

Legislative Assembly of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable James H. Bilton



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MR. LYON: Mr. Speaker, I wonder if you'd be good enough, Sir, to call the proposed motion of the Honourable Deputy Speaker with reference to the third reading of the bills on Page 13.

MR. SPEAKER: The adjourned debate of the Honourable Member for Arthur. Is that the -- the adjourned debate on the proposed motion of the Honourable Member for Arthur. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I do not have my notes with me, and therefore I would ask the indulgence of the House to have this matter stand.

MR. LYON: Mr. Speaker, ordinarily we have no objection. We didn't object to the adjournment yesterday. This is third reading and I really don't know what my honourable friend's point is. We would like to move these bills along, clear the Order Paper off. We don't wish to be tyrannical about the point but if my honourable friend could clear it up. After all, it has been held now on the Order Paper for 24 hours. If he has some point, serious or otherwise, we'd like to hear it. We would agree to permitting it being stood tonight but I couldn't guarantee that we would any more.

MR. FROESE: I'm not prepared to proceed tonight. I'm quite prepared to go tomorrow.

MR. SPEAKER: I take it the honourable member has leave to let the matter stand? (Agreed).

MR. LYON: Mr. Speaker, would you be good enough now, Sir, to call the Committee of Supply.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion.

MR. DOW: On a question of privilege, Mr. Speaker, in regard to a certain question I asked the Attorney-General last night in connection with Brandon Jail, I wish to...

MR. LYON: ... enquire on the point of order. Is my honourable friend speaking on a question of privilege or speaking on a grievance going into Committee of Supply.

MR. DOW: On a grievance point, Mr. Chairman.

I was not satisfied with the answer, Mr. Speaker. I had a delegation of people, interested in penal reform and the penal conducts and accommodation, see me over the weekend. They were very concerned about the Brandon Jail, and if I may, Mr. Speaker, in bringing this to the attention of the House, is that the people that we are talking about are people, the legal profession some of them, the magistrate who was a long-time magistrate in the Brandon courts, and they're speaking of certain accommodation in the Brandon Jail that they don't think is competent to be in this modern age, and if I may, Mr. Speaker, I'd like to quote from the Brandon Sun of March 20th, of which the statements are made: "Three old vaults, with concrete walls and floors; no seats, no toilets, but a pail is passed in at times. No light from the outside can reach the cell and when the door is closed there is no light whatever. Food is bread and water and at night a mattress is thrown in for the person to lie on. There is complete darkness. The cell is visited occasionally to see if the person is still alive. The average person would be driven out of his mind and he would certainly be driven out of any selfrespect. A description of one of the hell-holes of a prison of the days of the French Revolution, a cell in a medieval prison? Not at all. The description given this week by the Brandon attorney was of three dark cells, or thinking rooms, deep in the bowels of the Brandon Jail, the oldest correctional institution in Manitoba."

Quoted by Mr. Hamilton: "It is most disgraceful to permit an institution to exist. If this meeting did nothing but scream to have the jail removed, or the cells removed, the entire physical setup is deplorable, degrading, and the entire institution must be replaced." Quoting a statement of Mr. Stordy, "who pinned the unsatisfactory conditions in the Manitoba jail and in the treatment of offenders on the lack of public insistence that sufficient money be spent on crime prevention, detection and criminal rehabilitation, said he doesn't blame governments for the situation. 'Until the public can see that it is just as important that crimes be prevented, criminals be rehabilitated, as it is to have a new highway, a new post office building, and until

(MR. DOW cont'd)... the public changes its attitude, the most of the money is going to be spent on things the people feel important'."

Mr. Speaker, this condition was brought to me by the delegation. I was requested to bring this to the attention of the House. It is something that, in my opinion, having had an opportunity some months ago to go with a delegation to take a look at it, I concur in the description as set up by this meeting that was called in Brandon on March 20th. I bring it to your attention, Sir, hoping that we in Manitoba are humanitarian enough that we at least can get the proper place to take care of the prisoners, and particularly when this is a short term prison. I agree most heartedly with the Attorney-General on the moves he's made in regard to the penal camps that he's put in Turtle Mountain. I think this is really wonderful. But I think, first of all, we've got to make some clean-up in the physical buildings to accommodate people that are sentenced for crime. I might point out, too, that possibly in this movement of crime that we seem to have a record per thousand of charges where we have something like 232 people are convicted to jail of a thousand charges; there are some countries in continental Europe where it goes as low as 62 per thousand. I'm not suggesting that our penalties are too severe, but I think we are at the time when we should take a good look at this, and particularly of this condition of a jail in modern Manitoba.

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 Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Committee proceed. The Honourable Member for Birtle-Russell. MR. CLEMENT: Thank you, Mr. Chairman. I'm a little bit undecided just where I should start with my talk again this evening. I understand I have 25 minutes. I have been asked by one or two to start from the beginning but I think we had our fun last night and I think we better be a little more serious tonight. I do want to point out that since I last had the opportunity to stand up here there has been quite a decision been made and we now are going to have a Federal election. I was kind of hoping that my mutual friend from across the way, the Honourable Member from Wolseley, would be back, in fact I thought he would be back to learn a little bit more about agriculture because I notice by the paper where the Honourable Member from Marquette, Mr. Mandzuk, has resigned and this is one seat that would be available for the honourable gentleman and -- I personally would like to see him come out and run in Marquette because I can't think of anything more enjoyable than seeking the Liberal nomination or attempting to seek it and running against him. He says he knows more about farming than I do. Well perhaps he does. He's certainly a better speaker than I am but when it gets down to the grass roots I think the people in rural Manitoba like action and not just words. However I did overlook one member last night, one member on the backbenches there that unbeknowing to me is now a farmer and he let me know about it. He said, "You forgot about me." The Honourable Member from Brandon. I understand he is now a farmer. I don't know whether he's got a quarter section down by the river. According to these books you only have to have an acre and I suppose you've got a tent -- I don't know what you live in down there but nevertheless I'm sorry I overlooked you, Sir. And if you are a farmer without a doubt you would qualify readily - well actually for either Minister of Agriculture or Minister of Highways. It wouldn't make that much difference. I think you could do them both. If service means anything you're certainly entitled to it.

However, both the First Minister and the Member from Wolseley are absent so now we'll come back to the Annual Report of Agricultural and Conservation. There is enough material in here that I strongly recommend each and every member of this Legislature, if they haven't already gone through it from front to back, should do, because it covers the agricultural situation extremely well and I just thought I would take a moment or two to point out to you, Mr. Chairman, and some of the members -- I daresay you're a little more acquainted with it -the number of acres that are sown to wheat in Manitoba last year was 3, 480, 000 acres; 153 million bushels of wheat was produced. 1, 530, 000 acres of oats produced 48 million bushels of oats. Of this 48 million bushels of oats, Mr. Chairman, I would suggest at least 30 million of it is used for feed on the farms. Barley - 830 acres produced 31 million bushels of barley. Flax - 1, 220, 000 acres. This is a rather large number and I'm sure that the majority of members of this Legislature are not aware that there was so much flax produced in Manitoba. Anyway it represented 27, 500, 000 bushels. And I could go on down - rye, mixed grain, corn,

(MR. CLEMENT cont'd)...peas, buckwheat, potatoes, rapeseed. We come down near the bottom, there's tame hay, silage corn, vegetables, there's a total of \$339, 530, 000 worth. We could take in livestock. We are up to 511 million and milk and poultry adds another 60 million to it, so we're up to 570-odd million dollars worth of produce from agriculture. Now this represents a terrific amount of money, a lot of hard work and I maintain that it needs and must have a full-time Minister of Agriculture. There is no doubt; I'm not just playing politics, I believe this is sincerely right. -- (Interjection) -- The honourable member is -- ho ho ho ho. That's all right. He's ...

MR. EVANS: Ha, ha.

MR. CLEMENT: Ha, ha -- well. -- (Interjection) -- I doubt if you ever had a hoe in your hand, so we'll go ha, ha.

MR. EVANS: don't misquote me.

MR. CLEMENT: Now, Mr. Speaker, why I suggest this -- and I am sure had we had a full-time Minister of Agriculture sitting that Bill no. 27 to do with the horned cattle -- the Minister was too busy. There was no reason why that couldn't have gone to the Agriculture Committee and had briefs brought in here from the various people that are interested in agriculture. But oh no this went right on through. My amendment regarding final payment of the wheat...

MR. ENNS: Would the Member permit a question?

MR. CLEMENT: Yes.

MR. ENNS: Does the member suggest that he's received no other briefs or your group has received no other briefs in the past two or three years on Bill No. 27.

MR. CLEMENT: Well, Mr. Chairman, I have only been here for a year, perhaps there has been other briefs, but this still doesn't say that it shouldn't have gone to agriculture and been thoroughly -- this is only one of the things. My amendment about the Wheat Board final payment I think should have gone to Agriculture, there's a resolution or an amendment still on the paper. The Vegetable Growers, where did the Honourable the Minister of Agriculture get with the vegetable growers last year when he was full-time. Now if they were here this year, the way they were last, what would he be doing? The Farmers Union. I think he has had some problems with the Farmers Union this year. In fact, the Honourable Member from Brokenhead last night, spoke a little bit about the annual submission that the Government of Manitoba by the Farmers Union.

