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CHRISTIANSON, John Aaron	Portage la Prairie	86-9th St., N.W., Ptge. la Prairie, Man.
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HUTTON, Hon. George	Rockwood-Iberville	Legislative Bldg., Winnipeg 1
INGEBRIGTSON, J. E.	Churchill	Churchill, Man.
JEANNOTTE, J. E.	Rupertsland	Meadow Portage, Man.
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JOHNSON, Geo. Wm.	Assiniboia	212 Oakdean Blvd., St. James, Wpg. 12
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PREFONTAINE, Edmond	Carillon	St. Pierre, Man.
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STRICKLAND, B. P.	Hamiota	Hamiota, Man.
TANCHAK, John P.	Emerson	Ridgeville, Man.
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WAGNER, Peter	Fisher	Fisher Branch, Man.
WATT, J. D.	Arthur	Reston, Man.
WEIR, Walter	Minnedosa	Minnedosa, Man.
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WRIGHT, Arthur E.	Seven Oaks	4 Lord Glenn Apts. 1944 Main St., Wpg. 17

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Friday, March 10th, 1961.

MR. G. W. JOHNSON (Assiniboia): Mr. Speaker, with your permission, I would like to formally introduce to you a group of young people to your left in the first gallery. Mr. Speaker, I am delighted tonight, to have with us, a group of young people, accompanied by their Rector, Mr. Gardner from St. Bede's Anglican Church, located at Mount Royal and Turner St., in the area known as Silver Heights in St. James. There is approximately 20 to 25 of these young people. Mr. Speaker, this is the first time that I have had the privilege of introducing to you, and through you to the members in the Legislature, a group of young folk from one of our leading churches in my constituency. I would draw to their attention the fact that tonight, as they view I am sure with great interest, the proceedings of this Legislature, that they would perhaps make note of the fact that here they are privileged to view proceedings that happen in all governments in countries of the British Commonwealth of Nations. I think that these points should be taken by these young folks, and I am sure that it is the wishes of you, Sir, and the members that their visit here tonight will be not only educational, but instructive, as they view just what goes on in their local Legislature. Thank you.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker put the question and after a voice vote declared the motion carried and the House resolved itself into a committee of supply with the Honourable Member for St. Matthews in the Chair.

MR. ROBLIN: Mr. Chairman before we begin our usual business, there is one matter it seemed to me that I might have permission to raise in the committee as being the most suitable place to discuss it, to allow free expression of opinion without the restrictions of the formalities of the House. I should like to say that from time to time it has been our practice when the House is not in session to allow certain groups who have made application to make use of some of the rooms in the building for public receptions of various sorts. We have, however, received a request from the Winnipeg Symphony Orchestra for the same privilege during the time that the House is in session. Normally it's not usual to grant that kind of concession at that time. However, I understand that their activity will take place after their concert, which is pretty late in the evening and that perhaps it would not result in any serious inconvenience to members of the House. So I am going to propose, Sir, that we consider the advisability of allowing the Winnipeg Symphony Orchestra to have use of Room 200 and the grand staircase as well for their reception on Thursday, March 30th. It will probably take place around 11 o'clock at night and to make the situation even more attractive I understand that invitations are going to be issued if we agree, to members of the House to be present at that reception as well. So I thought I'd canvass the matter now and if there's no objection to this we could present the matter to Mr. Speaker for his approval.

MR. CAMPBELL: Mr. Chairman, as far as I'm concerned, and I'm sure that in this, if not in every matter, I speak entirely for my group that we would heartily endorse the suggestion, because after all I think that we always should remember that although the government of the day is in charge of the property that we're meeting in and on now, and Mr. Speaker officially has charge of the building during session time that the fact is that this fine edifice that we're meeting in really belongs to the people of Manitoba and to all the people of Manitoba, and to the extent that we can make it available to them I think we should. This is an activity well worthwhile and certainly I'd be in favour of the suggestion and I think our group would. I just have the feeling, Mr. Chairman, it might easily be that we would have concluded our meeting of the Legislative Assembly by that time, quite frankly that's the date that I have been -- yes, in spite of the progress that we have been making at the moment -- we might easily. If that is the case then I think probably the members of the House would be all the more inclined to accept the invitation. I'm sure we appreciate it whether we are able to accept or not and that in the meantime we can show our appreciation to a small extent of the excellent work that the Symphony people are doing by extending them this courtesy.

MR. GRAY: Mr. Chairman, the Leader came a little bit late -- so on his behalf and

(Mr. Gray, cont'd.) . . . on behalf of our group we concur in the suggestion. I'm very happy to have it anyway, because at that time the Honourable Member from Wellington will make his best speech of the session.

MR. CHAIRMAN: I believe when the committee rose last night you were at Item 3 (f)(5).

MR. TANCHAK: Mr. Chairman, at the close of the session last night I was just getting up to say a few words. Last night we drifted from the strawberry patch into the soya bean field just before I could put in my few words. The Minimum Wage Act and the Child Labour Act were almost invoked here last night. Now I would like to take the honourable members back into the strawberry patch. I noticed that in this book it mentions Piney. It says that the survey group had made a soil survey of Piney. I do believe that they gave a favourable report, and I believe that the soil as far as strawberry growing would be producing is excellent. Several residents of Piney for many years now, for about three years, have been considering this strawberry raising commercially. I have spoken to our local ag rep and he referred me to this department. As you know that Piney would be a most suitable, a most desirable place to experiment in strawberry growing. All you'd have to do there is dig a little hole two or three feet deep and you have water gushing out. We don't need any plumbing instruction there because I'm happy to say that practically every resident at Piney has plumbing right in his own house. It's natural. They do not need any pressure pump or anything. The Honourable Minister of Mines and Natural Resources could vouch for that because I think we all remember that he had some unfortunate experience with regards water there. In dry years irrigation for strawberries is almost an absolute necessity; therefore I do believe that Piney would be an ideal place for an experiment such as this. Therefore, I would like the Minister to consider Piney for an experiment like this, and I'm sure that the people there would co-operate. I myself would give the department all the assistance that possibly could be given. I'd like the Minister whenever he sends his advisors or his planners there to get in touch with me, in fact I'm inviting myself because I feel that I can do quite a bit to help this project. I hope that not unlike the Honourable Member from La Verendrye I'll be welcomed by the Minister with both hands open or arms open.

MR. CHAIRMAN: (5) - passed. (6) - passed. (7) -

MR. J. M. FROESE (Rhineland): Mr. Chairman, on (6) dealing with the seed cleaning plants, recently I had two people in seeing me on this matter, and I would like to know from the Minister is the department discouraging seed cleaning plants in places or what is the position at the present time? I also see that the monies allocated last year were not all used and that the same monies are going to be used this year. Is the program on a decline? Are there less people going into seed cleaning or what is the situation?

HON. GEO. HUTTON (Minister of Agriculture) (Rockwood-Iberville): Mr. Chairman, I made a statement with regard to the situation on seed cleaning plants and I think if the honourable member checks Hansard he would save us quite a bit of time here. I don't think there's any point in repeating our policy in this regard.

MR. CHAIRMAN: (7) - passed.

MR. PAULLEY: Mr. Chairman, just a word in connection with (f) (7) on weed control chemicals. I've raised the point one or two times previously as to the method of purchase of the chemicals used in weed control. I wonder whether or not the government has considered a development within the Department of Industry and Commerce or itself for the production of these chemicals which appears to me that it may be a more economical way of purchasing or producing the chemicals used in weed control? I presume the Minister would recall that last winter sometime there was a considerable amount of apprehension in Manitoba and across Canada because of the effect or possible effect of poisons on cranberries at that particular time, which appeared as though they may be dangerous for human consumption. Now then during the summertime or since our last meeting I've had an opportunity of speaking with a number of people in connection with weed control. There seems to me to be some fears particularly in weed control on roadways that there isn't enough precautions taken particularly during a relatively high wind for the control of the chemicals for spraying roadsides, with the net result that there is a fear of the chemicals used, which in the main are poisonous, going in to field crops and going on to wild fruits and the likes of that. I wonder if the Minister could outline to me or to the committee precautions that are taken or whether there's any regulations

(Mr. Paulley, cont'd.)....dealing with this, and of course I don't mean formal regulations, but general control over this possibility?

A MEMBER: What item are we on?

MR. CHAIRMAN: Item 3, (f) (7).

MR. HUTTON: Mr. Chairman, I think that the circumstances that the Honourable Leader of the CCF is referring to comes under the jurisdiction of the municipalities involved, or in the case where weed control units have been set up under the jurisdiction of the weed control unit and of course the question of carrying out your weed control program without doing damage to property in the form of trees and gardens and so on is a very real one, but it is the responsibility of the local government - whatever it may be, municipality or otherwise -- to see to it that the damage isn't done. Now some of the chemicals that are used or that can be used are very volatile; the drift is quite extensive; other chemicals such as MCT and sodium salt are not nearly so volatile and there isn't nearly the danger of drift. But of course we have to rely upon the commonsense of those people who are responsible for carrying out the program to see that they follow sensible practices and use recommended sprays.

On the question of purchasing these materials, herbicides, we have found in Manitoba in past experience that there has been such a drastic reduction in the price, over let's say the past 12 - 13 years that it wouldn't have been very good business for the government either to get into the business or to try to stockpile large amounts of this spray. When a new formula is developed, like everything else it usually brings a premium price in the market, but as the volume of any given product increases there's a tendency for it to go down in the market price. The soil sterilant is purchased by tender by the department and is distributed to the municipalities and the municipalities pay a share, which at the present time is fixed rather than it used to be on a sliding scale depending upon the amount that was used, but now it is a flat rate across the province, and this seems to be fairly satisfactory to everyone concerned. There is a tendency of late to put more emphasis on the use of less costly herbicides and we find that adequate control can be achieved at a considerable saving to both the Provincial Government and the municipalities involved. We had 10 official units set up last year, and one, Morris-Montcalm, in spite of the fact that they would operate without any guarantee of a contribution from the Province of Manitoba, went ahead and established a weed control unit, and I'm happy to say there was enough money in the appropriation that we were able to give them assistance. We are voting here sufficient monies to establish two more units in the province and it appears at the present time that this is ample to meet the requests for the coming year. It has been a very successful program; it has been well received by the municipalities that have participated; there is a limit to how quickly we can extend it, not just in terms of appropriations but a very real consideration is to do so within the capacity of our weed control specialist to cope with the business of organization and supervision. But it has been a successful program and we anticipate that it will gradually expand to cover most of the province.

