations which makes the company's public relations very difficult. Despite credit ratings from such agencies as the Royal Bank of Canada, certain sources persist in trying to discredit the backers of this northern development. Let me state now that my subjective opinion on the principals and the top personnel of Churchill Forest Industries, based on considerable dealings with them in the time I have been here, is that they are knowledgeable, experienced, competent and capable and it is with even greater regret that I must state that right here at home there appear to be certain elements who should be concerned in the success of this development but seem determined to be negative about it. This development which has such a tremendous potential for the future of our north and for the utilization of a hitherto wasted resource -- one in fact that has been referred to in this House as being scrub -- and for the improvement of the livelihood of our citizens of Northern Manitoba. It will mean widened economic base, it will mean jobs for our people. We know that powerful interests in Canada are not anxious to see the development of new pulp and paper complexes. We know that there is an over supply of pulpwood on the market at the present time but such temporary conditions of over supply are normal to the history of the industry and we do not look at it with alarm. The Government of Manitoba has a genuine concern for the development of the pulp and paper industry in Canada. We have, however, an even greater concern for the earliest possible development of the northern part of our province.

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. A tremendous amount of study has gone into the entire project, to determine in detail, feasibilities and the exact plans for a thoroughly viable industry. Everyone I believe agrees that the industry projected will be a major break-through for the north. We should not therefore begrudge time for sound planning and development.

By the agreement the company is required to construct a sawmill by October of this year. I am informed by them that after detailed study of the sawmill phase, they have determined that the optimum method for successfully completing this phase was the letting of a single contract for a turnkey installation by a company capable of bringing the utmost in experience, know-how and reliability to the project. Because a modern, small-log sawmill,

(MR. CRAIK cont'd)... such as the one being built for Churchill Forest Industries at The Pas, represents totally new concepts of design, equipment and operation, they have contracted with the Blue Construction Corporation of Spokane, Washington, a new company of the Pack River Group, designers, builders and successful operators of the most modern and efficient of small-log mills to undertake the turnkey installation at The Pas. This will be a high utilization mill cutting timber down to 4 inches in diameter and will have an initial capacity of 15 million feet board measure annually and provision to expand to 30 million feet or more. I am also instructed by Churchill that a special clause exists in this contract to maximize opportunities for local suppliers and sub-contractors and the equipment used will be primarily of Canadian manufacture. The other major commitment of the company is the construction of the pulpmill by 1971. Studies required for the successful fulfillment of this project are proceeding on schedule.

My Department in addition has not been idle in this project. As you may know, I am the co-ordinator for the government for all contacts between the company and the various departments and hence some considerable work is involved in this area alone. More importantly however, we have substantially expanded our forest inventory program, moving forward our timetable for completion of inventory of the major forested sector of the province. There is a heavy program called for in the estimates before you covering the east side of Lake Winnipeg, the Playgreen Lake area and a major area stretching from Sipiwesk to the Saskatchewan border north and south of The Pas.

The last is within the specified area for Churchill Forest Industries. We are undertaking a special effort in The Pas area where we are behind commitment due to the poor weather that hindered aerial photography in 1966 but we do propose to have completed our inventory of that key area by March 1969.

This delay has caused the company some difficulty in making a decision on its cutting plans but much pertinent information has been supplied which appears to provide their provisional requirements. The remainder of the area stretching to Sipiwesk will be completed by the end of 1969. Those inventories will permit finalization of the forest management plan of the company. I think in some ways you can say that our long term objectives on inventory are more than being met; our short term objectives have been behind in the last year. There has been concern expressed by the independent operators in the Specified Area though one major operator has already contracted with Churchill. All operators have quotas from the government good for a further 13 years and we have every intention of honouring our commitments. However, the precise arrangements that will be possible will become more clear as our inventories are completed and management plans for the total area are developed. There is no question in my mind but that the entire area and all those engaged in the forest industry will benefit from the planning and the major forest complex that will be developed.

In line with our obligations a road 24 miles long has been completed from Pipun to the Southwest corner of Sipiwesk Lake. A road is under construction to the sawmill site just outside The Pas and under study is an agreement to construct a road into the Atik Lake area north of The Pas, in lieu of a commitment to build from Thicket Portage to Sipiwesk Lake. The Atik road will open up an area chosen under a short term cutting plan to provide timber for the sawmill which will be operational in October this year. The road will also serve the interests of another operator in that general area and can serve the people of Sturgeon Landing in Saskatchewan.