What I want to point out, Mr. Chairman, is the fact that Agriculture are not satisfied with what's going on in this government, and in some cases it's with the Minister. But I know the Minister has only got so many hours in a day, he's only got two arms, and if he's on highways, he can't be in agriculture and I maintain that it's time and I'm sure that we do need a full-time Minister of Agriculture and as I pointed out last night, the best man in the government side should be -- and we had to give up the front row, because there's nobody there -we got down to yourself and two or three more in the back row, but you gentlemen are elected here to represent agriculture and quite frankly I don't think you're doing a very good job of putting the farmers' problems before this House.

Now in this Farmer's Union Brief -- I have outlined the odd spot, I don't intend to read the whole brief, if I had enought time I think it would be time well spent. However, on the first page, in your leadership campaign Mr. Premier -- and once again the First Minister is not here, Agriculture is on tonight. If it hadn't been for agriculture and the rural members, he wouldn't be sitting in that seat where he should be and so -- I don't know, last night the NDP party were all over the country, they weren't here, tonight the First Minister isn't here. I have to give two or three of these members on the front bench credit, they are here anyway, whether they know anything about agriculture or not. Anyway, in your leadership campaign, Mr. Premier, you reiterated the philosophy that it is easy to get word from the government to the people but it is much more difficult for the people to reach the government and you pledged yourself to be available. Well maybe he is. "We are somewhat concerned about the effectiveness of this pledge in view of the developments that have resulted from our request for appointment to meet with you and members of your cabinet. We feel it is completely unreasonable that over a month delay should transpire before we could get any word or confirmation on our request for this presentation." Mr. Chairman, this is unbearable as far as I am concerned that an organization representing agriculture can't get next to the Premier of the province. I could understand it the last few years because he didn't know anything about agriculture, but

(MR. CLEMENT cont'd)...we have a Premier today who represents a rural constituency, and if he doesn't take a little more interest in it he won't be Premier too long. Perhaps he and the Honourable Member for Wolseley are away planning now. I don't know.

On page 2. "We need only to quote the Minister of Agriculture the Honourable Harry Enns who spoke at our annual convention in December 1966 to qualify. Agriculture is extremely important to this province." He admits it's important. "Indeed to all of Canada. It plays a larger role for us here in Manitoba than it does for the whole country. About one-quarter of the total commodity production in Manitoba results directly from agriculture compared to onetenth for Canada. In Manitoba almost two-thirds of the total value of primary products produced from farms, mines, oil wells, forests and lakes is produced by our farms which to an important degree, keeps the machinery running here in the province. Manufacturing of our farm supplies and processing of agriculture products accounts for one-third of all manufacturing in Manitoba." Well the Honourable the Minister of Agriculture spoke here and I think he would be sincere when he said it, but once again, he's only got so many hours and so much time and he just can't seem to practice what he's preaching.

Page 3: "This is the seventeenth year that we have faced the Provincial Cabinet across the table, presenting Manitoba's Farmer Union briefs or submissions. It would appear, Mr. Chairman, that it has become somewhat of a ritual rather than a productive source of discussion. In fact government at times seem somewhat like marginal land -- and for the information of some of the gentlemen in the front row, that just doesn't produce very much, something like sometimes yourselves -- in fact the government at times seem somewhat like marginal land, they do not produce to their total expected capacity and may not be compared to the equivalent of good soil." I am sure that the Farmers Union do not make these statements unless this is true and it shouldn't have to be. "Farmers have waited in vain over the years for implementation of the measures, what they thought were comprehensive and realistic." And so it goes on.

Three lines on Page 4: "The critical state of instability in agriculture caused by declining prices for farm products steadily rising costs of farm production threatens to force additional thousands of farmers off the land and out of their chosen profession. Young prospective farmers by the hundreds are being frightened away from agriculture as they witness their parents groping in the dark for survival." And this is right. The Minister of Agriculture should be the busiest man in that government and I hope that if he carries on with agriculture, which he may do, that he'll take this to heart and that a brief next year shouldn't have to be like this. "Over the years the farm economy has stretched to the limit and now it has reached the breaking point. We respectfully submit that the farm economy is at a point now where governments themselves are going to have to become more active than they have ever been in the past in combatting the cost-price squeeze in agriculture." Are you gentlemen enjoying your little caucus over there? -- (Interjection) -- Oh, I'm sorry. -- (Interjection) -- Page 8, Page 8 -- well, do something about it. -- (Interjection) -- Okay, it doesn't matter who was speaking -- was it the Minister of Labour that said he's read it before? Or maybe it was the member for Morris. Page 8, to refer back to the Minister's statement on Page 2 which I read to you. "These facts alone make it very difficult for us to understand why more and more money is being spent on industrial expansion in a province which is primarily a farming province, and as more money is spent on the introduction of promotion of industry, less is being spent on agriculture. In all seriousness, it would appear, Mr. Chairman, that this government's desire to see farming as a secondary industry or a third or even a fourth appears to be evident.

I can't help but carry on with this because I think it's important. It's an excellent brief and I am sure although the Cabinet -- if it was presented to the Cabinet which I presume it was, I'm sure it went in one ear and out the other, so we'll just refresh your memory. "Farmers in this country can no longer continue to operate on a by-guess and by-Gosh basis. Farmers in our province are looking for objective long-range farm policies which are meaningful. Predictions such as are entitled in the recent summary of Crops' Outlook issued by the Manitoba Department are not likely to generate too much enthusiasm among our farm families. The economic prospects for Manitoba farmers in '68 remain favourable." This is what they say. Then the paper continues with these predictions. "Total cash receipts from the farming operation are expected to be higher in '68 than in '67. Cash returns to farmers that delivery are expected to equal or to exceed those of a year earlier due to increase in

(MR. CLEMENT cont'd)...initial prices." Then the paper nicely concludes by blowing the whole outlook to kingdom come by this statement "Farm expenses will continue to rise as they have done in the past so that the next income in 1968 may not increase over 1967." This is the Honourable Minister's propaganda organization at work again. And quite frankly we've got it, it looks as if they're going to stay there, let's get them out in the country and learn them a little bit about agriculture and if they want come out to Russell, why I'll help them out to the best of my ability.

Now we carry on in this bill, two or three more excellent paragraphs that should be read and reminded: "While the government's phobia for industrial development may appear lucrative and political beneficial on a short-term basis, we would strongly suggest that the government and those academics" -- academics, this is an excellent word -- "who are perpetuating this present collision course might use better judgment if they would stop to proper analyze the true value of a healthy agricultural community in our over-all economic system. The foregoing covers what we consider to be the basic problem in agriculture today and the ground rules for the solution of Canada's agricultural economic stagnation. We are confident that the many other relative issues affecting the average farmer could be overcome if the farmer were in a position similar to those in other sectors of the economy who simply say, "My costs of living and my living habits are exceeding my income; therefore I must have more money to make ends meet'. Statistical evidence clearly indicates that this condition has been constantly met for most segments of the industry except the farming population and those unfortunates with fixed income." This once again, is where the full-time Minister of Agriculture should come in and see what he can do about this situation. The Honourable Member, Minister of Industry and Commerce is spending money like its going out of style, but let's get him to talk a little bit about agriculture as well.

Page 13: "The question of the Manitoba Sales Tax has become a vexing issue among farm people in that numerous items of production equipment are being taxed while similar items utilized by industry are tax free. It is shocking in our opinion that textbooks and school supplies for children are taxable under the Sales Tax Act" -- the Honourable Provincial Treasurer told me last night they weren't -- "however, Playboy or comic books are tax free." Well perhaps the honourable members over there enjoy a Playboy or comic book better than...

MR. EVANS: ... Mr. Chairman, on a matter of privilege, that's not what I said,

MR. CLEMENT: Well now let's get out the Hansard and see what you did say.

MR. EVANS: You should have looked it up first.

MR. CLEMENT: That's all right. Mr. Evans: There is no tax on it; there is no tax on any books.

MR. EVANS: That's the ordinary books.

MR. CLEMENT: Textbooks and I was talking about textbooks.

MR. EVANS: You said school supplies.

A MEMBER: What's the difference?

MR. CHAIRMAN: I wonder if we could get back in the Department of Agriculture? MR. CLEMENT: I take it for granted you are quite happy with the taxes on textbooks, Mr. Chairman.

MR. EVANS: ... find out what you are going to say before you start talking.

MR. CLEMENT: To sum it up, "In the interests of an equitable tax burden upon farmers, we welcome any reform in taxation that will take into account our ability or inability to shift that burden onto the prices received as most other businesses do. Farmers are looking forward to some reasonable answers and decisions on the principle of taxation in our province." And believe me, if they don't get them by the time the next election comes around, there'll be some changes made.

The last page, to sum it all up, Mr. Chairman, "We do not believe, however, that these urgent matters -- and perhaps I'm not discussing agriculture when I'm reading this - is that all right? "We do not believe, however, that these urgent matters will get the required attention from the Minister of Agriculture by saddling him with dual ministerial positions when to all intents and purposes he had more than he could handle in the agriculture portfolio alone. In fact, it has reached a point today where it is almost impossible to meet the Minister to discuss farm problems; problems which need immediate attention but are being delegated to second place importance. We conclude by stating that we would like to emphasize that ours is not a negative criticism but rather an attempt to focus attention on some fundamental questions (MR. CLEMENT cont'd)...and propositions which must be dealt with before it is too late. Farmers can no longer accept the excuse that many of our agriculture problems are beyond the jurisdiction of the Provincial Government. If this is in fact the case, then we want the provincial government to make effective and meaningful representation on our behalf to the Federal authorities. The issues are clear. Agriculture is in serious trouble and farmers are looking for leadership from the provincial government." Respectfully submitted, The Manitoba Farmers Union.