MR. PAULLEY: Thank you, Mr. Minister, for the reply. I would gather, then, that there aren't any over-all rules or conditions under which weed control is undertaken insofar as provincial authorities are concerned, that each of the weed control units or the municipalities are right on their own as to when, if and where they control the weeds in their areas. I'm wondering whether or not it might be advisable -- not that I haven't any confidence in our municipal authorities, I don't want that misunderstanding to be taken -- but I do think that this is so important that it might be advisable of directives. Now then, in addition to the weed controlling which is done by the units and also by the municipalities, how prevalent is air spraying or air control on crops, say air spraying of crops, because there, too, if it is of any large amount, there's a greater possibility of the poisons of the chemicals drifting over the larger area. I also have noted in some reports, not necessarily pertaining to Manitoba, where air spraying has been done to a considerable degree that there has been, or it is considered, that there has been damage done to our wildlife and our fish and I'm wondering whether the Minister would have any comment on how widely that is used in the Province of Manitoba and what, if any, controls are being exercised in respect of this.

MR. HUTTON: I might mention first of all that each year we hold a school at Brandon for weed inspectors which is an educational program to introduce them to new methods and to remind them of the responsibilities both to control the weeds and control the control of weeds.

(Mr. Hutton, cont'd.) I'm not in a position to say what percentage of the work, or the spraying done in Manitoba is done by aircraft; the amount that is being done, I believe, is increasing. Of course, there's one over-riding factor in this and that is that we have laws protecting personal property and anyone who sprays negligently of course stands in danger of civil law. This is something, of course, that makes anyone doing the spraying think twice because if it's somebody's windbreak, the value could be quite substantial, because it takes 15 or 20 years to establish say a windbreak to a farmstead. Also, the food and drug division of the Federal Government does carry out a fairly careful supervision of the herbicides and insecticides as well that are being put on the market, and there is a liaison between the Provincial and the Federal Governments with regard to this. Of course, it's a mute question, I suppose, as to just what the effects are of some of the insecticides and herbicides that are being used. To the extent of the research that is done, nothing is permitted on the market which would have ill effects in terms of residual effects. Of course there are some who would argue that we maybe aren't doing or don't know as much as we should. That I think is an open question. However, civilization and all its progress carries with it certain hazards — I don't know whether this is a good example, but maybe the smog over in England is an example of circumstances that society creates and seems to have to live with — but I would say that all the precautions are taken that can be taken short of possibly an all out program in research beyond anything they have done at the present time, but I think all reasonable precautions are taken before these products are allowed to go on the market.

MR. GRAY: Mr. Chairman, through no fault of mine, unfortunately I wasn't here last night and I wonder whether you would permit me to ask a question under Item 4? I confess, and I have confessed before the agricultural estimates at the beginning of the discussion, that I am not a farmer. I think I am the only man in this House who didn't claim to be a farmer. But I'm very much interested in Item 4 - Investigation and Control of Soil Erosion. I realize that we have in Manitoba -- at least I think we have -- the individual settlers who stay on the farm and get a subsidy from the farm; that's their livelihood for themselves, and they do everything possible to have their children stay with them. But we also have in this province, wheat manufacturers. What I mean by that is certain individuals who spend their winters in Honolulu -- (Interjection) -- just a moment, give me a chance -- well, I could prove it to you anyway; I have a way of proving it -- and they come here in the summer; they have probably ten or fifteen thousand acres of land. In the spring they have all their machinery, big tractors, they put their seed in, and then go away for another holiday and come back in the fall during threshing time, they deliver the wheat in the fall and disappear again. Now the question is, are those so-called grain manufacturers -- I call them -- exploiting the land and not trying to protect the land for future generations. In other words, are they following the Biblical law of giving a year's rest in seven. It may be necessary in less years. My question is, is the soil in Manitoba being exploited to such an extent that it'll be useless for crops in the years to come? We expect that in Manitoba the farm settlement will stay on the farm for many, many generations and they cannot use a for years and years without re-hoeing it. Now the question directly is, to what extent is the government watching the situation of the land in this province without exploiting it to such an extent that the land will be useless in years to come?

MR. HUTTON: Mr. Chairman, I think the race of farmers that the Honourable Member for Inkster is talking about are rather scarce in this province. There may be some of them; I'm not familiar, in fact, that I can say, with anyone of those who just mine the soil and go down to sun themselves in the summertime. This possibly might have been true -- I don't think it was ever too true of Manitoba -- it might have been true in certain areas in Saskatchewan. However, I would point out that just because a man went down to California in the wintertime didn't indicate necessarily that he was mining the soil. A farmer can be a straight grain grower and still husband his soil resource very effectively, and I think you would find that your large grain grower is very conscious of his soil resource, and in all probability, his farming practices are equal to or superior to other operators. If they weren't, he wouldn't be a big-time farmer who could spend his winters in California or Hawaii. It is true that our soils do not have the fertility that they had when they were broken, but I would say that on the average across the province, that the farmers today are possibly -- and I'm certain of this --

(Mr. Hutton, cont'd.) that they are more conscious today than ever before of the necessity of conserving their soil resource. I think that all you have to do is take a drive through Manitoba down some of those beautiful highways that you can now drive on, and you will find a great deal more forage and hayland than you would have, say, even five years ago, and certainly ten years ago. We have experienced a restriction in marketings of grain and we've had a substantial increase in the livestock population, and as a result through certain travail and pain, the over-all farm economy in Manitoba is becoming better balanced, and I would say that there is much for us to feel encouraged, much to encourage us today when we assess the farming practices that are in vogue in 1960 and '61.

MR. E. I. DOW (Turtle Mountain): Mr. Chairman, on Item 7, Districts Assistance Policy, and not wanting to again appear as being bragging, you will notice in the report of the department that there were 11 districts set up to the end of 1960 of which three of those are in Turtle Mountain constituency. I feel, Sir, that the constituency as a whole is practically controlled by the assistance policy, and I would like to say this in commendation of the department, that this has worked out very satisfactory to the municipality involved and the towns. We've had very good co-operation from the various incorporated towns to go into this assistance policy, and it is quite surprising the amount of weeds that have been found in the little simple garden plots around the various towns, and how well the people of those communities have co-operated. I might say that I know it's not news to the Minister that this particular district has functioned exceptionally well, and the success of it is due, I think, not only to the efficiency of the ag rep within that district, but also the fact that you must have an enforcer of weeds who is able to handle the public at large. And we are fortunate in both those cases. But my concern is, and I don't know whether I heard the Minister right or not, but at the end of 1960, we only had 11 of these developed in the Province of Manitoba, which I would imagine would be a very small part of the farming area in Manitoba. Did it increase much up to date, Mr. Minister, and the possibility of when we can have the full province covered, because in my opinion, this is something that has gone a long way to put a little more money in the farmer's pocket by having this type of control throughout the municipalities. We, over the years, have had losses that have crept into the fields from road allowances and road allowances that have not been used and those that have been used, and under this assistance policy, you can see the very decided improvement in a matter of a year or a year and a half's operation. It's something that, as far as I'm concerned, I would like to commend to all the rural municipalities and districts to get into, because I don't know how they can control the weeds any cheaper and more efficiently than they are, and if the Minister might expand that to the possibility of all the rural parts being in.

MR. HUTTON: Mr. Chairman, I think the answer to the honourable member in respect to the rate of growth of participation in the municipalities could possibly best be explained by the fact that we had at the outset requests for 11 districts, which took in over 20 municipalities. Now, there are -- in some areas in the province, we have particular noxious weeds that are particularly difficult to handle, and I think it was only natural that those areas which, and I don't want to leave the impression here that they're infested with a particular noxious weed because this isn't the case. They may have a localized problem within the municipality. Let's take leafy spurge for instance. Any municipalities which have been fighting this over the years welcomed with open arms the opportunity to co-operate with their neighbouring municipality in the over-all or comprehensive weed control program. Other municipalities that possibly didn't have a particular problem with one of the weeds that we consider as being more dangerous than others, might not be so anxious to go into a co-operative program with their neighbouring municipality who might have a problem. So I think it was quite natural that at the outset, many of the municipalities asked us, or indicated their willingness to take part in this program. This coming year, as I stated, there will probably be two more come into it. Other potential units have indicated an interest, but they aren't prepared, or haven't indicated that they are prepared in 1961, to go into this program. It isn't that we don't all have weeds, but we don't all have the same kind of weeds. It isn't that we couldn't all make good use of the program, but the situation in certain areas is more pressing than in others. I have no doubt that this program will expand to cover Manitoba but we can't force municipalities into it. I think we've carried out a fairly adequate promotional program this past year. I think that if you asked the

(Mr. Hutton, cont'd.) wives of our weed commissioner and his assistants, that you'd think that these boys were never at home, and they weren't at home very much either. So I think we just have to wait, and there's no doubt in my mind that it will expand; it will sell itself.

MR. CHAIRMAN: (7) - passed. (8) - passed. Resolution 28 - passed. Item 4 (a) - passed. (b) - passed

MR. A. E. WRIGHT (Seven Oaks): just wondering if there is anything there in regard to the dehorning of cattle; we heard so much about the foreign cattle fund the other day. Are there any publications in regard to the dehorning of cattle issued by the department?

MR. HUTTON: No, I don't think so. I can't answer that positively. I doubt if there are, since that program is handled under the Horned Cattle Fund, but the publications department does a variety of work; we have a statistician whose job it is to compile information; we have writers who have provided radio programs this past year - "Country Comment" - it's a five minute program; it's being carried, I believe, by seven radio stations. They have, during the past year, acquired camera equipment, and are making a number of films including one -- they've made one on 4-H. They're documenting some of the programs that we're carrying out so that these programs can be illustrated at short courses and on any occasion when staff from the department is asked to go out to meetings throughout the country. They do put out a host of information in the way of pamphlets and folders and so on. They must be doing a pretty good job, because the radio stations have been only too happy to get the copy that has been sent out. These programs are taped and sent to the various radio stations. They have been collaborating with the TV stations in assisting in getting the information from the department to the public through this wonderful new media, and in the coming year we're hiring a librarian because of the amount of work that has been undertaken. We have a position for a promotional officer for Manitoba produce; it isn't filled at the present time, but it will be, and I think they do an extremely good job. We have two personable young men in there in the radio work, Mr. Smith and Vern MacNair, and I think that they're doing a very worthwhile job. I just see here, there are 130,000 pamphlets distributed annually from this publications branch.