In summary, Mr. Chairman, I would like to enumerate some of the essential elements that are important in this great project. These are markets for the product, technical know-how, hard-headed management skills, capable manpower supply and capital investments. I must emphasize that for we in Manitoba the great importance to have somebody associated with the markets and the know-how. These are the essential keys to bringing this development to fruition and there is no question in my mind but what we are associated with a company that has these capabilities.

With those remarks, Mr. Chairman, I trust that I'll be able to handle some of the questions that are forthcoming on the estimates. I have some of my reliable staff here to assist and I'm sure that we'll be able to answer most of them for the committee. Thank you very much.

MR. CHAIRMAN: The Honourable Member for Portage la Prairie.

MR. JOHNSTON: Thank you, Mr. Chairman. First of all may I congratulate the

(MR. JOHNSTON cont'd.) Minister on the assumption of his duties as the Minister of Mines and Natural Resources. I inadvertently omitted to pass my compliments to him when I spoke on the Throne Speech and I would like again to compliment him and his staff and particularly himself on his presentation here tonight on the certain aspects of his department.

Now a department such as Mines and Natural Resources normally does not lend itself to any form of political meddling I would think and I would be one of the first to offer my congratulations to the deputy minister and the professional staff and the working staff that work under him.

I note in reading the opening introduction of the report here that there is a genuine concern among the professional staff of the department regarding the future use of our resources - and again I compliment these people on their forward look. It is a well known fact that through over population, wars, waste and just plain carelessness, that our precious assets in North America, indeed throughout the world, are rapidly disappearing and I refer of course, to our lakes and our rivers, our parks and our wilderness areas, the game and the waterfowl and the habitat in which they live. I was rather hoping that the Minister would be proposing some new legislation, to take into account the newer modes of hunting and recreation, and I'm talking now about the use of aircraft and skidoos where these areas can be protected, not only in the hunting season through the illegal use of such vehicles but also throughout the year because it has surely been proven by now that a skidoo or snowmobile can penetrate any place in Manitoba, the same goes for the airplane, and the mating habits of our wildlife are being upset, there is no longer any such thing as a sanctuary or a refuge and I was rather disappointed that the Minister didn't mention the fact that there would be some legislation brought in to protect our wildlife areas. I hope that he is taking into account the recommendations that are being made by the Game and Fish Association. After all these people are certainly on the Minister's side, their interest is conservation and I hope that careful consideration is given to the recommendations made by the Game & Fish Association.

Now I do not intend, Mr. Chairman, to deal individually with departments at this time, but I have a few ideas that I would like the Minister and the Premier to consider. I believe firmly that the Department of Mines and Natural Resources should not be considered as a junior ministry. I think that there are related problems that can be put in this department and they can be dealt with on a whole basis. Now for instance, water and air pollution are matters that can be dealt with within this department because we have found through experience that mines, mills, smelters and the like are by and large offenders in dumping waste and sewage and tailings from mines, etc., and I know from my reading of the newspapers that much of our pollution both water and air come from our primary industries and I believe that these two problems should be dealt with in this department.

Presently if one wishes to raise the matter about water pollution one deals with the Minister of Health or his department. Sometimes the Attorney-General's department is called in to give an answer, but if this were in the Mines & Natural Resources Ministry, it could all be dealt with under the one ministry. I also believe that water conservation should be a part of this department's responsibility. This includes of course, lake levels, the use of our water, and matters such as that.

Now, Mr. Chairman, I am sure that many of us were very interested when the Minister started to give us an accounting of the government's involvement with Churchill Forest Products but in my mind he left some questions unanswered and I would like to pose those questions to him at this time.

Now at the risk of being accused of being negative and unpatriotic, and I suppose unsporting, and I note that the Minister's seat mate the Minister of Industry & Commerce is not with us tonight, he seems to be rather sensitive about matters such as this, but I hope that we can discuss this matter without a cheerleader approach being taken, that if something is wrong and you cheer louder well perhaps the problem will go away.

Now if members on this side of the House are rather wanting to know more about the Churchill Forest Products Industry, I don't think we can be blamed for being rather inquiring in this matter as we know last, I believe it was in March, March 8, 1966 and from then on there were great announcements about the north to get \$100 million industry. I have here some of the write-ups and I'm sure that many members opposite consider that this would be

(MR. JOHNSTON cont'd.) a plus factor in their coming election campaign. So I say again, I have some questions to raise with the Minister and I hope he will be able to answer them, because at that time it was called a hundred million dollar industry and there were certain conditions laid out when the reports were given in the House and I would like to remind members of the House of what the Honourable Minister of Mines and Natural Resources at that time, the Honourable Gurney Evans had to say - and I'm speaking and I'm going to quote from page 738 of the 1966 Hansard and I will just take quotations and I hope not out of context.