Now that is an excellent brief and the reason for pointing it out and going through it, is once again to try and put the point through some of the front bench cabinet ministers that this is the situation. I believe the Minister of Agriculture or the part-time Minister is aware of them. Perhaps he is at a loss to know what he can do; but I'm sure that if he's made fulltime Minister, or the Honourable Member from Brandon sitting beside him, they had better get out and do something because if the farmers can't go to the Department of Agriculture in their own province and get some help, where are they to go to?

Now - and I could do the same thing with another brief -- Submission to the Premier of Manitoba and Members of the Provincial Cabinet, by the Manitoba Farm Bureau. It's not just one individual group, it's agriculture clean across the board that's in trouble and they are looking for some leadership and some help from this Minister of Department of Agriculture and they just do not seem to be getting it. I'm just going to read a little wee bit about this because I'm sure that everything was covered in here. However, sometimes a little repeating doesn't do any harm because it takes quite a lot to get some of this stuff through some peoples' mind. "Agriculture is our largest single industry providing unjustifiable cheap food for customers and at the same time being a major earner of foreign exhcange. The annual value of Canada's agriculture exports is \$1800 million. Approximately two-thirds of this amount is accounted for by wheat, wheat flour, coarse grains. The largest single component is wheat which amounts to \$1,000 million. Despite the use of increasingly large amounts of investment and working capital, improved management skills and latest technology, low per unit returns seriously limit net income for many farmers. On the other hand it is not desirable nor should we endeavour to stop adjustment in agriculture, but we believe our governments do have responsibilities" -- and I have already pointed them out once. "A great deal of attention and effort has been directed towards increased progress and economic development of our province. We wonder if the potential of agriculture, the world's largest single industry in this province, is not being overlooked." Well, Mr. Chairman, I have here a copy of the Manitoba Business Journal for March -- a beautiful looking magazine, extremely well put together and I'm sure -- honourable member says the best customers of this public house. I daresay it is. It's wonderful, it cost a tremendous amount of money, but I went through it from front to back and the only reference I could find towards agriculture was on page 80 where it says, "Let's straighten out the lopsided food market" -- otherwise they are going to have rolled turkey -and give the organization in Winnipeg credit that are doing it, one of our food companies in Winnipeg. Perhaps they had to pay to put this in here, I don't know. But this is a very expensive publication. It is costing a lot of money and agriculture is far more important than well I suppose it's understandable, the Honourable Minister of Industry and Commerce probably has never been on a farm - I don't know, but it's up to the Minister of Agriculture to see that a fair share of the dollars is spent on agriculture.

We have got here the Department of Industry and Commerce "Program Highlights for 1968." I don't know how many pages there are of it, but there's 36 items in this - well there's 21 pages and there's only three brief paragraphs about agriculture. On the first page: "Food Industry Opportunities," and I think it's over on the 4th page: "Agra-Industry Development Seminar -- New developments in recent years call for new perspectives in both of our agricultural and industrial sectors if Manitoba is to take maximum advantage of opportunities in agriculture. A seminar of vital importance to both producers and processors of food products will be held next winter." Well what will happen by next winter is hard to say; at least they are thinking of doing something. And of course, there's one other on page 5, the "Spirit of '70" program -- The "Spirit of '70" -- says let's beat 70. I don't know. Let's beat 60 and get on with 70, would suit me a little better I believe.

MR. CHAIRMAN: The honourable member has three minutes.

MR. CLEMENT: How many?

MR. CHAIRMAN: Two and a half.

MR. CLEMENT: I have only got two and a half minutes. I only want to speak -- and I

(MR. CLEMENT cont[']d)... could go on here for a long time and I'm convinced that agriculture -- if members in the back benches will get up and take on where I left off, maybe agriculture will get a point or two across here. Here's another little point that is important to the Minister of Agriculture. I spoke on behalf of a brief presented by the Rossburn Chamber of Commerce a few days ago to the Commission on Northern Transportation and the Honourable Member from Roblin presented one from the Grandview Chamber of Commerce, and in it the main, -- I've run out of time, I won't read the brief but there is one little spot about it here that's important as far as the constituency of Birtle-Russell: "The Forest Products of Duck Mountain Provincial and the agricultural products of the inner Mountain area could be made accessible to the people of southwestern Manitoba, observing that the area immediately north of the Riding Mountain National Park is submarginal but could readily blend itself to pasture land, to dairy farming, coupled with the fact that a ... Cheese factory of some quarter of a million dollars is being constructed in Rossburn. They need a road of 8 miles through the National Park and this would bring the dairy milkshed from the northern part of Riding Mountain into this milk plant. It would help Manitoba as a whole. This is part of the work of the Minister of Agriculture.

Well now, as I'm fast running out of time, I'll just recommend that each and everyone get hold of this Hedlin Menzies book and read it. It will tell you about agriculture. Finally, Mr. Speaker, the men and women of this province who are deriving their livelihood from agriculture are caught in the most serious cost-price squeeze and they are having a difficult time. These are the people who elected me to this legislature, Mr. Speaker, to present their views and present them to the best of my ability, which I try to do. If there was ever a time in the history when the farmers cry was like a voice in the wilderness – both in this Legislature and in Ottawa, no exception – it is at the present time, Mr. Speaker, and be it now or in the future, be it Under the Dome or be it in the House of Commons, I pledge myself to the agricultural community to help make rural Manitoba a happier and more prosperous place to live in. Thank you.

MR. LYON: Was that his opening fusillade for the Federal election in Marquette or can we take that as a statement of provincial policy?

MR. CLEMENT: Well, does that give me another 40 minutes Mr. Chairman? Back out in the country where I come from half of those words you use Mr. Attorney-General wouldn't be understood and that's one of the reasons why you are still sitting where you are.

MR. LYON: Yes but I am here and you are there.

MR. CLEMENT: That isn't where you wanted to be.

MR. CAMPBELL: Is my honourable friend the Attorney-General actuated by professional jealousy?

MR. LYON: None whatsoever.

MR. CHAIRMAN: The Minister of Agriculture.

MR. ENNS: Mr. Chairman, I really feel that I would want to catch up with the members before they get too far ahead of me. I don't know where they are running, whether it's all east or where they are going to, but as you will recall, Mr. Chairman, I restricted my remarks at the introduction of the estimates to relatively short ones. I felt that the program was reasonably understood by the members. However, from some of the remarks made, it would appear that I should go into some further detail on it.

I would like to deal from the beginning with the Honourable Member from LaVerendrye, who brought up some interesting points. Certainly I would have to concur with the initial point that he made that your Minister of Agriculture is not alone in this field, that I have a most capable staff supporting the Department of Agriculture and while the Honourable Member from Birtle-Russell seems to indicate that it was hardly fair to deal with the subordinates, I'm not at all concerned about when members of the farm community have to deal with my subordinates, because I happen to know that I have damn - darn good subordinates behind my office here. Excuse me, Mr. Chairman, for that slip of the lip. With respect to a particular point that he made, the Honourable Member from LaVerendrye, he referred to more emphasis being placed with respect to my colleague in the Department of Industry and Commerce in the cattle buying missions that come to this province. I think the honourable member should be made aware that the Minister of Industry and Commerce on this particular occasion did sit into the stock growers brief when that presentation was made. I think special note was made of that and I am convinced that with the enthusiasm with which our Minister of Industry and (MR. ENNS cont'd)...Commerce tackles his job, that the cattlemen or farmers in this province can expect and will receive the same kind of enthusiasm coming from that department when it touches that department. I have made a special note of this to the Minister of Industry and I know that future cattle buying missions that come from abroad will receive the kind of co-ordination and help and support that I feel they should be getting.

The Honourable Member from LaVerendrye went on at some length with respect to the problems of the marginal farmer, and he was referring of course from experience, it's part of the country that he serves, but I couldn't help but noting one quotation that drew my particular attention to it. He said they liked the kind of living they are making in these areas. This of course is precisely the problem that we in government are faced with. If you like the kind of living you're presently making on a marginal status, then how does government motivate them in other ways. I know how we're motivating them in other ways. I come from a part of the country, and I'm privileged to come from a part of a country where we are motivating the people in different ways, and this of course I'm referring to the agreement arrived at in cooperation with the Federal Government in the Interlake area where we are tackling many of the specific problems that he refers to. And I would have to concur with him that certainly to a certain extent the drainage programs, the road programs, other programs that are important to rural life, are not as advanced in those areas as they are in our more productive areas, but I think it doesn't take a great deal of reasoning or thinking to figure that out.

Certainly we have, first of all, a priority to set up. We have to deal with easing the drainage problems in our prime lands, our Red River Valley country and our other prime agricultural lands where the relative assessment is considerably higher. It's somewhat the same situation that we face in our road building up north. I'd like to build the roads for my honourable member in Churchill tomorrow or the next day, but I know also that members opposite, as well as my own members here, and I refer particularly to my colleague there across the way from Birtle-Russell who has led many a delegation into my office as Acting Minister of Highways requesting particular roads to be built now and not to be put off to any great length. So, we face the problem of priorities.