MR. WRIGHT: that to me, as a city slicker, it sounds odd that there are as many cattle being shipped today with horns as there were 20 years ago despite all the amount of money that has been accumulated in the Horned Cattle Fund, and I was just wondering whether some other approach is not going to be made to try to educate the farmer in regard to this very simple operation?

MR. PETER WAGNER (Fisher): Mr. Chairman, I just wonder under the statistics, Publication and Statistics, I would imagine that it wouldn't be too expensive to fill in under these statistics the cost of production in Manitoba farms. I have a little booklet that is authorized by the Honourable Minister. It says: Livestock and Crops for Manitoba -- and it's a very useful booklet. It states almost everything that we have in Manitoba in agriculture. I was just wondering if it would be possible to come to at least some kind of a close figure; what is the cost of production, for example, cattle, hogs and poultry or grain. Or maybe if it's too much on this livestock, maybe you could come to a close favourable figure on cost of production of grain or whether it would be possible?

MR. GRAY: Mr. Chairman, you might well answer another question at the same time. The expenditure last year was nearly \$82,000 and this year the estimate is \$86,000. I realize that the Public Accounts is for last year, and looking up the Public Accounts on Page 198 with an estimated budget of \$86,000 -- and this is supposed to be complete publicity and statistics -- the expenditure for books, newspapers and periodicals was only \$500. And then you talked about films; the expenditure for films last year was \$106. Now doesn't the Minister think that in an \$86,000 budget that he should have more books, newspapers and periodicals, because after all this is their job, and if you talk about films surely not many films they could get for \$106.

MR. A. J. REID (Kildonan): Mr. Chairman, the Minister was telling us how well-informed the farmers are by his publications and periodicals, but by reading tonight's paper I notice that farmers are surprised and perturbed by the sudden drop in egg prices, and I notice that it is going to drop more. I was just wondering if farmers are so well-informed why should they be surprised at the sudden drop in market or prices, so I wonder if the Minister could explain that?

MR. HUTTON: Well, the farmer, no more than the Legislature or legislator, no more than the honourable member who has posed the question, isn't able to look in a crystal ball, and neither can we. We can determine, we can make forecasts, but there are many things that can upset a forecast, even the weather forecast, and I don't think that this is a question of the farmer being informed. A great many well-trained economists try to forecast what is going to happen, and I heard a very interesting description of an economist; this fellow said that they were like a duck flying backwards; they were absolutely sure where they had been but they weren't too sure of where they were going. And some of the economists have heard this story before -- they don't mind it -- but I think it's pretty well established that they're experts on the past 20 years, but they do make mistakes looking ahead. And this is a pretty big question as to how you're going to forecast accurately and how you would endeavour to keep such close contact with everybody on the farm front that we would be actively informed of just what would happen. We can probably forecast trends, but sometimes there are factors enter into it that upset the answers.

MR. CHAIRMAN: 4 (a) - passed. (b) - passed. Resolution 29 - passed. Item 5 (a) - passed. (b) - passed.

MR. ROBERTS: On Item 5, I notice that last year the Minister gave us a figure of 98 employees in this department, and this year our sheet carries a figure of 82 for the same department. Is this correct?

MR. HUTTON: The total number is 86. You're being asked to vote 86 salaries.

MR. ROBERTS: give us the figure of 98 last year in the same department. Have you reduced the department by that number?

MR. HUTTON: Well, not having anything here to guide me as to what I said last year, I can only

MR. ROBERTS: But you do know what happened to the department.

MR. HUTTON: Pardon?

MR. ROBERTS: Has the department increased or decreased in number?

MR. HUTTON: No, I don't think that there is any decrease in the -- there's no decrease in the salaries voted that I know of. As you know, here again we don't have all our establishments sometimes filled. There are 37 agricultural representatives, six assistant agricultural representatives, one supervisor of agricultural representatives, 37 stenographers and five positions for provisional employees, summer and general assistance.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, a year or so ago the Minister inferred as regards to ag reps and their districts that at least he was going to have a new look at them and see whether he couldn't remap the entire province, probably create three or four more new ag rep districts, and I think that that is a good idea and one that should have a look at. We in Neepawa are perfectly satisfied with the ag rep we have there now. He is completely overworked for two reasons: Number one, the territory is so large that it's very difficult to get around it all; Number two, he takes such an active part, as the Honourable Minister knows, in water and soil conservation, that it leaves him little or no time to conduct his normal duties. The Riding Mountain Whitemud River watershed is the first one of its kind in the province, and the work has involved at least five years in the making, and I suggest that our ag rep in Neepawa is doing wonderful work in the field of soil and water conservation. He has pioneered in this field, but perhaps the other services have suffered as a result of that. I know in travelling around my constituency that up in Langruth the farmers in that area still don't know who their ag rep is. They don't know whether they come under the Portage division or the Neepawa division. It would seem to me that some consideration should be given when designing the boundaries for the various ag reps, in keeping in mind land use and other uses. The Neepawa-Gladstone area, the west part of it, is a very rich type of farmland where little or no livestock production is carried on at all. When you get down around the east end there's little or no grain growing done, it's nearly 100 percent livestock. It seems to me that perhaps the boundaries could be drawn keeping in mind the various land uses of it. But I would plead with the Honourable Minister to give consideration to giving us a little more help in the Neepawa area No. 1, or creating a new area at Gladstone that would take in probably everything east of the Arden Ridge and include Langruth in with that.

MR. WAGNER: Mr. Chairman, I hear the Member for Gladstone wants to divide his

(Mr. Wagner, cont'd.) area, and I just wonder what is going to be done about our area. In the Interlake area we have only one ag rep there for the whole three constituencies -- that's three northern Interlake constituencies -- and last year when I was talking on the agricultural representative's area the Minister intimated that at that time -- at the moment it had to be the way it is, but maybe in the future date, maybe next year, there shall be another ag rep to split the area. Is there any prospect of splitting the area which is such a large one for the one ag rep we have at Arborg?

MR. GUTTORMSON: Mr. Chairman, I'd like to endorse the remarks made by the Member for Fisher. In my area, which is exceedingly large, we have only one ag rep. He's located in Ashern and he's doing a wonderful job, and the people up there really appreciate the work that he's doing, but he's only human and it's just impossible for him to do the job that he could if he had a smaller area to look after. I don't believe there's a rep -- from Stonewall north we haven't got a rep except at Ashern and that area is just far too large for him to handle, and if the Minister can see his way clear to put up another man in this area the farmers in the district would certainly appreciate it.

MR. ROBERTS: Mr. Chairman, before we move off the item I would like to ask the Minister how often are ag reps brought in for refresher courses? I notice -- at least we're all perfectly aware that a sharp sales staff such as our 37 ag reps can be classified as, is brought in to head office from time to time, given a refresher course, brought up-to-date on, in a case of ag reps, what special crops we're pushing, and the latest cultural methods of handling them, and we seem to have at the present time a very stable ag rep service, and I would suggest that it's pretty important that they could be brought in to meet with our specialists in the field, in the departments, to meet with the university people who are doing the research and experimentation, and generally to confer with one another and with the heads of their departments here in the city. And I would like to know how often the agricultural representatives are brought in to this type of a course for themselves?

MR. HUTTON: I'd be glad to answer that, Mr. Chairman. The ag reps and the home economists get a very extensive in-service training. Not only that, through a program of post-graduate assistance we have had several of our staff take post-graduate work. At the present time we have some of our staff attending the University of Wisconsin. Mr. Austman is one who is away at the present time; there are others slated to go. I think I have a line-up here some place of the numbers who are away. There are three members at the present time taking their Master's Degree at the University of Wisconsin, Mr. Austman, and we have two members of the staff at the University of Manitoba, Mr. Johnson who is one of our economists -- agricultural economist, and Mr. Sandercock, and we have others slated to go away as we can spare them. They have to take turns, of course. You can't send them all off to take post-graduate work at one time, but in addition to this and probably as important is this program of in-service training. Now just to give you an idea of what they have received in the past year. In August 1960 an in-service course was offered to 20 senior agricultural reps at the Agricultural Extension Centre at Brandon. Professor Anderson of the Department of Agriculture and Economics at the University of Manitoba was in charge. This is going to be repeated in 1961. To learn the latest about livestock production, management and disease control some ten agricultural representatives attended the University's Livestock Day in June 1960. Last summer the ag reps in eastern Manitoba spent a day at the university studying crops and vegetable production, weed control, and examining, of course, the crops and plots out there at the university. At the same time those in western Manitoba attended a meeting, a course held at the Experimental Farm at Brandon. The ag reps were in attendance at the Agronomists Conference at the university in December. All the field staff and all the specialists and the home economists attend an annual extension conference which is held in Winnipeg in January or February. This year the theme of the conference was Community Development, and it dealt with things like education, secondary industries, and agriculture, and one of the speakers at the conference was the Honourable Gurney Evans. I'd like to say, in addition to this there was a workshop for home economists at the university in 1960.

Now in addition to this I would like to say that the role of the ag rep is going to change. It's changing already. It has changed and it's going to change. One of our ag reps in Manitoba is very active in the community development program at Carberry. He's been one of the

(Mr. Hutton, cont'd.) leading lights in the establishment of this corporation. I think that it must be apparent to everyone today that you can't draw a line between town and country. I don't know whether anybody was ever justified in the past in doing it, but you can't draw a line between town and country in the 1960s. And I expect there's a closer liaison between industry and commerce and agriculture than ever before in the history of these departments. And although we refer to one another affectionately as nuts and bolts and barley beards, we still know that we have a common state and a common interest in developing rural Manitoba. If you have followed the statements, as I know some of the honourable members opposite have, of the Honourable Gurney Evans as he goes throughout Manitoba, you will note that he says again and again that the key for industry in rural Manitoba is the processing of agricultural products, and so the business people, the townspeople, the bankers, the baker, the candlestick maker and the farmer must be brought together. At the present time our department is looking at ways and means to see how much more effective we can be in our agricultural development program. We spend a lot of money here. We don't begrudge one cent of it, but we want to be sure that we're accomplishing all the things that can be accomplished by the fact that we have this group of high calibre people in the field. They're well trained; they're professionals. They can be salesmen; they can be consultants; they can do a tremendous job, and we're going to endeavour that we reach the most groups possible, and from this group of people, will feed them. The same can be said of the home economists. They're capable, able, enthusiastic, imaginative young women. They've got lots of ideas. The thing is to get those ideas transformed into practical benefits for the community in which they work. There are all kinds of little things that can be done. You don't have to necessarily build a big factory, but I think we can accomplish a lot more if everyone in the rural community is brought into this program and the outline that the Honourable Minister of Industry and Commerce gave to this conference at the university met with a great deal of enthusiasm and interest, and I'm sure that we're going to move ahead in the development of this service in Manitoba.