On Page 738 the second paragraph, and it starts: "Stage one would be the establishment of woodlands debarking and loading facilities for 50 thousand cords of debarked wood to be in operation by March 31, 1968." Now, Mr. Chairman, while this is only March 25th and we know that there is really another week to go in this agreement, I was rather surprised the Minister did not see fit to mention stage one in his remarks and perhaps he could explain to us how that part of the agreement is being carried out.

Stage two states: "There would be the establishment and construction of a modern saw-mill at The Pas for the production of 30 million board feet of lumber per year to be in operation not later than December 30, 1968." Now, Mr. Chairman, I was rather surprised to hear -- and I could stand to be corrected here, but I made a note -- I understood the Minister to say that a special type of small log mill is being built which will produce 15 million board feet annually, later to be expanded to 30 million board feet. Now I'm not quite clear on that statement, Mr. Chairman, and perhaps the Minister could clear that point up. I note that he said the mill was being built. I'm sure that members would be interested in having a tour. Perhaps when this plane that is going to Gillam next Saturday, perhaps it could be rescheduled for -- we could land at The Pas and take a look ourselves, and I'm sure many members would be very happy to put in a longer day than the one that is already scheduled.

Now, I would like to draw to the attention of members that during the early summer I was contacted by two particular men who had applied for a job with Churchill Forest Products and they had applied through the local Manpower office at The Pas. Now it is true that Churchill Forest Products had filed with the Manpower office, a Clearance Order No. 346, which stated in effect that they were prepared to employ X number of men, and it laid down the working conditions; I would just like to briefly mention those. Clearance Order No. 346 stated - and I'm not quoting here, I'm just noting the points - stated that pieceworkers were required to cut pulpwood and the pay was \$5.00 per cord. The men would be supplied with living quarters, but they were required to supply the heat for their quarters; they were required to do their own cooking; they were required to put their pulpwood on a landing stage or at a railhead. And these are only a few of the points in that Clearance Order No. 346.

I checked with Abitibi Paper Company at Pine Falls and I found that their working conditions and pay was slightly different, and I will quote that. Abitibi at the same time were paying \$8.73 a cord on a piecework basis. If the worker stayed on the job for 100 cords or more, he received retroactive a further 72 cents a cord, which would mean that a man that stayed for the winter or for a few months at least, would be paid approximately \$9.45 a cord. A balanced diet, prepared by a dietitian and cooked by skilled cooks. Meals were provided at, I believe the figure is \$2.00 a day. Clean bedding and laundry. Clean bedding was supplied once a week and laundry facilities were available where the worker could have his laundry done for a nominal fee.

Now, Mr. Chairman, the reason I make the comparison in the two types of contracts offered by the same industry, within the same industry, is this: in the same area as The Pas operation is being constructed - and I presume these types of piecework still apply - at Gillam, not very many miles away, unskilled labour can earn \$2.40 per hour plus free board and room. At the Prince Albert plant in Saskatchewan, which is about 75 miles from The Pas, the rates that I quoted from the Abitibi more or less apply. I do not say that they are the same exactly but they are comparable. So I am concerned that a company puts in an order for workers under these conditions and what is going to happen? If the Manpower people were to persuade people to take jobs under these conditions, they would certainly not be doing a service to the workers applying for work when better rates of pay are available in the area. As a matter of fact, I've had people who are knowledgeable in the field of pulp cutting tell me that the \$5.00 a cord figure worked out for a good worker or an average worker to about \$1.13 per hour. Now would we expect men to work eight to 10 hours under

(MR. JOHNSTON cont'd.) severe weather conditions, to come back to their barracks and cook their own food, at those rates of pay? Really, I wonder how big a work force and how stable a work force could be built up under those conditions.

Now I would like to pose the following question to the Minister. Is it true that the government had, in conjunction with Manpower and the federal department, or alone, set up a training course for pulp cutters in the past year? And is it also not true that these men were put through the course with the expectation that they would be hired by Churchill Forest Products? And I am informed that the figure, the number of men that went to this training course, was approximately 25, give or take two or three. It could be 27 men. And also is it true that these men were not taken on staff by Churchill Forest Products? And is it correct that Churchill Forest Products on the last day of the year 1967 on December 31st, had a yard to a half yard of ready-mix cement poured in order to say that they had started construction on their plant in 1967, in order to say that they had kept the agreement to start construction?