I hold out to the Honourable Member from La Verendrye that some of the programs that are being developed in the Interlake program may well be – should well be – the kind of programs that we should be talking about, extending them to other areas who are much in similar circumstances as those that we find ourselves in in the Interlake country, and I don't mind saying to him that certainly I have sympathy to that kind of an approach and that if I will be talking about future ARDA agreements with the Federal Minister, the Honourable Mr. Sauve, it would be in this direction that we might well choose to take.

Now with respect to the Honourable Member from Brokenhead who made of course quite a lengthy speech the other night – it was a fine speech, a speech that should of course have been delivered in the House of Commons – and I'm somewhat disappointed that among the many many members of this House that are rumoured to have those kind of inclinations that I didn't see his name among them. Perhaps this may still happen. Perhaps this may still happen.

But right at the outset of his speech he did acknowledge that he missed my few and brief remarks, and I admit they were few and brief. However, I felt they were meaningful. He said he was too busy shuffling his books and getting his material ready in order to make his speech. I can't help but take issue with him, and I wish to take issue with him at some length when he says, "The programs that this government has put forward to the agricultural community in the past eight or nine years are meaningless." And that I believe, Mr. Chairman, was his remarks.

Well now, Mr. Chairman, I didn't really feel that I should have to flip through my book which my staff capably provided me with to point out just what we are involved with, but I'm prepared to do it. Starting from the top of the page where there was our emergency programs in assistance and seed and fodder programs, whether it's our hay transportation assistance programs, our dugout filling programs, whether it's in the area of our programs in the animal branch dealing with the evaluation of poultry blood testing policies, the programs that we support through the horned tax fund - the one that the Honourable Member the Leader of the Opposition was particularly interested in in the Ste. Rose area where we had a particular problem of a parasite bacterial and fungal disease - and we've put the money into that particular program to see if we couldn't solve that part of the problem in there.

And if we go into our extension staff which I touched on briefly, and I draw your attention once again more forcibly, if I must, to the programs that are carried out in this program. I

(MR. ENNS cont'd)...refer again to the operations that we have in Brandon where some 9,000 rural members attended different classes; meals were served; it's a virtual beehive of activity. And speaking about bees, even in that remote part of our agricultural concern we have annual inspections of apiaries where we help in the control of the different diseases that these people encounter, all for a very nominal registration fee of \$1.00 per apiary.

We carry on in the program, in our agricultural development program, which of course takes in the whole area of ag reps and so forth, which I must take for granted the members are familiar with. As I referred to earlier already, in the Brandon area alone we had -- just let me read the kind of activity that takes place under one ag rep - well, I should not say one because many more are involved - but under the leadership of one ag rep in the Brandon Extension Centre. "In 1966-67, 38 department-sponsored short courses were held with a total enrolment of 3, 964; 15 other courses had an additional enrolment of 400. In addition, 110 individual meetings were held with attendance of some 4,000. The total number of people attending numbered in excess of 9,000." This is what we're talking about, what our ag reps are doing out in the country.

And we carry on through the different programs that we're involved with. In our soils and crops division - you're asking me what does the department do in terms of helping the farmer here in Manitoba - feritilizer trials; hay and pasture land renovation; improvements with selective herbicides; investigation control of soil erosion; our grassed waterway assistance policy. All these programs, all these policies have dollars and cents attached to them and this part-time Minister of Agriculture, with the help of capable staff, is carrying out these programs and we have the staff to carry out these programs - field shelterbelt programs; distribution of weed controls.

Mr. Chairman, later on in this session I intend to introduce to the Legislature a new Noxious Weed Act which will underline the importance of weed control, where it can be amply illustrated and documented the tremendous cost that weeds are in the field of agriculture, and here we have a growing program which involves some 60 municipalities in weed control districts, towns and villages. We support this program actively with outright grants and terms of supporting the staff that's required, in terms of supplying or helping to supply the chemical that's required.

I would carry on in the same area and we come to the very important area of course of soil testing programs as it's related to the overall production. I would like the members to note the steady increase from 1963 where some 2.3 percent of our farmers were involved in our soil testing program right on to 1967 where we now have 15 percent of our farmers involved in soil testing programs. And, Mr. Chairman, I'll not stand here and accept the fact that we have done all we can until that figure is 70, 80 or 90 percent, because there's no reason why we're not growing 50, 60, 70 bushels of barley in our fields, if that's the crop that we're in, and before we place all our laments and woes about the ills of agriculture onto some nice scapegoat in Ottawa about support prices, about parity prices, about the other things that we have to do, that may well have to come about. I submit that I have an awful lot to do and we have an awful lot to do in bringing about the technology that is now here before us and bring that to our farmers for their use, because a five bushel average increase will do a great deal more than a simple subsidy which is questionable in value at this particular point in time.

In other words, Mr. Chairman, what I'm trying to say is I can't do a heck of a lot about bringing 53 countries or 60 countries in this world together at a table in Geneva and sign a new International Wheat Agreement at such and such a price for wheat, but I can do a great deal about seeing that that percentage, 15 percent of the farmers who are presently using and acknowledging the proper use of the soil testing program, I can do all I can and encourage my staff to do all they can to make that figure to 70, 80 or 90 percent.

These are the kind of programs that the Department of Agriculture is involved in, and I want to list some of these even if it takes a little bit of time: selective herbicide policies; soil surveys and soils investigations that are going on; the soil testing service which I've already mentioned; soil conservation forage policy which is going on. I can attach, and I have the necessary details here to attach the dollars and cents in the actual programs and the way they're being operated. However, I would assume that these further points will be brought out as the estimates go on.

Let's look at another particular aspect of our program. In our Economics and Publications Branch, aside from the very informative publications which this branch provides - and I (MR. ENNS cont'd)...know that from time to time they also get included among the general condemnation of propaganda emanating out of government sources – but believe you me these are pieces of information that are important and vital to the farming interests in Manitoba.

Further to that, and I just draw your attention to one particular point - and I miss my Honourable Member from Gladstone because here again I'm speaking about that elite class of farmers - there he is, my Honourable Member from Gladstone. I want to tell my Honourable Member from Gladstone that we now have a growing group, albeit a small group, that are paying \$200.00 a year for the farm management services that the department is providing. Now I would suggest, and I think the Honourable Member from Lakeside who is smiling at me right about now will agree with me, that farmers are a pretty astute bunch of fellows and they're not going to lay out any money unless the program bears some benefit to them, unless they find some direct results coming to them. I point that out as just one example among the many that I could read that the Economic Branch is involved in.

Carrying on of course, the members are already aware that I have introduced into the Legislature amendments to The Agricultural Societies Act. And here again let's just talk about for one brief moment -- we talked briefly in the House about the Agricultural Societies Act, but what in fact does it do? It provides the fees to provide the 500 judges necessary at our fairs, totalling some \$7,000. It provides - let me just in summary read you the summary of last year's activities in the agricultural fairs situation. "Sixty-seven agricultural societies were active during the year. Eight were inactive and one at Ste. Anne was dissolved. Memberships increased" - increased - and this is something that we from the rural parts of Manitoba is the kind of thing that we like to hear when we can say and point with pride to something that is increasing rather than decreasing -"increased from 14,000 to 15,000. There were some 75,000 rural Manitobans attended the 5 Bee Fairs, some 320,000 rural Manitobans attended the 3 "A" Fairs, and some 160,000 rural Manitobans attended the Class "C" Fairs." So when we speak about our Agricultural Societies - the Honourable Member from Rhineland lamented the lack of attention or the direction that these programs are going into - I suggest, Mr. Chairman, that this particular program is reaching and doing a most functional service in making rural Manitoba a better place to live in.

If we want to carry on to further activities under the Agricultural Department, our services and our supervisory services to the Co-operative and Credit Union Branch. Some 64 percent of the credit unions have assets less than \$300,000, but the particular point that I wanted to draw out here is the extent to which this credit union movement is in fact in this province. Credit union membership in the province has now reached some 150,745 people. They have total assets of \$124 million, or an increase of 20 percent over the previous year, and we have estimated that that figure should really read \$140 million. So this is again a very important activity that the department is involved with. The department has the staff that provides the necessary audit supervision to these credit unions and certainly we're pleased with our association with this particular group of people.

Added to this program, a program that I'm particularly proud of - it's another one of those small hidden-away programs in the larger business of the department - we have some 20 active co-operative organizations operating among the native Indian people in the northern part of the province. These are consumer co-ops, fishing co-ops primarily, one pulp co-op, where we have been particularly successful with a very small in-put. This is worked through the funds available of the wheat trust money, the revolving fund for co-operative promotions, and with the help of one or two personnel who provide the necessary accounting and bookkeeping assistance to these co-operatives, these people are managing very very effectively to help their income position, to help their position in the market areas with the major fish companies.

The Honourable Member from Brokenhead mentioned what we're doing in terms of research. Well we're putting direct in-puts into research ir our Agricultural Economics Research Council. We support the Agricultural Economics Research Council. A specific example would be the \$7,000 which we felt was a good investment in laying up and in researching and in carrying through a study in depth on the eastern feed grain subsidy. Now I would suggest, Mr. Chairman, that in this area again, if in time - and I grant you that it may take a great deal of time - but success achieved in one of these particular points can have a greater impact or a greater meaning towards somewhat lessening of the cost-price squeeze, some improvement in the farm income position than some of the suggestions that are being made by the Honourable Member from Brokenhead. But more important, these are the areas, these are the concerns to which we can and should be making our influence, our position felt on the national scene.