MR. GRAY: The Honourable Minister ignored my question under (4); I'm going to ask him the same question under (5). You know, Mr. Chairman, that the Bible is read every day and the longer you read it and the more you read it, the more you know. You have a staff of about 270 men and women in your department. You want them to know more and more about their job; we cannot afford to keep them if they are stationary, and no one questions their ability, their sacrifice, their devotion to their work. But my point is, all the time, where you are spending \$551,000 in this department, surely to goodness the 270 men should read a new book occasionally to brighten them up, even not on agriculture but on something else. They should read all the periodicals, they should read all the newspapers in their own interests and in the interests of their work. And out of a half a million dollar budget we find that he has spent only \$332 for books, newspapers and periodicals. Every doctor gets all the books and new books every time because he wants to be up-to-date, he wants to be up-to-date with his work, although he may have had 25 or 30 years' experience in medicine. But there's something new every day, and I cannot, for the life of me, understand why they spent so little in a half a million dollar budget to educate themselves. You found to ignore my question before and this may not be a question from a farmer to whom you pay more attention, but this is for one who is hungry for education. When I see a spending of \$300 in a half a million dollar budget for a staff of 270, I'd like an explanation to it, and I don't want to be ignored next time.

MR. SHOEMAKER: Mr. Chairman, I was particularly glad to hear the Honourable Minister of Agriculture pay tribute to the Honourable Minister of Industry and Commerce, and I think, if I heard him correctly, he said you could not separate the town in the rural parts when you were considering industry and what was good for all people in Manitoba. I think he said too, that we want to be sure we're accomplishing all that can be done, all kinds of little things can be done. Now that is true. And he spoke too, Mr. Chairman, about what was being done in Carberry in their area development corporation there. We, in Neepawa, have just created and incorporated the Neepawa Area Development Corporation, and one of the first things that we are trying to do is establish an edible oils production plant there. In fact, I have before me the March 3rd Neepawa Press, and in red headlines you'll see there, "Proposed Edible Oils Production Plant Here". Upon receipt of the Neepawa Press, I started to investigate what was being done at Altona, and I got some figures from the Honourable Member for

(Mr. Shoemaker, cont'd.) Rhineland, and I just couldn't believe what he told me. I knew that he was giving me the information that was given to him, so today I phoned the Altona Co-operative Vegetable Oil Limited plant there, and I found out that the honourable member was absolutely correct to the pound. But here's what we find, and what the accountant told me on the telephone today, that they produce in pounds of oil 11,055,000, and he broke that down for me this way: that they produce from sunflowers, 2,083,000 pounds of oil; from rape, 1,476,000 pounds of oil; and from soybeans 7,496,000 pounds of oil. Now, slightly more than 70 percent of all the oil that is produced in Altona comes from soybeans and 98 percent, the accountant told me today, of the soybeans come in from the United States as far south as Iowa. Ninety-eight percent, and I re-checked that, and that's what he told me. Now, surely we're not doing all we can for Manitoba if we're importing 98 percent of all the soybeans into this country to be processed. This represents, I imagine, several millions of dollars that the Manitoba farmer could be getting in his pockets if we had a soybean developed that would thrive in our soil and weather here. It seems to me that something must be done to keep this money at home. I hope that I am wrong in my figures here, but the Honourable Member for Rhineland has given them to me, the accountant at Altona has given them to me, and I say, if they are right, well then let's do something to produce soybeans that will grow in Manitoba.

MR. FROESE: Mr. Chairman, before we leave this item, I would like to comment on one other matter, and that is, we have a Dominion Experimental Farm at Morden, which is quite an extensive farm. They do a lot of experimental work out there, and I think some of that information and work that is being done could be put to much more use than it is at the present time. But I was wondering what liaison does our government and our ag reps have with the Experimental Station at Morden, and what access have they for information at the station?

MR. HUTTON: I'll answer the Honourable Member for Inkster first. In respect to his reference to \$106 for film in the previous appropriation, this is for '59-'60, and our Publications Department didn't embark upon a filming program until 1960-61, and during that period of '60-'61, they made four 15 minute films on 4-H work, soil conservation programs, in the department. His reference to periodicals, newspapers and books: I doubt very much if the reading of our ag reps is confined to \$313, but I would suggest that our ag reps are sufficiently curious about what's going on in the world about them, not to restrict their reading to information that might come through the service itself. Also, a great deal of the material and information that would go out to them wouldn't be charged in the same relation as you would think of them paying for information that was commercial.

In answer to the question of the Experimental Farm at Morden, I suggest that the liaison is as good as the ag rep wants to make it and the department wants to make it. Dr. Morrison is a most accommodating person, and I would say that this applies not only to ag reps or the Provincial Government or the university, but to farmers -- they are welcome to go there. That's what the Experimental Station is there for; it is for people to visit it and get information, and to see what is being done. I'm not -- I can't comment on the formal relationships that exist because it's a rather informal relationship. We can get any information that we want, and there is close collaboration between the department and the work that is being done down there.

MR. CHAIRMAN: passed; (b) - passed; (c) - passed; Resolution 30 - passed; Item 6.

MR. ROBERTS: Mr. Speaker, on Item 6, Mr. Speaker, I would like to refer briefly to the Red River Exhibition. I'm sure that the Minister is aware of the growth of the exhibition in the past few years and the possibility of it becoming a major, not only industrial, but agricultural show in western Canada. I think that I would like to point out the extremely good spirit which exists on the Board of the Red River Exhibition and the excellent people who are directors of it, especially the executive of the Red River Exhibition. I think this is an example of public-minded citizens who have developed something very wonderful for a community, for a city, and for the Province of Manitoba, but who now are in a position where in order to become as good a show as they would like to become, and in order to become the great agricultural show they would like to become, need some, not only moral support, from the Province of Manitoba, but also some tangible support in the form of money. I hope the Minister has

(Mr. Roberts, cont'd.) seen the new plans for the Red River Exhibition which are now on exhibition. They are being shown to those who are interested in the growth and development of the Red River Exhibition. I am sure the Minister is aware of the location in which the Red River Exhibition would like to locate itself in the coming years, a location which is ideally suited to the growth of an agricultural show, to the growth of an experimental farm associated with the agricultural show, and to the size which we would like to see the Red River Exhibition grow. Unfortunately, in order to become located in this area, there will be the necessity of obtaining permission to do so from particularly the Metro Government, which is responsible for the property they'd like to move to, but also more important, they need the support of the Province of Manitoba, and particularly in regard to the building of buildings, the grants which would have to be made in order to build the suitable buildings for a permanent agricultural show. As the Minister, I'm sure, has said from time to time the large portion of this money comes from federal grants for the purpose of building up class A fairs, but this money must be first of all matched by the Province of Manitoba. The Province of Manitoba, the Government of Manitoba, must be sympathetic, must be interested and must be enthusiastic about the development of the fair before this can become a reality. There is the problem, of course, as the Minister knows, of roads and bridges into the area where the exhibition would like to locate, and I'm speaking only briefly tonight to encourage the Minister and this government to take the proposal of the Red River Exhibition to develop a first class agricultural show right here in Winnipeg, in this part of Manitoba, very seriously, and to co-operate with the excellent people who are the board of the exhibition towards building for this part of Manitoba, and for the whole of western Canada, an exhibition which we will all be proud of.

MR. CHAIRMAN: 6 - passed. Resolution

MR. CAMPBELL: Mr. Chairman, I have one question on Item 6. I notice that the public accounts that are before us show only \$163,000-odd expended under this item, and yet the Minister who was in charge of the department at that time had given us a very glowing report of the added assistance that was going to be made available to both the agricultural and horticultural societies, and the grant had been increased considerably to the figure of \$203,000-odd, and after that glowing report of the added support, it turns out that instead of \$203,000 having been used by them, we have \$40,000 or thereabouts unexpended. Could the Minister tell us how that happened?

MR. HUTTON: Well, Mr. Chairman, I think the honourable member is referring, is comparing the figures for '59-'60 to those of '60-'61.

MR. CAMPBELL: Mr. Chairman, I'm comparing the estimate for the year ending March 31st, 1960, with the public accounts for the year ending March 31st, 1960. Those should be the comparable figures, and I remember so well the glowing report that the then Minister gave us about the extra assistance that was going to be available to them.

MR. HUTTON: Well, like every other program I guess it takes some time for the people of Manitoba, or the people concerned, the agricultural societies to build up their fairs to the point where they are taking advantage of the increased grants. They have done this; gradually they are increasing prize money for exhibits, and I think that we can expect that there'll be a further increase this coming year. I'm not going to endeavour to speak for my predecessor, but I think that the figure that was asked for at that time was not out of line. After all, these are statutory grants. When you introduce a change in the grants, especially when you make them more generous, when you introduce, as we did, a substantial grant towards construction, it's very difficult to anticipate the extent to which it's going to be used, and I think that our experience in the coming year, in the past year, the coming year, will indicate that his judgment wasn't so bad when he set a figure of \$203,000.

MR. CAMPBELL: down this year, Mr. Chairman, it has been reduced again this year, and after all, if there are so many horticultural societies and if the grant to them was doubled, as I believe the figure was at that time, if there's so many A, B and C class fairs the estimate would be made up on that basis, and the fact that it didn't materialize at that time, then now that even for the present year estimates were considerably below what it was two years ago, it indicates to me that the figure must have been somewhat padded.

MR. HUTTON: Well, we have four B class fairs -- let's see, Dauphin, Carman, Portage; we have one at Virден now; we have the Red River Exhibition, and we have the Provincial

(Mr. Hutton, cont'd.) Exhibition and the Brandon Winter Fair, and every one of these organizations has been qualified for a \$10,000 grant in any year. This runs into a lot of money. In addition to this, we have 70-odd C class fairs, many of whom can qualify for either \$750 or \$1,500 in grants for construction purposes, and I wouldn't like to start a year without having sufficient funds to meet the requests of these agricultural societies if they decide in that year to undertake a building program. As I've said, it takes some time for an association to organize itself, to take advantage of these grants, but I'm still convinced that I wouldn't care to enter the coming year with less than \$193,000 even though they haven't used that in the past, because these are, as I explained, they're statutory grants, and I feel that this would be very poor business on my part as Minister to enter into a new year without making fairly adequate provision for the demands on the fund.

MR. CAMPBELL: I'm not suggesting that the item be cut down; that wasn't my purpose at all.