I'd also like the Minister to tell us how much collateral has Churchill Forest Products or any money advanced to date. I am informed that - and this information is now two weeks old - but as far as equipment went, Churchill Forest Products had a half ton truck. I also would like to know if the Minister would report to the House the results of his trip to Europe to see the Monoca people. I understand that conversations were held with regard to the Churchill Forest Products industry in the north.

I'd also like the Minister to give us a report on work progress, the number of people hired, and any production that has been forthcoming from Churchill Forest Products.

I'd also like the Minister to tell us - I know that he gave a great number of detailed figures with respect to the oil and mining industry - I wonder if he would inform the House of what amount in dollars in stumpage fees has been collected from Churchill Forest Products in the past year.

I would also like the Minister to tell the House if it is the intention of the government to set up a pulpwood camp, government-operated, at Sipiwesk to cut pulp to sell to Churchill Forest Products, and if so, I would like to know the destination of this material; I would also like to know what Churchill Forest Products are going to receive for this material if they sell it outside of Manitoba.

I would also ask the Minister, as my final question, to explain why the Honourable Mr. Evans in his statement to the House on March 8, 1966, where it stated that "A modern saw-mill will be constructed at The Pas for the production of 30 million board feet of lumber per year, to be in operation not later than December 30, 1968," I would like him to clarify that figure of where he mentioned 15 million board feet would be the initial production - and he did say, in fairness to him, that later it would be expanded to 30 million - but I would like clarification as to whether or not this statement still holds, that the 15 million board feet will be the initial production, but in the year 1968 will this mill be producing 30 million board feet of lumber.

MR. EVANS: Mr. Chairman, I move the committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions, has requested me to report progress, and asks leave to sit again.

IN SESSION

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. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the resolution reported from the Committee of Supply with respect to the Interim Supply only, be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Resolved that a sum not exceeding \$75,426,507, being two-tenths of the amount of the several items to be voted for departments as set forth in the main estimates for the fiscal year ending the 31st day of March, 1969, placed before the House at the present session of the Legislature, be granted to Her Majesty for the fiscal year ending the 31st day of March, 1969.

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

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of Ways and Means, with the Honourable Member for Arthur in the Chair.

COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Committee proceed. Resolved that towards making good the Supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending the 31st day of March, 1969, the sum of \$65,426,507, being two-tenths of the amount of several items voted for departments as set forth in the main estimates for the fiscal year ending 31st day of March, 1969, laid before the House at the present session of the Legislature, be granted out of the Consolidated Fund.

MR. EVANS: Mr. Chairman, I wonder if I heard correctly the figure that was read. I wonder, just to be quite certain, would you be good enough to read the figure again.

MR. CHAIRMAN: Yes; a correction. The figure is the sum of \$75,426,507. Are you ready for the question?

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

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Ways and Means has adopted a certain resolution, has requested me to report same and asks leave to sit again.

IN SESSION

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. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the resolution reported from the Committee of Ways and Means be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Resolved that towards making good the Supply granted to Her Majesty on account of certain expenses for public service, for the fiscal year ending the 31st day of March, 1969, the sum of \$75,426,507, being two-tenths of the amount of the several items voted for departments as set forth in the main estimates for the fiscal year ending the 31st day of March, 1969, laid before the House at the present session of the Legislature, be granted out of the Consolidated Fund.

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

MR. EVANS introduced Bill No. 41, an Act for granting to Her Majesty certain sums of money for the public service of the Province for the fiscal year ending the 31st day of March, 1969.

MR. LYON: Mr. Speaker, I don't believe it is the intention of the Treasurer to proceed any further with the bill tonight. It will be now distributed and then in the regular course he will deal with it. Before moving the adjournment motion, I would remind honourable members of the meeting tomorrow morning of the Standing Committee of the House on Public Utilities and Natural Resources, at 10:00 A.M. in Room 254.

MR. PAULLEY: Mr. Speaker, before the Minister moves the motion. Which department will we be dealing with tomorrow morning in Public Utilities?

MR. LYON: Manitoba Hydro.

MR. PAULLEY: Hydro? Fine.

MR. LYON: I move, seconded by the Provincial Treasurer, 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 2:30 Tuesday afternoon.