(MR. ENNS contⁱd)...

We of course carry on much more meaningful research as it relates to the province direct, whether it's in our dairy products quality testing, our pesticides residue studies, specific research for specific projects. We're only too happy to support – and support financially – particular projects when producer groups come, not necessarily to us but to what I like to refer as our research arm at the University. Whether it is the sugarbeet growers or whether it's the dairy people, they'll ask the Faculty of Agriculture at the University to take on specific cost studies for them. I'm pleased to say that the degree of co-operation that exists between the Faculty of Agriculture at the University and the Department of Agriculture is such that in most instances this can be arrived at and I find them most worthwhile projects to support. These are producer-initiated, that is the dairy interests or the sugarbeet interests or the sunflower grower interests, who have particular problems and want and require the expert assistance that is available to them at the University. They seek this out; we're happy to support them under our research programs.

I've already spent some time in my opening remarks about the Manitoba Crop Insurance program, but of course the Honourable Member from Brokenhead feels that that is nothing. Thirty dollars and fifty cents guaranteed to every wheat grower in this province is nothing. I find it inconceivable that you would call that a meaningless program, a meaningless program that 50 percent of our farmers on a voluntary basis are signing up for.

I could carry on - \$40 million worth of agricultural long-term agricultural credit invested by this government into farms of Manitoba. That, Mr. Chairman, is a meaningless program.

Mr. Chairman, I make the mistake of speaking too rapidly. I should take lessons from my honourable colleague the Member from Gladstone there and take a little bit of time and read the odd press clipping and I would slow up and not run out of breath as quickly, but then as the House has been often reminded, just so recently by the member from Birtle-Russell, I'm a part-time Minister and I'm always in a hurry to see that both parts of my job are being fulfilled.

I would like to come back to the Honourable Member from Birtle-Russell, although before doing it I should try to answer more specifically some of the questions that the Honourable Member from Brokenhead raised. He made quite a point of asking me where the matter stood in terms of an agricultural conference, and of course I acknowledged that my previous Premier, the Honourable Duff Roblin, made this a specific call and one that I was happy to support and still support.

But I remind the Honourable Member from Brokenhead, particularly as to his suggestion that we get together with the three prairie provinces and have a prairie agricultural conference, that you know it takes two to make company and three to make a crowd and I can't do all the hollering by myself. I have raised this point, I brought that point up again at the recent Prairie Economic Premier's Meeting. I have raised it at every meeting that I have been in, in the ministerial meetings at Ottawa, and I still hold fast that it has a particular significance in terms of getting to grips with some of our problems.

However, I do so with this one proviso, that now that the Federal Government has instituted a task force that is looking into the problems of agriculture – and I'm assuming that some of the studies will be studies in depth in particular areas, whether they be credit or whether they be in the area of subsidies or whether they be in the areas of productivity and so forth – I still feel that once this task force has some concrete results to bring, either to the Federal Minister as it now seems he will, that there should be a forum, there should be a place where these could be ventilated in the broader sense, because I fear, I fear very much that despite the fact that if the task force does come up with some good suggestions and does come up with some sound ideas, that unless the broader farm community has a feeling of having participated in the decision-making, in arriving at the decision-making, that these will not necessarily meet with the favour of the farm community. I suggest, and I will be suggesting to my honourable colleague the Federal Minister, that he consider and consider very seriously that prior to adopting any specific recommendations that this task force may be bringing to him, that he indeed give once again serious consideration to our call for a broad national conference on agriculture.

The honourable member went on to make further comments with respect to what the provincial minister is doing about the wheat problem. Well again I can only refer back to the earlier statement that I made, that the speech that he made might have been an excellent speech in the Federal House of Commons. I am not at all ashamed, Mr. Chairman, to stand up before (MR. ENNS cont'd)...the House and say that I don't have the answer to the wheat problems in this province, because, Mr. Chairman, I'm not alone in this. I look around, I look around for the leaders in the industry, I look around at what the President of the United Grain Growers has to say in this matter; I look around at what the President of the Pool Elevators has to say in this matter; and I'm not getting any clear call as to precisely what they are having to say. Two-price wheat - it's a nice sounding word and maybe perhaps we should support it. I'm not prepared to take a position on this. I'm awaiting some concrete results of the task force on this matter. But before we accept the fact that two-price wheat will solve all our problems, let's remember that 11,000 farmers in this province don't grow any wheat so we won't be solving any problems for those particular farmers.

Furthermore, our domestic consumption of wheat is in the area of some 160 millions of bushels, and of those 160 millions of bushels, how much of it in return is being used by farmers in poultry feeds and in other feeds and what have you, that we are going to be paying an extra 50 cents a bushel for. So just how much help is it? I'm not getting these comments from the honourable members opposite because they had a program coming into office on a two-price wheat system, a program that they found most difficult to carry out, and I suggest for a very good reason, because in studying the matter in depth, in studying the actual application, it is not the answer that will end our farm problems. In practical terms, Mr. Chairman, if we adopted a two-price wheat system that would pay 50 cents a bushel for our domestic wheat consumption, it would mean, on an average perhaps, \$200 additional income to the farmers, and I would suggest that in many cases it would be \$200 going not necessarily to the farmers most in need.

Furthermore, would it not suggest that we seriously have to consider some production controls, or else we get ourselves into the same position that the U.S. farm economy found itself in. Would we just be proliferating, encouraging more people to grow small acreages of wheat to get the \$200? There are many questions. I'm not suggesting that I have the answers. I also suggest in all fairness, Mr. Speaker, that while I'm prepared at the drop of a hat to send my Deputy Minister, who presently is in Ottawa dealing with national agricultural policies, I will go to Ottawa at the drop of a hat if I think I can be of particular service in that area, but these are problems that we cannot resolve in this Legislature nor should we attempt to. I don't suggest for a minute that we don't bring all the pressures to bear that we have when we have our position clear on them. I do suggest, Mr. Chairman, though, that as I have gone through this program of activity that the department carries on, that we have ample – ample, Mr. Chairman, to keep us occupied in the interests of the farming community here in Manitoba.

Now the honourable member from Birtle-Russell – and I see he's left for the moment – well it's too bad because –- (Interjection) -- Is he campaigning? Well, because I really wanted to let him know that really I have the feeling that perhaps the President of the Farmers Union is up in my gallery to the left and he's sleeping at the switch if he didn't rush down and sign him up as a member because he made a dandy speech in support of it. And of course this is perhaps what he should be doing, and I as Minister of Agriculture would be very happy, would be very happy if all our farmers had the vision towards unifying in one farm organization to approach the Federal Government in trying to resolve their difficulties.

I don't hold it out to them that because this is not happening that we should not move in certain directions, not for a moment, but I think it's only reasonable, it's a reasonable approach to take. You know when some of our other more organized peoples in our community, when the doctors come to government, they send one man and they speak with one voice; when the lawyers come to government, they send one man and they speak with one voice. Now us farmers, it takes us a little longer to do that and that's one of our problems, Mr. Chairman, because so often, so often we get divergent points of view put before us and of course the easy way out for any government – for any government – is to simply let the problem fall between the two stools and not do anything.

However, I close, Mr. Chairman, with the remarks -- I was going to have some more specific remarks for my honourable friend from Birtle-Russell. I certainly don't want to reopen the debate with respect to the part-time nature of my job, as he likes to refer to it. I must wonder - particularly I wonder, if he's out campaigning somewhere in the Federal area, how he feels about his part-time Prime Minister right now who of course holds down the additional portfolio of Justice, and indeed the better part of his Cabinet, as I understand at the moment, really would have to be considered part-time ministers. I think my First Minister

(MR. ENNS cont'd)...has made it clear that it is a temporary situation. It's of course within his prerogative to resolve this situation at his will and leisure and I'm sure he will do it. In the meantime, I am prepared to certainly work those extra hours and do -- my honourable friend from Birtle-Russell is back. I had some particular comments directed to you but I'm sure that you're capable of reading them in Hansard tomorrow, as I'm sure you do, that I won't take the time of the Committee to repeat them. I can only say that I will once again make a plea that we direct our concern and our comments to the programs that the Department of Agriculture is in fact bringing to the farmers of Manitoba.

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MR. KAWCHUK: Mr. Chairman, perhaps the Honourable Member for Ethelbert Plains, who is kind of a nice sort of fellow as described by the Honourable Member for Birtle-Russell, should say a few words on the estimates of Agriculture. And if I may further elaborate on those remarks, if he feels - the Honourable Member for Birtle-Russell - that the Honourable Member for Ethelbert Plains got elected because of some mistakes and inefficiencies of the Liberal Party, may I point out to him kindly and politely that those mistakes were the lack of carrying out of some of the promises that were made by the Liberal candidates during the last Federal election, and it was for only that reason that the people, the constituents of Ethelbert Plains, decided to send the honourable member presently representing Ethelbert Plains to see what he could do about it and spur these fellows on to implement some meaningful farm programs.