MR. CHAIRMAN: 6 - passed. Item 7 (a) - passed. (b) - passed.

MR. ORLIKOW: Mr. Chairman, I must say that I am disappointed, and indeed I am surprised that this item is not increased and increased pretty substantially. Now I'm not going to this year make a speech about what I think this government, this province ought to be doing in the way of encouraging co-ops in general, as they do in the Province of Saskatchewan. It would only give me another lecture from the Honourable Member from Roblin about interfering with co-ops and their free development, but this government, and some pretty important civil servants of this province have spent a good deal of time in working with the Indian and Metis conference and the studies which they have made. I took a couple of days off from the session this year to attend the conference because I was asked to be a chairman of one of the workshops. I saw a number -- and I'm not being critical; I think this is a tremendously important problem which we face, a problem of trying to lift the standards, the living standards, the economic position of the Indian and Metis people of this province and to do it pretty quickly -- I saw people like the Director of Co-op Services, Mr. Chase, at this conference; I saw Mr. Grafton, I saw Mr. Lagasse, I saw Mr. Boyd there this year, as I saw them there last year and the year before, Mr. Chairman. Now the conference brings together people from the reserves; it brings together representatives from the Metis communities; brings together church people who are working with the Indian and Metis people; brings in federal department people, and brings in some of the provincial people whom I've mentioned, and I'm sure others whom I have not mentioned. Conference spends three days each year discussing the problems of the Indian and Metis and trying to arrive at consensus of opinion as to what ought to be done.

I have here, Mr. Chairman, before me, the resolutions that were passed at last year's conference, the conference held from February 24th to 27th of 1960, and I want to read to the Minister, because it's possible that he hasn't seen this, although I think he ought to have, some of the resolutions which the conference passed which deal directly with co-operatives and have some very specific suggestions as to what the role of the Provincial Government ought to be. Here we have a resolution on fishing, the second resolution passed by the conference last year. It's a long resolution; I'm not going to read all the whereases, but on page 2: Be it resolved, and I quote, "(A) That immediate consideration be given to establishing in Manitoba a province-wide co-operative producing, processing and marketing organization, which in the initial stages should be financed by provincial and federal government funds." Further on it talks about how this co-operative should be organized and it says, and I quote again; "that in the initial stages the Board of Directors of the co-operative should consist of members of both governments, present fishing companies appointed by the government, and fishermen appointed by convention of the Fishermen's Federation; that the cost be amortized over a period of years by a royalty on fish collected by the Provincial Government, held to the credit of fishermen from whom it was deducted as share capital; as the fishermen's equity increase their representation on the Board of Directors would likewise increase with an ultimate objective of complete ownership by the fishermen on a co-operative basis." That's the resolution with regard to fishing, Mr. Chairman, and I think the Minister will note that they see a very definite role to be played by the Provincial Government, and I assume by the Co-operative Service.

(Mr. Orlikow, cont'd.)..... Now, with regard to consumers' co-operatives they say, page 5, "Be it resolved that the provincial and federal governments be urged to make greater use of co-operatives as a means of eliminating the exploitation of Indian and Metis people, particularly in such areas as fishing, trapping, handicrafts and the general field of consumer goods and marketing. This could best be done by expanding present government services." Credit Unions; here's the resolution they passed: "Be it resolved that Indian and Metis communities be encouraged by the delegates of this conference to study the possibility of saving through Credit Union techniques."

Now, Mr. Chairman, this year's conference went over some of the same material. Here's the report which appeared in the Winnipeg Free Press of February 24th of this year. It's headed: "Co-op Program for Indian and Metis Sought." The story begins: "The Seventh Annual Conference of Indian and Metis Friday morning resolved that the Provincial Government should take the lead in establishing co-operative development programs for the Indians and Metis." Now, Mr. Chairman, I'm not suggesting for a moment that the resolutions passed by this or any other conference are necessarily all correct, that they will solve the problem of the Indian, but, Mr. Chairman, these conferences have brought together people who are most vitally concerned, that is, the people who are living under the most miserable conditions and the people who work with them, including, as I said a few moments ago, the government people concerned in this field. They've made very specific recommendations. Now I know that the specific task of helping to improve the lot of the Indian and Metis people comes under the Department of the Minister of Health and Welfare, and I understand there's an increase in the appropriation for the Community Development Officers, and this is fine. This is as it should be. But the Community Development Officers are not experts in co-operative organization, and if the recommendations of this conference -- the recommendations of the people who are best qualified to judge what is required to help the Indians, mean anything, it means one thing and that is the very sharp increase in the services provided by the co-operative section of the department. Now last year, I think it was the Honourable Leader of the Opposition suggested that co-ops can do the job of promoting co-ops best themselves. Now I don't agree with him entirely, although there's a good deal in what he says, for most co-ops, but certainly if we are to wait for the people of Indian and Metis origin to get the knowledge, to get the information, to get the spots by themselves, Mr. Chairman, we will be waiting a long time, and while we wait the Minister of Health and Welfare will be presenting a very big bill to the Provincial Treasurer for public assistance for these people of Indian and Metis origin. It just doesn't make any sense to me, Mr. Chairman, not from the point of view of humanity, nor even from the point of view of business. And so, Mr. Chairman, it seems to me odd, to say the least, and I think I'm being very charitable when I put it in those words, that we don't see from the Minister a recommendation for a sharp increase in this department. And I want to say this to the Minister, and I say it in all sincerity, that if the people who I have mentioned who are attending these conferences, who are putting a good deal of work into this field, if they are not reporting to the Minister -- and I find this hard to believe -- or if the Minister and the department don't believe in the recommendations which they must be reporting to him, then I think those people are wasting their time and the province's money to be at those conferences, because I can see not the slightest recommendation in this appropriation, in this estimate for expenditures, that the Minister and his department are paying any attention to the recommendations which are made by the conference. Now I know the Minister will say that this comes under the jurisdiction of the Minister of Health and Welfare, and that's a separate matter, the work which the Community Development Officers have done or are going to do. Let me say that what they've begun -- the work they've begun -- is excellent as far as it goes, but I want to reiterate again, Mr. Chairman, that to my knowledge at least the Community Development Officers are not people who are expert in co-operatives, and that therefore to expect them to help the Indians and Metis to organize co-operatives to improve their economic well-being is to wait a long time. It seems to me that here is somewhere where we ought to be moving and moving a good deal faster than would be indicated in this appropriation.

MR. HUTTON: Mr. Chairman, I must agree with the Honourable Member for St. John's in a great deal that he has said. I agree with him that the answer to the Indians is

(Mr. Hutton, cont'd.)....rehabilitation to a society from which he has been shut out. I think he's right in that. I think that the government of this province has indicated by the action they have taken that they believe in this principle. I'm not going to, however, put the blame on the Minister of Health and Welfare. He's got his Community Development Program, and he's asking for increases to make people available to work with the Indians and the Metis, to help these people to make better use of their own talents and the resources that they have at their disposal, and the opportunities that can be brought within the orbit of the Indian and the Metis. That's one job. However, I do part company with the honourable member on the method by which some of these things can be done. I think that he is quite an idealist, and like a lot of idealists he's highly impractical. Now a program doesn't have to be successful just because it's carried out by the government. It's no guarantee at all that a better job will be done because the government does it. I suggest to you that the greatest advocates of co-operation and the men best qualified to teach co-operation are those who have been associated with the principle of co-operation and have spent their life working with co-operative organizations. And it's not necessarily so, that in order to promote co-operatives amongst the Indian and Metis, that the government necessarily has to acquire bodies and send them in to educate the Indian and the Metis in the principles and the benefits of co-operation. I think it's very obvious that the co-operative movement itself is better able, better endowed to do this job than the government is. I think that they are entitled to some help, and I want to point out to the honourable member that they have received some help. They have received the help that they asked for. The Federated Co-operative are doing a very good job with the Indian and the Metis. They've done an exceptionally good job at Norway House. They did so with the support of the government. Undoubtedly where conditions recommend it, they will get more support, but co-operation doesn't necessarily mean the salvation of the Indian and Metis.

There are a lot of things to be considered. Co-operation helps where you have a resource to work with, but it boils down to economics too. Just because in a certain area conditions are uneconomic doesn't say that if you establish either a producer or a consumer cop that you're going to solve the problems in the area. I think that the co-operative has a great potential with the Indian and the Metis because it forms a rallying ground for people. It did this for the farmers in Western Canada when they had their backs against the wall, and if it never made them a cent it gave them a fighting spirit. It gave them a fighting spirit when times were tough, and I think the Honourable Leader of the Opposition will agree with me. It's a great rallying ground, and it can be of great benefit to the Indian and Metis, and nobody is arguing that point at all. But just because the government doesn't set up an agency and hire a bunch of bodies, and send these bodies in to deal with the Indian and Metis, doesn't mean that we're not interested and that we aren't going to help, and in fact, that we aren't helping at the present time. Now the experience that we've had at Norway House has worked out very well. Better by far, I'm sure, than if the government had endeavoured to go in there by itself, because we had the co-operation of Federated Co-ops and they are experienced; they have a much greater reservoir of talent, and know-how, and sales ability, and educational ability in the field of co-operatives than would be available to us, and they have been happy to co-operate in this field. They consider it a missionary work, and they are to be highly commended for the job that they are doing. I feel sure that this program and the arrangements that have been adopted are going to be satisfactory; they have been and I think they'll continue to be, and I think the Indian and Metis population will be the gainers for the arrangements that have been made so far. But I reject out of hand the statement that because we haven't included a large appropriation here to set up another arm of the government that we are necessarily not doing anything or not carrying out an effective program with the Indian and the Metis.

MR. ORLIKOW: Mr. Chairman, I must object very strenuously. The Minister starts off by complimenting me and by sympathizing with me and by agreeing with me, and then he adds insult to injury by suggesting that after all I'm somewhat of a visionary and somewhat impractical. I tried very hard to keep out completely my own ideas about what ought to be done. What I did was to quote to him the resolutions which were passed by last year's conference on Indians and Metis, organized not by me -- although I happen to be on the Board of Directors of the Welfare Council -- but organized under the auspices of the Welfare Council

(Mr. Orlikow, cont'd.)....of Greater Winnipeg, and incidentally, Mr. Chairman, this year co-chaired by Mrs. Bastin who is a good deal closer in political faith to the Honourable Minister than I am. What I'm trying to suggest to the Minister is this is done under very respectable auspices, in case he considers me not to be very respectable. What I'm suggesting to the Minister again is that, at the conference, were not my officials but his officials, this year and last year and the year before. And I'm asking the Minister whether he considers the recommendations which they helped to formulate to be practical or not. If they are not practical in his opinion, not in my opinion - they don't work for me; he's the Minister, Mr. Chairman and not I -- if they're not practical then it seems to me that he is the man who ought to direct them to stop wasting their time. If they are practical, then he's the man who ought to be beginning to put them into being.

Now, what do these resolutions say? Do they say that we need co-operatives for the Indians and therefore we should ask Federated Co-ops to do this job? No, they say that the Provincial Government should do the job. Now if they're wrong, it seems to me the Minister ought to be checking them up, not me. So it seems to me that the Minister ought to be listening to his people who are attending this conference. Now, I want to deal just for a moment with the suggestion that this is a good idea but somebody else but the government ought to do it. I know something about the job which was done at Norway House, I know that very shortly after the co-operative at Norway House got started that the price of commodities in that community were cut by, I quote, "in those items which the co-op sells were cut by almost 50 percent." I know that, and I think the Minister knows that, and I think that, what does this prove? It proves that co-operatives can do a job, and the Minister and I agree on that. I want to suggest to the Minister -- I'm a member of a co-op and so is he -- I want to suggest to the Minister that while he and I might not disagree if the co-operative movement and Federated Co-op or the Co-op Union were to go out and spend some tens of thousands of dollars hiring staff, that while he and I might not disagree with this because we believe in this program, that a substantial number of members who belong to the co-ops would take some very serious objection, because the co-ops are organized to do a service for their members, and the bulk of the work which is done by the co-ops, and the bulk of the educational work which is done by the co-ops, is to get the co-op message across to people who can become members and who can help the co-op become more efficient, and to make more money for the people who are members. Now, I want to suggest to the Minister that -- and I agree with him 100 percent -- and nobody has ever suggested for a moment that co-operatives will solve the problems of the Indian and the Metis. Of course, they won't, and anybody realizes, and the Minister I don't think has to lecture this side of the House at least, that unless the people, whether they're the Indian or Metis or anybody else, have work, that there isn't much future for them. But co-ops are one of the things that have been proposed as a way of helping these people.

Well, let's face up to the fact that it's not going to help them today or tomorrow; that this is a long range thing that is going to take time; it's going to cost some money. Now, the Minister of Health and Welfare has faced up to this, he last year hired some community development people, and I understand this year he's going to hire more. I may disagree with him; I may think he ought to expand the program faster than he is -- we'll come to that later. But what I'm suggesting here tonight, I think that if the resolutions by this conference and by the people involved had any value, that the co-op services ought to be expanded for these people, that there is no other agency but the Provincial Government which can put up the money and can do the job. I agree 100 percent with the Minister that you need people who are trained in the co-operative movement, who know the organization, who know the background, who know the philosophy, and of course, where will the Minister find them if he's prepared to hire them? We will find them now working in some of the co-op organizations; this is to be expected. But I'm suggesting to the Minister that if he waits for Federated Co-op or anybody else to find the money to do the job, that these people will continue to be exploited and will continue to be a charge on the welfare rolls of the Province of Manitoba, and it seems to me again, Mr. Chairman, that the co-operative division of the department ought to be expanded, not to organize a co-op in every Indian Reservation in the Province of Manitoba, but surely, just as we've begun to expand the Community Development department, we can begin to expand the co-operative department, at least in this area of the community which cannot look after

(Mr. Orlikow, cont'd.) . . . itself up till now, and we need a very large amount of help.

MR. WAGNER: Mr. Chairman, I want to contribute a little bit towards this co-op movement as far as the Indian and Metis are concerned, and I'm not going to repeat what my colleague stated already, but what I've done in our area, there I've tried to encourage the Reserve people into the co-op movement. I took along with me, on two occasions, the local co-op manager, and we went into the area. The people are very enthusiastic, but when you tell him or her that they have to contribute financially, it's a standstill. So what I did, I phoned Federated Co-op and I asked for their support. They are willing; they are willing to give support, but with reservations, and I don't blame them. As my colleague here from St. John's states, they are having the finances from the members. Now, they have to ask their members if they are authorized to throw out a few thousand dollars and put out a co-operative on any reserve. However, what my thinking is, if the government would get in touch with the Federated Co-op and come into some understanding, and go out into the area explaining, discussing the co-op movement -- however I must commend the Federal Government when these people are getting rations; they are trying to be as thrifty as possible. They travel as far as 50 miles to Fisher Branch to the Co-op store and shop. Why wouldn't they shop in their own store? I'm also informed by the Agency out there that the rations are pretty high, as high as \$2,000 a month, so possibly it would be a good thing for the government to look into the matter, and possibly those welfares, or rations as they call them, could be eliminated a little bit. That's all I want to say.

MR. HUTTON: Mr. Chairman, I'd like to reply to the Honourable Member for St. John's. He endeavoured to do his best to put me off-side of the Indian and Metis, the conference and the resolutions coming out of it. I take no issue with those resolutions at all. I'm taking issue with the statement the honourable member made that the fact that there wasn't a sharp increase in the appropriation for the co-op services branch indicated that the government wasn't paying any attention to the resolutions. And this is what I reject out of hand.

MR. ORLIKOW: Mr. Chairman, I must object, I said, in respect to the expansion of the co-operatives as suggested by the resolutions. I made it very clear that I think they're moving in the right direction with regard to community development officers. That's all I said.

MR. HUTTON: The government feels, Mr. Chairman, and I think with justification, that we have a role to play, but it isn't the role that my honourable friend wants us to play. We feel that we owe support to these people, we have indicated on one occasion and very successfully, that we are willing to give it. I might say we're under negotiation, or we have another co-op under consideration at the present time. The honourable member said himself he doesn't believe that we should rush into this thing and set up co-ops all over northern Manitoba. He's correct in that, but we can serve a very useful purpose, and I believe that we can accomplish more by co-operating with a body like the Federated Co-op than by starting out on a program by ourselves. On the question of education, when we are putting community development people into the field and carrying on an educational program through that policy, I think it would be rather foolish to duplicate it in another branch of the government. If the Community Development Program is going to grow, if it's any good, if it's going to bear any fruit, if it's going to grow, surely we don't want to set up another arm and create an octopus. I think that the Community Development Program can do the job that the honourable member seems to feel that the Co-operative Services Branch should do, and that through our liaison with co-operative groups in the province, through the Co-operative Services Branch, we can lend that assistance which will be really beneficial and accomplish what the Honourable Member for St. John's wants, and what the people who are interested in the Indian and Metis want, and accomplish that which the government wants -- the rehabilitation of the Indian and Metis people in the Province of Manitoba.

MR. PAULLEY: Mr. Chairman, I'd just like to say a word in connection with this. I've listened with great interest to what the Honourable Members for St. John's and Fisher have had to say in respect of co-ops and the Indian and the Metis, and I've listened with great interest to the words of the Minister of Agriculture. It does appear to me though, Mr. Chairman, quite frankly it may be due to the lateness of the evening and the number of hours the Honourable the Minister has spent on his departmental estimates, but in listening to him I

(Mr. Paulley, cont'd.) . . . don't think he told us anything of what the Department of Agriculture or his department is doing in respect of co-ops. He said to us, and took pride in the fact that through the co-operation of the Federated Co-ops there was a co-op set up at Norway House. And I think it is to the credit of the Federated Co-ops that this was done. I'd like to know from him in respect of the Co-operative Services Branch what exactly is their role. What are they doing? Have they been instrumental in setting up any co-ops by themselves? It appears to me as I read the report of the Department of Agriculture, if you get down to page No. 53 and half of 54, we received the report of that particular branch of his department. We're talking now of the question of co-operative services, but in this page and a half there is almost half of it dealing with the question of Credit Unions apart from co-ops. I don't agree with the Minister that the burden of setting up the co-operatives should be placed or expected from established co-ops. I think what the Honourable Member for St. John's and Fisher have said in respect of this and the co-op movement itself, particularly the individual co-ops, that there would be opposition if a great deal of money was expended from these individual co-ops for the expansion which is the responsibility of the Department of Agriculture here in the Province of Manitoba.

I haven't before me at the present time the report of the Department of Co-ops of some of the other provinces, but I am sure that far greater service was rendered by them in the development of co-ops. I don't know, Mr. Chairman, who I am speaking to -- there seems to be a conference going on across the way, and maybe I can keep quiet until such time as the conference is over, so that the Ministers concerned may know what of I speak. Mr. Chairman, if the Minister is ready now I would like to say another word or two because I'm sure that he wasn't paying any attention whatsoever to what I was saying.

MR. HUTTON: You'd be surprised how much I heard.

MR. PAULLEY: He may not agree with some of the things that I have said or what I am going to say but I certainly wish he would listen to them. The report of the Co-operative Services Branch tell us that the volume of business done by the co-ops for the year ending March 31st, 1960, had increased from approximately \$137,000 to \$152,000. It looks good; it's an indicator to me that there is a wide field in the Province of Manitoba for the establishment of more co-operatives. We've noticed what the Red River Co-op is doing here in the City of Winnipeg and Greater Winnipeg area. They started out as a venture here a few years ago with their great store down on Ellice Avenue. Now they are expanding and soon will duplicate at least to some degree the Ellice Avenue store with one in East Kildonan. To me that's a great indicator of what can be done and what should be being done. The second Red River Co-op, of course, is being developed because of the acceptance of the co-op, the Red River Co-op in the Greater Winnipeg area, and they are responsible for that expansion here insofar as their own co-op's are concerned. And I think in that the Minister is justified, but I do say, and I say this honestly, that the government has a greater responsibility than it has been accepting in respect of the development of co-ops here in the Province of Manitoba. My colleagues have pointed out the need particularly or specifically in reference to our Indian and Metis friends, but I say in addition to that that much more could be done in other parts of Manitoba. We appreciate very much the firm roots that the co-op movement has in the southern part of Manitoba. They have set a good example; they have encouraged it within their own area, and among their own friends in there to various types of co-ops, but I say that there are areas that are sadly lacking, and I say that it is the responsibility of the government to give the impetus that is necessary for the establishment of co-ops in these areas, and not, as I gather from the Minister's remarks, sit back and wait for leadership from already established co-ops.