I noted with interest on the remarks made by the Honourable the Minister of Agriculture in introducing his estimates yesterday that he laid particular emphasis on the crop insurance program. He further went out today to point out what a great accomplishment this was. Now I agree with the honourable member that this has been a step in the right direction, that crop insurance is desirable and perhaps is desirable for the farmers of Manitoba, but has the Minister of Agriculture not been in touch with the farmers of this province to get their reaction to this program? He claims that 50 percent of the farmers have taken out crop insurance. Of those 50 percent, I dare say that 45 percent are carrying only partial coverage, and the reason for that is to get away from contributing to the PFAA program.

Furthermore, these farmers will probably not be carrying this crop insurance program very much longer if the government does not improve that program to include a hail clause. I note from his remarks: "We lay a lot of stress on extension education, on research, and policies such as the crop insurance program designed to spread the risk and help stabilize the agricultural industry. And I think it's worth saying at this particular time - we speak in general terms but not often enough specifically - and when you look at the situation that we have for instance under our crop insurance program and that it has come to the stage where a Minister of Agriculture can get up in this House and guarantee to every wheat farmer in this province a yield of \$30.00 per acre" - Mr. Chairman, \$30.00 an acre is exactly the cost of operating an acre of wheat to produce that crop, and the only way a farmer can qualify for \$30.00 is if he had lost all his crop. At this stage of the game, the farmer can not afford to lose half his crop and still stay in business.

MR. ENNS: Mr. Chairman, I wonder if the member would permit a correction on my part.

MR. KAWCHUK: Certainly.

MR. ENNS: And I'm not correcting a statement that he made. I used the figures quoted from the crop insurance program and these were maximum figures. I wouldn't want them to be indicative that this is available in all soil zones, in all class zones. I think the honourable members would allow me that licence of using the maximum figures when I'm quoting the max-imum benefits available on any program. I just want to make that position clear.

MR. KAWCHUK: I agree that these are maximum figures, but the fact of the matter is that the farmer must have the maximum return per acre in order to stay in business, and under this program he is not entitled to receive a fair share of compensation under this program which he feels that he has to have in order to guarantee the in-put cost of production these days.

There were other remarks I wanted to refer to, and he said further down in his remarks that this insurance program was approximately \$34 million worth of coverage. My honourable friend has apparently forgotten that last year, which was not the best crop year that the farmers of Manitoba have experienced, we produced 90 million bushels of wheat. So what coverage is that? It's certainly inadequate. I would just like the honourable member to refer specifically, as he mentioned in bringing down his estimates, with respect to whether or not he will be bringing in a hail clause in this Manitoba Crop Insurance program.

He also referred to the fact that insofar as the wheat problem was concerned, he wanted to know what the leaders of the industry have to say on this matter. Well it was just the other day that the leaders of western Canada got together and this is what they advocated. "The presentations of prairie wheat pools and farm organizations said in a news release Friday, 'Federal guarantees of higher wheat prices and a maximum export effort was urgent requirements of a national policy'. The statement said 'western farmers have played a full part in creating a high productive and efficient western grain economy and in supporting development of

(MR. KAWCHUK cont'd.)... orderly wheat marketing, yet in spite of these measures the world market price falls below acceptable levels. As is now the case, there is a responsibility on the Canadian government to take direct action to increase producer returns? The statement was issued following a meeting in Regina of representatives of the prairie wheat pools, the Canadian Federation of Agriculture, the Saskatchewan Federation of Agriculture, the United Grain Growers and the Manitoba Farm Bureau, E. A. Bowden, President of the Saskatchewan Federation of Agriculture, said in an interview later, 'a price of \$2.12 per bushel for No. 1 Northern Wheat was the minimum accepted to prairie producers'."

May I further say at this time that perhaps that is one of the reasons why our exports in this past year declined to that low stage was because we did not have a program of subsidies for wheat. It did not enable the producers of wheat in Western Canada to compete successfully with the treasuries of other countries such as the United States and Australia. Had we had a two-price system or a subsidy program, we would have been in a better position to compete with these countries and thus enjoy a far better export market than we did.

Last year, if I recall correctly, we had a resolution advocating a two-price system and my honourable friends decided opposite to vote against it. However, I noted with interest a few months later, after the price of wheat had dropped, after the horse was stolen from the barn, our fellows across decided to send a telegram to Ottawa asking that the price be increased. However, they lacked the foresight of leadership originally when it was suggested by our group, and I was happy to note today that the honourable member said that my colleague from Brokenhead made a fine speech, a speech that was of the calibre that was presented in the House of Commons, and I say to him, I'm happy to be associated with such a very capable colleague, and it won't be long I might suggest to him, unless the Honourable the Minister of Agriculture decides to implement some meaningful programs and policies for the farmers of this province, that it will probably be this progressive group that will take its righteous place in this Assembly and then give the farmers of this province a righteous return for their labours and efforts.

I would like to refer at this time to an editorial in the Country Guide and it says:"While Canadian farmers can produce food efficiently, they can't give their crops away, they must be paid. There are however, fast expanding markets for food that Canada has not yet capitalized on. The developing countries are increasing their food purchases year by year. Right at home in Canada we are losing out to U.S. imports and we are not sharing in the growth of the U.S. food market. When it comes to commodities, feed grain is of particular importance. Canada virtually ignored it in recent years as our wheat exports boomed, yet it is in feed grains that the most rapid rise in world trade is occurring. The United States boosted its export sales of feed grains to 1.2 billion last year compared to 147 million in 1956. Canada, on the other hand, had reduced its feed grain exports in recent years and imports a substantial quantity of corn from the United States. It is plain that the most urgent need facing Canada's agriculture today, is for an aggressive co-ordinated agricultural policy. Canadian agriculture must carefully appraise available markets and the ability of farmers to produce profitably for those markets, and it must develop production and selling policies by which it can move effectively to serve those markets. Prairie farmers faced with wheat price declines can well demand action from Ottawa. It is clear that the real need today is not for more emergency aid programs developed in haste at a time of crises, the need is for definite agricultural goals and carefully prepared policies to enable farmers to meet them. Agriculture Minister J. J. Greene has now announced the names of his long promised farm policy task force. Although a Chairman has not been appointed, that group as well as farm organizations, farmers and other governments must now get down to the business of seriously drawing up farm policies. The time is ripe for action.

My honourable friend referred to the fact that there's been more fertilizer used this past year than ever before and farmers are taking advantage of the soil testing programs that are available to them. That's all fine and dandy to produce greater yields, have our bins on the verge of busting, but the fact remains that a lot of these farmers as a result of that are unable to pay their bills. In my own area, just three short weeks ago, I was talking to a fertilizer agent who had still \$56,000 outstanding as a result of last years fertilizer deliveries and it was once again time to have fertilizer delivered for the 1968 growing season. It is one thing to produce in abundance and another thing to be properly compensated.

MR. McKELLAR: Why didn't he think of that?

MR. KAWCHUK: That's right. This is the outfit who got elected as a result of a Diefenbaker myth and he was hollering

MR. McKELLAR: We're still here.

MR. KAWCHUK: ... "parity not charity" and that is yet to come. And as result of that there are many dissatisfied people in Western Canada. My honourable friend will find out come June 25th. We will find out.

MR. MCKELLAR: You'll find out. John will look after us. John's still there yet. MR: KAWCHUK: Talkingabout an adequate price support program, let's see what Professor

J. C. Gilson has to say on the subject. The Professor said, "Canadian farmers should not be expected to carry the burden on a national cheap food policy any more than should doctors carry the responsibility for national medicare, or our teachers the responsibility of free education. A compensatory price policy for Canadian agriculture should be designed for those who are efficient producers or those who have the potential to become efficient producers," he said. It seemed that the type of policies adopted have been guided more by what the political traffic would bear than by basic economic considerations. The Professor suggested a policy be es tablished whereby the consumer would pay the free market price for food and the farmer would be paid an additional sum to bring his income up to a designated price support. Such a policy would cost the government about 300 million per year, he said, but it is a relatively modest sum when compared to the about \$5 billion now being spent by Canadians for food. This policy will eliminate the need for many of the payments now being made on the various forms of ad hoc policies, and when we recognize the very substantial gains to the food consumer in the form of cheap food, we suggest that 300 million may be a relatively small sum.

I also noted with interest the other day that my honourable friend the Minister of Agriculture was trying to encourage the farmers to divert their production emphasis onto livestock production rather than wheat production because of the surplus that's building up. And that reminds me of his predecessor, the Honourable George Hutton, who advocated a similar policy and the farmers of Manitoba fell for it. As a result of that they were producing beef which was returning them 25 cents per hour for labour. It is one thing to ask the farmers to produce these various food products, but it's another thing to have some policy whereby they would be properly compensated for their efforts.