MR. JOHNSON (Gimli): Mr. Chairman, I'd like to say a few words in response especially to what the Leader of the CCF Party has just said, and I'll confine my remarks largely to the role as we see it of the community development and the co-operative movement in the north, and I don't think it's just a question, Mr. Chairman, of the government getting in the co-operative business in the north and these areas at this point. We happen to have an inter-ministerial committee on Indian and Metis of which I have the pleasure of being chairman, and this is to try and co-ordinate the activities of the various departments as they affect the operation in the field in trying to help these people. Now this is a big problem, and my

(Mr. Johnson, cont'd.)....honourable friend will acknowledge that, but as our people in northern health services, our doctors and nurses going through the north with this concept, with our short experience in community development to date these experts in this field feel very strongly that the rallying and the desire has to come from the local level in small beginnings. They also feel that -- although I am most interested in the welfare field of seeing welfare dollars saved if possible too, I believe there is a potential for co-ops, a real potential in these areas, but it can only move so fast as the people are understanding it, that they have to be ready socially to accept their responsibility. We will not accomplish very much except maybe a mail order house, by putting in a co-op in an isolated district just because they hear it's a good thing and they want one. This isn't the answer, say the experts. Now we don't always believe in experts, as the Leader of the Opposition says, but this makes a lot of sense to me, and we have decided as we've been going slowly and as the Minister of Agriculture has intimated, we're pleased with the results at Norway House. The Minister is considering another request at this time, but we wanted to play these on an ad hoc basis until we get a little more experience. We want our community development people to say to us, "the people are ready for it; they do want it; we think it will achieve a social end in this community," then we'll turn it over to the co-operatives branch. But we do think that there's a role for the educator here; there's the role for the community development in interpreting the real problem in the local community to the co-operator, and I do think, in our beginnings anyway, that these people who are experienced in this field should utilize their service. That's really all I have to say, but I just thought I would find out the real need for the full appreciation at the local level. We find this especially too in health. I firmly believe that it's not the answer to clearing health conditions in the north to build elaborate nursing stations on remote islands, and create a welfare state. Surely this day is gone. The answer is to move in and by education and showing the people the results of tangible help advances, real gains and understanding through community lectures which we are holding throughout the north, that they will desire a service or want to see the need and the want, and then we want them to participate in it. We don't want to just come in and plunk it there. I don't think this achieves what we want, and I say the same for co-operatives, and when the Honourable Member from Fisher was a little boy, I was a little boy on a farm in the north Interlake area for summers and say co-operative developments mushroom from the depression days, when, as the Minister said, it became the rallying point, where they got together. Not that it saved them much money but these things have grown and served the real purpose. And we think the community development can play this role in the north, and I think the Minister has every justification at this point for not putting large sums of money in his co-operative branch.

MR. PAULLEY: Mr. Chairman, I appreciate very much the remarks of the Honourable the Minister of Health and Welfare, and I certainly am not going to get into an argument with him tonight dealing with agriculture. We may have a word or two across the floor of the House once we get into Health and Welfare estimates, but I want to support the contention of the Honourable the Minister of Health and Welfare. I think that he's right, and I only wish to goodness he'd tell the Minister of Agriculture the story that he told us in the way we will interpret it, because he told us, Mr. Chairman, the Minister of Health and Welfare told us that in the community development program with the Indian and Metis, particularly in the northern area, he's having his doctors and nurses go and meet the people and talk to them of what is required for the health of their members and their people. They're experienced people who have a story to tell to these people. I agree with him that the answer is not the establishment of nursing homes and the likes of that, as the Minister of Health and Welfare so properly pointed out.

Now then let's go back to co-ops. The Minister of Health and Welfare has established what he is doing in his department. He's sending out experts within the field to tell them the story. My colleague from St. John's suggested exactly the same thing in respect to co-ops. We wouldn't expect an expert in the field of co-ops to do the job that the Minister of Health and Welfare tells us that his doctors and nurses are doing insofar as the health of the people in the north. My colleague, the member for St. John's, suggested to the Minister that if you haven't got the staff that can do this job, the co-op movement and the Federated Co-ops and the likes of that may make available and loan to them without direct cost to the co-operatives,

(Mr. Paulley, cont'd.) which belong to the people within the co-op themselves, experienced people to tell the story in these areas. So I say, I'll thank you, to the Honourable Minister of Health and Welfare because he has established in my opinion firmly what my colleague the Honourable Member for St. John's said, that you require experts to tell the story and leave the fundamentals, and then the story having been well told, the people in the area can take advantage of it and process it and advance from there.

MR. HUTTON: Mr. Chairman, I really appreciate the condescending lecture that I've received. I'm far better educated than I was ten minutes ago, but I want to take my turn and return the compliment. The Honourable the Minister of Health and Welfare spoke of his doctors and nurses, highly trained people, but within the Community Development Program there are other people who are chosen-- other people as well, who are chosen for their particular attributes and qualifications. And they're chosen because they are particularly qualified to deal with the Indian and Metis in terms of meeting the psychological requirements and so forth and of instilling the Indian and the Metis with a spirit of his own worth, with a sense of his own worth and dignity of the individual, and in showing him the ways and means by which he can lift himself up and take his place, his rightful place in society. This is the job, as I understand it, of the Community Development Officer. We are not hoisting a job on Federated Co-ops. We have a very good understanding with them that we have a role to play. They are very happy and satisfied that we play our role within the confines of the Community Development Program. They are well prepared to invoke spirit and ability to carry on the program of assisting the Indians in the co-operative field. We are prepared, where there is general agreement between the Federated Co-ops and ourselves, to lend support by way of guarantees to help these people establish and maintain a successful co-operative. We have a small, active, and capable Co-operative Services Branch. They have done a tremendous job in establishing a fine working liaison between the -- especially, in this case, the Federated Co-operative people, and the government. And let me tell you this, that if it hadn't been for the guarantee of the Provincial Government there wouldn't be a store at Norway House. It would have folded and collapsed, but it's running successfully today because we wanted to see this thing work. And as I've mentioned before, the establishment and assistance to -- it isn't an establishment because the co-op is operating at the present time on a fairly day to day basis, and assistance to this co-operative is under consideration at the present time. We believe that we can give adequate assistance to the Indian and the Metis, first, by the Community Development Program, and at the general education that is available through that program, and, secondly, by co-operating with the Federated Co-ops in not so much the establishment, because as the Honourable Minister of Health and Welfare has indicated, the desire has to come from the local people. The Community Development Program

MR. PAULLEY: Should be stimulated first.

MR. HUTTON: And let me assure the Honourable Leader of the CCF that the idea of co-ops is quite prevalent amongst the Indians and the Metis population. It doesn't need to be stimulated

MR. PAULLEY: Oh yes it does.

MR. HUTTON: Oh no, it doesn't. It's there right now. What they need is to learn the principles, the principles of co-operation which the Community Development Officer is well able to do, and I still maintain that having established a community development program, having made provision for establishments within that program for community development officers, it doesn't make much sense at this stage of the game to duplicate this in the Co-operative Services Branch, and that we have given effective assistance and help, and we can do so at the present time without expending large sums of money for bodies in that branch. And I reject out of hand the facts, the criticisms or the charge that we are not doing anything for co-operatives merely because we haven't got a bunch of bodies and aren't spending a lot of money. On the question of co-operatives through the province, you mention what co-operatives have done in Southern Manitoba, you want to visit Northern Manitoba, Roblin, and Swan River. There are lots of co-ops up there. The government didn't need to have an educational program to help the farmers to establish the greatest grain marketing machine in the world. That's what it is. The government assisted, yes, but it didn't have to go out with a selling program, and at the present time they have the greatest grain organizing business, because

(Mr. Hutton, cont'd.) . . . it's not a selling institution at the present time; it gathers grain up, puts it in position for sale -- the greatest organization of this kind in the world here in Western Canada. And the co-op movement in this province is strong, virile, and it's doing a tremendous job, and the examples that you have given of its expansion belies the story that you try to tell and the criticisms that you bring against the government for not getting into this field. The co-ops are well able to stand on their feet, and we have a close liaison with them through the Co-operative Services Branch. And I might say I think we have a fairly -- an excellent understanding between that movement and between the government.

MR. PAULLEY: Mr. Chairman, I don't want to pursue the argument much more, because I'm sure that I couldn't convince my honourable friend. I was somewhat amused with his last few remarks, because he said that the arguments that I submit to him of the increase as recorded in his own report indicate greater volumes insofar as the amount of business being done by co-ops. He has entirely missed the point that we have suggested here, and that is that there could be more active promotion being done in the Department of Agriculture in respect of the establishment of new co-ops. Now he did mention the fact of the great co-op, the Wheat Pool. He did just in a passing sentence suggest that there was a degree of governmental support at the time of the initiation of the Wheat Pool, and there was. Yes, there was. And all that I'm suggesting to my honourable friend, that as a result of that support at the time of the formation of that great co-op, the government had an active part in its promotion. And what we are suggesting is the self-same thing. We appreciate the fact that there are co-ops in the north as there are in the south. The reason that I use the southern part of Manitoba as an example is because of the diversified number of co-ops in there. And as my Honourable Friend the Member for Fisher, in his home town of Fisher Branch, have a lovely co-op there, and as he indicated, they have gone on to the reserves and assisted. But he also said, if I heard him correctly, that there they're coming into Fisher Branch to deal at the co-op, and he suggests that with some stimulation from the government a co-op could be established further north. And that is what we're saying to you, Mr. Minister. You can talk very, very well of different points in the province and of the Wheat Pool co-op and the likes of that. We're suggesting that there's still a field untouched, that with the stimulation of your department and in co-operation with the Federated Co-ops, we know that the type of people who belong to the Federated Co-ops and practically all of the other co-ops are people of a calibre and a nature that will lend every assistance to your department. You're not telling us anything new when you say that there is a great spirit of co-operation between them. It's an established fact, what we are saying, that your department could do a far bigger job than they are doing.

And I suggest this, Mr. Chairman, that it won't be too long providing my honourable friend is in the capacity of Minister of Agriculture of the Province of Manitoba that he will accept some of the suggestions or all of the suggestions we are proposing tonight. And I want to assure him that we are not suggesting these in any real critical manner to him; we're attempting to be constructive in this, and I sincerely trust and hope that he will take the criticism that we are offering in that manner rather than that of condemnation. The co-op movement throughout the whole world, particularly in the Swedish states, Denmark and other areas there have found that in this way of living, it's an advancement to all. And all we're suggesting, and we hope and trust constructively, that the Minister give consideration to a greater part of the government in promotion of the establishment of co-ops. We certainly reject and would reject any suggestion of any governmental interference with the actual operation with the co-ops other than that of making sure that the finances of the co-ops are conducted in a reasonable proper and fair manner.