Getting back to wheat again, the Honourable Member for Birtle-Russell had advocated that the pamphlet produced here by Hedlin Menzies and Associates was worthy of consideration. And if I might just quote a few of the policy considerations submitted in this pamphlet: "The better farmers have exhausted their opportunities for increasing that income through intensive and extensive expansion of their operations. Increases in size tend to be limited by the ability to find effective labour and by the limitations of management. Further increases in production are limited by the inherent ability of existing grain varieties to be pushed beyond relatively limited yield levels. The economic problems facing farmers are essentially domestic in their origin; inflation is pushing up costs. In a light labour union and many types of urban business enterprises, the farmer is left without recourse as far as price is concerned. In terms of the inherent capacity of his crop varieties to permit an expansion of a per acre yield, he is limited by the commitment of the Government of Canada and its research and licensing agencies to high protein wheat and to malting grades of barley. The wheat agreement which expired in July 31st provided for minimum maximum prices -- need not go into that area. A new agreement was negotiated in 1967 and it is anticipated it will become effective on July 1st, 1968. It establishes a floor price that is equivalent to about $1.95 \frac{1}{2}$ per bushel for No. 1 Northern, basis in store Fort William and Port Arthur. The maximum is $2, 38 \frac{1}{2}$, A change in the value of the Canadian dollar relative to the U.S. dollar would alter these prices as far as Canadian producers are concerned. The new agreement was not concluded in time for the crop year 1967-68. It will be applicable from July 1st to June 30th, 1971. The fact that negotiations were very hard, that market prices have tended to trade below the floor of the new agreement which is not yet operative, confirms the prospect of the prairie farmer capturing a significant high price for wheat in the immediate future is limited. If the farmer is to compensate for domestic pressures on his crop, it will have to be achieved in a domestic environment.

"In the final analysis, the basic economic welfare of the entire farming community must relate to the ability of the farmer to make a net return for the production of wheat. The design of policy must concern itself with wheat and in the context of today must concern

(MR. KAWCHUK cont'd.)... itself with ... advance in farm production costs and the inability of the farmer lacking in-puts from beyond the industry itself to compensate for these increases. In the 18 years from 1950 to 1967, the composite ... prices paid to farmers for their production in-puts, excluding living costs, has increased by 72.1% and the average price of wheat followed an actual decline in 1950, registered net gain of only 19.5%. The farmers response to this negative pressure on his net income has been an attempt to increase productivity to intensifying his farming operations or increasing farm price. Success has varied but all farmers, large and small, continue to feel the pressure of rising costs. It is accepted cost-price relationship as they apply to wheat are critical in the prairie farm economy, there is justification for measures to prevent a further erosion in the position of the farmer. This production should not take the form of a fixed price in a changing cost situation; nor should it take the form of a higher price for wheat sold in domestic markets. To have any significant impact on the position of the wheat producer the domestic price of wheat would have to be very high. The protection should be flexible so that it bears a real relationship to farmers production costs."

Those are a few of the statements made by people who have done an extensive study into the problem of wheat prices and I would recommend them to my honourable friend, that he take them more seriously than he has in the past, and that he advocate these policies to his counterparts in Ottawa.

It seems, Mr. Chairman, that the Minister of Agriculture is advocating a policy whereby the farmers who are on the land now and are unable to make a satisfactory income, give up their farming operations and become farmhands for large corporate types of farm operations. And I read to you from a newsletter dated August 4th, 1967: "Some half to three-quarter section farmers in Manitoba have in recent years found it to their advantage to rent their farms to neighbouring commercial farmers and to accept employment on farms. Farm rental usually varies from \$10 to 15 an acre per year which can represent an income of \$2, 500 to 5, 500 a year. These farmers could earn around \$4,000 a year in salaries, depending on their skills and experience . In addition, they are able to live on their own farm. With this combined income, the smaller farmer can solve most of their financial problems while retaining title of their property. The skills of these experienced farmers are benefitting the commercial farmers who badly need competent help."

I suggest to my friend that he go and advocate this on the hustings come next election and see how receptive that policy will be by the farmers who have farmed all their life, who are probably now in their late fifties. Does the Honourable Minister of Agriculture suggest that these fellows should abandon their own private operations and become farmhands of large corporations?

MR. ENNS: Crop Insurance makes it possible...

MR. KAWCHUK: Insofar as subsidies are concerned... Tell us to rent land at \$12 or 15 an acre. Crop insurance makes it possible for them to rent land?

MR. ENNS: Right.

MR. KAWCHUK: The subsidies program I was referring to earlier is a complementary measure which would of course be advantageous with a marketing setup which of course would be producer controlled marketing boards, and I just for a minute would like, Mr. Chairman, to read an article submitted by Mr. Hilton Wallace - a constituent of yours, a colleague of mine, on his trip to Britain. He reports in the Diploma Grads publication of March, 1968: "British agriculture today like Canadian agriculture has made great strides in the past 25 years, both in technology and mechanization. Both were forced into greater and more efficient production because of the 1939 war. Prior to 1939, agriculture in Britain was much more a way of life than a business. Great amounts of land in large estates were producing very little, large acreage were broken on broken grass land. The war brought a great drive for food and so total production was government policy at the time. This demand for food resulted in the or-ganization of a national agricultural advisory service.

"This organization plays a very important role. It is non-political, provides a free service to farmers at the district county and regional levels. In Canada, the trend is for the small man to be squeezed out and the larger man to expand. For example, dairy herds are disappearing at the rate of 400 per year but cow numbers are remaining constant. The farmer labour force is expected to drop by 170,000 by 1970. So, there's a great need for more efficiency in mechanization. The national farmers union to which 90% of the farmers belong is

(MR. KAWCHUK cont'd.).... made up of district levels, county levels and national levels. The national level is made up of men appointed from the county level based on size of county and number of farmers within the county. Membership costs 5 plus 1 shilling per acre. It is a strong organization and without it farmers feel they would be a lot worse off. Unlike our unions, they deal with all agricultural commodities, with strong support from farmers and help from the farm business recording scheme. They are in a position to work out a price basis that they present each year. This is a well known price review. At this price review the national farm union council which consists of some 150 men from all counties in England and Wales, discuss commodity prices for the coming year with government. United Kingdom farmers are convinced that the national farm union has saved them millions of pounds since its formation.

"The UK is sufficient in such commodities as milk and eggs. It is also capable of producing a lot more than it does however as an industrial exporting country. It has to import large amounts of agricultural products to keep the balance of payments; for example, they only produce 38% of their own pork, they import large amounts from Denmark and butter and lamb from New Zealand. In this situation, the prices they receive for their agricultural products are governed by the number of hogs, cattle, sheep they have at home. The large amounts of subsidizations poured into agriculture in the United Kingdom creates a situation whereby they have a very intricate and complicated pricing system. Because of this I have just said, and many things that I haven't said, I feel that the British farmer is in for a trying time in the European Common Market. Probably some commodities will benefit a great deal but others will suffer. It will, I think, take some time to work out a pricing system that will be satisfactory to them.

"Agriculture is responsible for 4 percent of the gross national output; 50 percent to 75 percent of the net income for agriculture is subsidy. Government policy is cheap food, and if the farmer is to survive there has to be a large amount of subsidies. This in turn calls for high taxation which we have. I was impressed with some of the agricultural education programs. For example, a person can take a three-year course in technology and when he is finished he is qualified to operate a large scale hog enterprise. With the trend to large swine, beef and poultry enterprises in Canada, I think it would be good to offer this type of program to our young farmers. In other words, I think a person should be able to specialize in individual farm enterprise education without spending three or four years taking something he does not need or want.

"In conclusion, I would like to say, not for the record, that if we had some of the UK rainfall and subsidy program, along with our present taxation system and sunshine, the Canadian farmer would be sitting on top of the world."

Well, Hilton says that last paragraph is not for the record. However, I think that there is one point worthy of note, and that is that the subsidy program has provided a cheap food program for the people of Great Britain, and I think that if the agricultural sector of society is to survive in Canada we will have to be giving the subsidy program a lot more thought than we have in the past. We will have to have a program whereby the farmers would have to be compensated for their efforts on a competitive price policy that would reward efficient farmers and thus enable them to earn a reasonable income if he does a satisfactory job of producing food efficiently. The returns, the farmer claims, should be comparable to what the same resources could earn in some similar occupation or business.

It is interesting to note that at a time when prairie farmers are represented as being prosperous, there have been more farmers leaving the industry in the past 15 years than ever before, and the reason for that is that the farmers of Western Canada just haven't been able to borrow themselves out of debt. If one wishes to take a look at the farm loans taken out by western Canadian farmers, it will be interesting to note that in 1960 there were some \$52 million taken out, and when you take a look at 1967 there has been \$210 million taken out in only nine months - that's what I have the figures available.

So with those few remarks, Mr. Chairman, I would like the Honourable the Minister of Agriculture to deal specifically with the crop insurance program when he gets up to reply, and in particular, to the clause of hail insurance. I'll have more to say later on the other items under the estimates.

MR. CAMPBELL: Mr. Chairman, I gathered in his remarks a little while ago that the Honourable the Minister of Agriculture was feeling that the criticism from this side of the House, and no doubt the motion or amendment which we are now technically supposed to be on,

(MR. CAMPBELL cont'd.).... were rather unfair to him and that some strictures had been laid upon him that he didn't really deserve.

Well certainly the motion, I believe it is to reduce his salary to \$1.00, that's a fairly severe motion in itself I'm sure. I'd be willing to set my honourable friend's mind at rest and say that insofar as I am concerned I don't intend to support that motion because I have been a party to passing the salaries of other ministers up to date and I think that he is no less deserving than the other ministers whose salaries have not had that amendment tacked to them.

But when my honourable friend feels that he is the subject of some criticism that doesn't belong to him, I'm rather inclined to agree with him too, but it does belong to his predecessor in office; it does belong to his former Premier; and because of the fact that the two of them, through the years, told the people in this part of the House what they were going to do for agriculture and then we find ourselves in the position that we are today, no wonder that some of us are inclined to say, "well now, it hasn't worked, has it?" The bright promises the optimistic outlook that those two gentlemen furnished us with through the years are the real reason I think that so many of us are inclined to be a bit critical, not of the Minister in his personal capacity, but of that continuing optimistic outlook that seems to flow from the Department of Agriculture year after year in spite of the situation that a great many of us on this side of the House honestly feel does not warrant that degree of optimism.

For instance, my honourable friend in introducing his department's estimates, last evening was it, said that this past year had seen the second highest production, agricultural production in Manitoba's history. Well now this is quite likely right, but what my honourable friend didn't say was what was the net return from that production. Production is one thing, but the thing that really matters is what the farmer has left over after the expenses have been paid, and this is where the farmer has been in this so-called squeeze for a long time and it is becoming a bit irksome and difficult for him. The old saying about it being a great advantage to have the tenacity to hold your nose to the grindstone, well the farmer's nose has been held there for so long that he's starting to wear out the grindstone, and it is a continuing proposition. The production has gone up on some cases but the net return has gone down in my opinion.

Now how could it be otherwise, unless the production increased greatly, when the costs of that production have been continuing to rise, and of course the production didn't increase in this -- I mean the production value didn't increase in this past year, it was down from the year before but the cost of what the farmer had to pay was still up, so obviously in the total he must be in a worse position than he was a year ago.

And that brings me back to the point that the continuing optimism of the Department of Agriculture - and of course we farmers have to keep on being optimistic - shows itself through the years because of these statements that have been made saying that times are good. My honourable friend said just last night that this was the second highest production in our history, and that is intended to convey that things are pretty good, but, Mr. Chairman, for a vast number of farmers they just aren't good, and last year my honourable friends had said that this year they were going to be better even than last year.

Now this is the publication "The Farm Outlook" of a year ago and here's what it says on Page 2. "Rising prices of most of the agricultural commodities farmers produce will improve the 1967 farm income in Manitoba." Now that was the projection and they weren't alone in saying that; a lot of people were saying that. In case anybody thinks that there is a qualification in there about most of the commodities, a little later, in fact at the end of the same paragraph we have this sentence. "In crops, prices of wheat and feed grains will remain above the 1966 level, while prices of flax seed and nearly all special crops are expected to remain as high as in 1966 or higher."

But they didn't remain that way, Mr. Chairman, and one of my complaints is that we keep on saying - it's a case of whistling to keep up our courage I guess - we keep on saying that times are good when the facts contradict us. As I said in an earlier debate, I believe it was just today, we oversold ourselves apparently on this fact that because of the world hunger, toward which so much attention has been justly directed, that the most of us were optimistic in thinking that this demand for our wheat particularly, and other products, just must continue.

I have another authority that I was mentioning, I didn't quote it before, the Manitoba Economic Consultative Board. The latest report that we have on Page 23 says this - and I'm not taking this out of context, I trust anyone can read it for himself or herself - Page 23. (MR. CAMPBELL cont'd.).... "One significant factor which will exert a favourable influence on the Canadian economy, and particularly the prairie region in the period to 1970, is the buoyant condition and optimistic outlook for agriculture." And it goes on to amplify that statement and some of the amplification is as follows: "Forward contracts for wheat sales to 1969 will assure substantial market outlets for future production. Combining this with a growing demand for livestock and livestock products leads to expectation that agriculture will underwrite a significant share of the growth in Manitoba and the rest of the prairie economy to the end of the decade."

Well these forecasts simply haven't turned out to be reliable, Mr. Chairman, Perhaps I've been responsible myself for suggesting that because of the great need of food in the world that the long-term outlook for agriculture must be good. I have got in my hand here a clipping from the Manitoba Co-operator of a year ago, February, 1966, the heading is this: "Food Production not Keeping Pace with Population." There is a clipping here from Friday, March 15, 1968, this year from the Tribune, "Human Breeder out-producing the Feeder," and so on and so on and so on. I have an older clipping where Mr. Runciman of the United Grain Growers, a man to whom tributes were paid in the House a few days ago and justly so I would say, one of the leaders in the agricultural industry in the Province of Manitoba, indeed in the prairie provinces, a couple of years ago he was predicting a crisis ahead because we weren't going to be able to keep up to the requirements in order to feed the world.

This seems to be a natural tendency to continue to give these optimistic outlooks, and even I believe my honourable friend in the present 1968 publication, the one for this year, reverts to type again and says on Page 19, "The economic prospects for Manitoba farmers in 1968 remain favourable." Well now, do they really? Can we say that in the light of the market situations as it exists now? And I'm not blaming my honourable friend, the only criticism that I have is of his predecessor and the former Permier who continued to say that they were going to cure this situation, and at that time they didn't give the justifiable reasons that my honourable friend gives now, quite properly, that a great many of these things, in fact the vast majority and the most important lie outside of provincial control and even outside of Canadian control.

My honourable friend said this evening that he wasn't going to be able to declare a wheat policy here; he wasn't going to be able to guarantee what other countries would do and he couldn't give a statement on the wheat industry as a whole. He pointed out as well that he doubted that even the leaders in the agricultural industry here in Manitoba or in the west could do that. Well if they can't,Mr. Chairman, wouldn't it be a good idea – and this is reverting to another resolution that's on the Order Paper now – wouldn't it be a good idea for us to issue that invitation to the representatives of the Canadian Wheat Board and to recognize leaders in the agricultural industry and get them over here. I'm sure they'd come. I can't guarantee that they would come but I'm sure that they would, to talk about this situation and let us inform ourselves a bit in that way.

Now, Mr. Chairman, I feel that some of us - and I maybe have to share my own small part of the blame although I am not one who would be listened to in the way that many of those directly in the agricultural industry would - but I feel that this justifiable program of trying to feed the hungry people of the world has, with all the good intentions in the world, led us into a situation of where we have rather oversold our own program for production. We now find that the markets aren't there; the prices aren't as buoyant as we had expected them to be; and I think this is a very difficult situation, for which I do not blame the present Minister of Agriculture. I'm saying that it's a much bigger problem than the agricultural situation in Manitoba itself, but it impinges on the farmers of this province just the same. It comes home to roost with the people who are on the land, and I think it would be an excellent plan for us to ask these acknowledged experts in the marketing and farm fields in general, to come over here to the agricultural committee and let us have a visit with them and a discussion of this whole general situation.

Mr. Chairman, I hope I can finish in the next few minutes, but I would like to call attention to the table that's given on Page 94 of the Department of Agriculture report which bears out the fact that our production is considerably down from a year ago from the year earlier. And I notice also that one point is substantiated by these figures, where I have been arguing for some years here that when the former Premier was using the figure of 40 percent as the net return to the farmer and I kept saying that was too high, I see that my honourable friends

(MR. CAMPBELL cont'd.)... in this report recognize that that is too high also and they give the net as being only 33 percent of the gross in this last year. I think that's a much more realistic figure; I'm inclined to think it's still a bit high.

Now I wanted to ask my honourable friend a particular question and the honourable Member for Brokenhead has already raised this one but I would like to ask it in a little more detail, or to quote my honourable friend from Gladstone, "I would like this information in depth", and that is, can we have a full report about the activities and programs and performance of the Manitoba Agricultural Productivity Council. Will my honourable friend give us all the information on that and will he furnish us with their latest reports. If they have made two reports, I'd like to have the members furnished with both. Who, Mr. Chairman, who are the 12 people? Who is the Chairman? Who are the two-year and the one-year ones? Have the two-year and the one-year ones been reappointed? In regard to the aims and objectives and responsibilities of this productivity council, we had quite an argument about this at the time that the legislation was passed, and my honourable friend wasn't a member of the House then, but his predecessor had high hopes of this council really accomplishing something worthwhile. Some of us were a bit doubtful to say the least.

MR. ENNS: Is he among the doubtful ones at that particular time?

MR. CAMPBELL: I beg you pardon?

MR. ENNS: Was he among the doubtful ones as to that particular piece of legislation?

MR. CAMPBELL: Was I among the doubtful ones? Yes, I was one of the doubting Thomases, I must admit, and I'll be glad in this instance to be proved wrong, because if they really have accomplished something worthwhile for agriculture, I not only would be quite glad to admit my mistake but I would be glad as well on behalf of the benefit that that would be to agriculture.

So far as the definition of goals and objectives, I think these are already known, but they were to ascertain the means of achieving them. Has this been done? They were to examine, generally, factors which may influence the cost of production. Will they tell us what has happened in this case? They were to analyse and develop ideas and proposals calculated to benefit the agricultural industry. Could we be told what these factors have been determined and analysed to be? Under (d), what ideas and proposals have been developed and analysed? What co-ordination has been achieved under (e) (2), and what plans and methods have been adopted and implemented under (e)(3). I would like to know the remuneration of these members and I'd like to know how many meetings have been held. I'd be interested in knowing simply because it shows up in the legislation, whether it is ever necessary for the other directors to ask the Chairman to call a meeting.

I'm afraid Mr. Chairman, I won't be able to complete the other few points I had so maybe you'd rather that I would cease and desist at this time.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of Supply has considered certain resolutions, directed me to report progress and asks leave to sit again.

IN SESSION

MR. DOUGLAS J. WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member from Springfield, the report of the committee be received.

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

MR. LYON: Mr. Speaker, before moving adjournment, I'd like to remind the members of the Industrial Relations Committee that it meet tomorrow at 10:00 in Room 254. I beg to move, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Wednesday afternoon.