MR. CHAIRMAN: (a) - passed. (b) - passed.

MR. FROESE: Mr. Chairman, I've been waiting for over an hour to say a few words on the matter of Credit Unions. I had hoped that the Honourable Minister would comment briefly on it because I think he is in a much better position to do so. However, I feel it more or less a duty to say a few words on the matter of credit unions. According to the estimates, the identity of the credit unions are more or less lost because it comes under the item of Co-operative Services. I had hoped that the Minister would give a little review. We know that the credit union movement started over a hundred years ago in Germany and was started

(Mr. Froese, cont'd.)....by the man, Raff Eisen. Later on it was brought into North America; it was spread in the U.S. by Mr. Filene and here in Canada we have Mr. Desjardins who took it on himself to bring the credit union movement about. We, here in Manitoba, can be very thankful for the credit union act that we have and I commend the government for the act that we have in Manitoba, for its liberalism. It's very much more liberal than many of the other acts that you have in the other provinces, and I think that is one reason why the movement is growing so fast in Manitoba. And this is also my concern, that we keep it liberal, that we do not restrict it in any way that could harm the growth. This, I think, could happen if we, in any way, tried to force a certain amount, a certain percentage of liquidity that credit unions would have to have. I know this has happened in other provinces, that they require a certain percentage of liquidity. I attended the annual convention of the Credit Union League in Saskatchewan, was it two or three years ago; they require liquidity of about 20 percent. We in Manitoba do not require that. As a result, about 90 percent of the money that our credit unions have, was out on loan at that time, whereas in Saskatchewan it does between 50 and 60 percent. So that we can see that our money was doing the job, it was serving the individual member -- what it was supposed to do -- and today we have in this province, some 235 credit unions including the Caisse Populaire, I think they have about 200 credit unions as such with a membership of over 80,000. These people have saved themselves of assets at the present time somewhere between \$35 and \$40 million. This money is being put to use in the local communities; the people in the communities are able to avail themselves of these credits and put them to use.

And if you want an example of what can be done with these funds I would invite all of you members to come to my home town at Winkler and I'd be glad to take you around and show you our beautiful offices and services that we provide for our members. I'm sure that you would find that all over in my constituency because we have several credit unions in that area. Gretna just had their annual meeting the other day; they have a credit union with assets of over half a million. Altona has one that is much larger. They're planning on a new office. Plum Coulee has a credit union and they built a new office last summer and have moved into it, providing services for their members. The philosophy that we spread throughout credit union movement is one of self-help; that we do not have to rely on other agencies and other organizations to finance us, to serve us with credit, but to try and do it ourselves and to help ourselves. This philosophy we're trying to spread and to stick to it. That is why we have come together and formed a central organization which is being financed by league dues. The members are providing a dollar a member each year for the services to hire field men, of which we have three, and have had them for the past number of years, to organize new credit unions throughout the province. The organization is going on; we organize new credit unions each year, both in the city and in the country. Naturally the city credit unions, more or less, are in the field of the parochial, in the parish credit unions, and industrial credit unions, and not so much in the community types, whereas in the rural areas it is mainly the community credit unions that we organize. Here again it is dependent on a common bond as provided for in our act. Any group of people that have a common bond of association such as church organizations, fraternal organizations or so, can organize themselves into a credit union and be able to have a place to save and make those savings available to their fellow members.

Now, we have experienced over the past number of years that we were unable to organize community credit unions in Greater Winnipeg, mainly because the common bond is not apparent in any particular area in the city. We would like to see the city zoned and that we'd try and locate a credit union in each zone. This has been done in other provinces with quite success, and I'm sure, and I can say this from experience, that where in communities we have credit unions, that the credit union itself is a much stronger bond than any other association on which it probably was originally based. This we know from experience, and as credit unions grow larger they get much stronger, which just supports that.

Another matter that I would like to raise at this point is the tremendous amount of volunteer work that our credit union officers provide for our people. Just by multiplying the number of credit unions, which are 200 or more, and on an average you have close to 15 officers, probably some have a little less, but you'd have about 3,000 of credit union officers over the Province of Manitoba, who are doing these services for free, and in order to help

(Mr. Froese, cont'd.)....their fellow man. We are, as a league, providing a publication for all these officers to keep them informed, to let them know what is happening in the movement, to give them the latest developments, and so on, so that we're having a link of communication between the central office - the central organization - and the credit union officials throughout the province, as well as the credit union members. Quite a number of credit unions have already subscribed blanket subscriptions for all the members of the Credit Union News, which is the publication I was referring to. In addition to that, we are doing promotional work through the league in assisting credit unions when they have difficulty in the books or on any other matters as well. We try to direct them and give them the proper advice.

The credit unions in Canada, as well as in the U.S. and on the North American continent have provided themselves with an insurance company of their own, which is Cuna Mutual Insurance Society, and this company today has covered the credit unions with more than \$5 billion worth of coverage in insurance. This insurance is available to credit unions for the protection of loans that any individual that makes a loan at the credit union is covered up to an amount of \$10,000 per individual. In many cases credit unions also have the insurance on their savings, which in case of death or disability, the amount will be doubled up to a maximum of \$2,000. The performance of the company is an excellent one and their growth is very rapid. They are now, I think, the 22nd or 23rd largest company in the U.S. and they are growing. They recently, just this last summer, opened a new office at Madison, Wisconsin. Also last year they celebrated their 25th anniversary; they were organized 25 years ago; the year before our Credit Union National Association also celebrated their 25th anniversary, being organized a year earlier.

The year 1961 will be a very important year as far as Canadians' credit union members are concerned, because this will be the first year when the National Association will meet in Canada and have its convention in Canada, in Montreal this year. Already preparations have been made during the last year and are continued to be made to accommodate the delegates from all across Canada, the U.S., from the Phillipines, Australia, Jamaica and the South American countries which have representatives at this convention. Through the growth of the credit union movement in Manitoba we see certain problems arising, and one that has received close study by many of the larger credit unions and by the central organization is the one of loan officers. Presently and in the past all loans had to be passed by the credit committee. In the United States they have been a little faster at this, and they have established loan officers in credit unions, where the credit unions became such a size that the credit committee could no longer do justice to passing on all these loans. It was too big a burden, and as a result, permissive legislation was passed to make it able to have loan officers which would be under the jurisdiction of the credit committee to pass on loans and then report to the credit committee, and in that way speed up matters and be able to service the members faster and better. I think we in Manitoba have reached that stage where some of our larger credit unions are thinking of this, and I think would be quite happy if legislation of this type were passed in Manitoba.

The role of the credit unions in Manitoba is one of greater importance year by year. In our local community the credit union is providing funds for almost any and all purposes. We provide the farmer for his seed; for his repairs; we even provide money for the people who buy their homes. Naturally, since our funds are not of a guaranteed nature, we do not go into long-term loans but we will provide them with loans of three to five years, and in most cases this carries the person over to such an extent that by that time he is able to arrange long-term loans whenever needed or desired so that we can help the people out in many instances. We have also done this in cases where applications were pending to the Credit Corporation, The Manitoba Credit Corporation, that we tided the farmers over, and this is very much appreciated.

Then I had a few questions I would like to direct to the Minister regarding the estimates. We see from the distribution of the number of people employed; it says that there are eight employed in the co-op services branch. I would like to know just how many are employed strictly with credit union work. The members will know that the credit unions are supervised by the government, and the government audit the books of all the credit unions in the province, and the credit unions as a result are required to pay a fee according to the assets

(Mr. Froese, cont'd.) . . . of the individual credit union, and I fail to see just how much has been received during the past year from credit unions in the way of fees for audits. In checking the public accounts book I see on page 26 that a total of \$54,831 was received last year for fees; the year before it was \$57,000; it was \$3,000 more -- a little better than \$3,000 more I think -- no, not quite \$3,000. I would like to know from the Minister how much of that money is received from credit unions for the cost of auditing. Then -- yes on page 26 you have the figures for both years, the amount estimated and the amount received, and the increase or decrease is given on page 26.

Just one other thing, I did not mention before when I mentioned the central organizations, we also have another central organization which is the Co-operative Credit Society which was formed, I think, in the 1940's, and which provides as a central for the credit unions to deposit their surplus funds with, and from which other credit unions can then borrow in turn. The Credit Society accepts money both for shares and also on deposit, as well as term deposits for the credit unions. I think that is briefly what I had to say at this moment. Probably the Minister could answer the few questions that I raised. However, I just wanted to stress the importance of the volunteer work in the credit union movement that we have in the province, and also the importance of keeping our Credit Union Act as liberal as possible.

MR. CHAIRMAN: (b) - passed. Item 8 . . .

MR. HUTTON: Mr. Chairman, before you pass on I think it's only right that I should say something about credit unions. The Honourable Member for Rhineland has covered the situation in detail, but as he points out I think it would be wrong if the Minister ignored this aspect of his work, and I might say that during the year I have had on a great many occasions the privilege of meeting the officers of the Credit Union Movement in Manitoba. Here again is a very close liaison through the co-operative services branch with the credit union movement. It's true that a great deal of the work involved in the co-operative services branch is in the field of auditing, but at the same time the co-operative services branch is involved in the movement itself, and they come to us and to myself with problems that present themselves from time to time. He mentioned some legislation. I had occasion through the summer, through the past year to consult with the credit union movement with respect of this legislation, and I trust it will be introduced at this session. The credit union movement is doing a big business, \$41,000,000 -- their assets in this past year are \$41,000,000; there are 237 credit unions operating in the province at this time; this is just reiterating what he has already told us but it is doing a good service. In fact it's growing so fast that this year you'll notice that our estimate is up somewhat and this is to provide for one more supervisor to service the credit unions, and I trust that our association with the credit union movement in the coming year will be as happy as it has been for me in the past.

MR. CHAIRMAN: Item 8 (a) - passed. (b) - passed. Resolution 33 passed.

MR. CAMPBELL: I think the time has come around for a statement on this particular item, Mr. Chairman.

MR. HUTTON: Mr. Chairman, I would prefer to, if the committee would agree, to leave this item stand over. It's apparent that we're not going to finish agricultural estimates this evening, and I know that we would want a full discussion on economic research. We're going to spend \$517,000 and I think it's deserving of more than four minutes.

MR. EVANS: Mr. Chairman, if it met the wishes of the House in these circumstances perhaps we'd agree to rise now. I move the committee rise, Mr. Chairman.

MR. CHAIRMAN: Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions, directed me to report the same, and ask leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Winnipeg Centre, 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 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 o'clock Monday afternoon.