

THE LEGISLATIVE ASSEMBLY OF MANITOBA
9:00 o'clock, Wednesday, May 16, 1973

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Attorney-General.

TABLING OF REPORTS

HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): Mr. Speaker, I wish to table the First Annual Report of the Manitoba Police Commission. There are several other copies.

MR. SPEAKER: Any other ministerial statements or tabling of reports? Notices of Motion; Introduction of Bills; Oral Questions.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I have a question for the Honourable the Minister of Mines and Natural Resources. Could he tell the House as to whether or not the MDC has made a loan to a newspaper operation in Swan River?

MR. SPEAKER: The Honourable Minister.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I don't know. If the honourable member knows that they made one to him he can tell us about it.

MR. BILTON: A supplementary, Mr. Speaker. I want to assure the Honourable Minister it was not to me. I wonder if he would look into it and give me an answer tomorrow.

MR. GREEN: Mr. Speaker, that material will be published on the Schedule that is sent out by the policy of the Corporation.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): A further question to the Honourable Minister of Mines and Natural Resources. The Honourable Minister then is not prepared to answer the question asked to him by the Honourable Member for Swan River.

MR. SPEAKER: Order, please.

MR. GREEN: Mr. Speaker, I believe it might be inappropriate for me to answer it.

MR. SPEAKER: To begin with the question is out of order because the question was answered. The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thanks, Mr. Speaker. My question is for the Minister of Health and Social Development. Has the Minister received a letter from the President of the Canadian Chiropractors Association, Mr. George Ferguson, requesting an interview with him on behalf of his organization?

MR. SPEAKER: The Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): Yes, Mr. Speaker, I believe I did receive a letter from the president of that profession.

MR. HENDERSON: Supplementary question. Did you reply to it?

MR. TOUPIN: Mr. Speaker, I believe that I have on at least one occasion. I don't know if I have replied yet to the last letter I got from the gentleman. If I haven't, it's because I'm probably checking certain things that he was inquiring about and I'm awaiting replies on certain questions that were posed within the letter.

MR. HENDERSON: Supplementary question. Would the Minister mind such a meeting with the President of this Association?

MR. TOUPIN: Well the honourable member I believe asked if I would mind meeting with him. Not at all. I wouldn't mind meeting with him. I love meeting with people including the Member for Pembina.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 22 please.

ORDERS OF THE DAY - BILL NO. 22

MR. SPEAKER: Proposed motion of the Honourable First Minister. The Honourable Member for Rock Lake.

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MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I would like to make a few comments in regards to the Bill No. 22 which deals with the capital expenditures of this government. I'm not going to go into details in the way of figures, I think my colleague from Birtle-Russell this afternoon did an admirable job in covering the details by using the figures, but rather I think I would like to break it down a little bit. And the first item, Mr. Speaker, that we are dealing with in the Estimates of Capital Expenditure is the Manitoba Hydro-Electric Board which constitutes \$100 million of capital expenditures for the future of this province in developing our hydro-electric power.

Mr. Speaker, when I think of this amount of money that we have to look forward to insofar as the subscribers and the users of electric power in this province I can't help but wonder because of the performance that this government has given us in the past four years in dealing with the development of our hydro-electric power, think back to the time when the First Minister talked about the policies that my colleague the Member for Lakeside was ready to pursue and the Honourable Member from Crescentwood who put out his famous magazine, The Dimension, --(Interjection)-- Pardon me. Yes, news item--giving his feelings on that matter. Well, Mr. Speaker, I think that we look back on the record - and the government I think it was strictly political on their part when they talked about the performance and the way we were prepared to develop our hydro resources, a resource, Mr. Speaker, which is a renewable one - if the waters that flow through from the west to the east and through the Province of Manitoba had been properly harnessed we could well have probably avoided this \$100 million that we have before us tonight. I think, Mr. Speaker, of the information that I'm giving, and one as a layman can only go by the qualified information by those who know what they're doing, engineers, etc., and I'm given to understand that back in 1969 the Churchill Diversion would have cost us about \$49 million. Today, Mr. Speaker, I understand it's well over 100 million.

This government also saw fit by bringing in Mr. Cass-Beggs to the Province of Manitoba, who was supposed to have been a knowledgeable person, and I would have thought, Mr. Speaker, that if he was he would still be here to answer some of the questions that we have to put before this government.

A MEMBER: Too hot to handle.

MR. EINARSON: But you know, Mr. Speaker, having spent 30 months here in Manitoba he either - and I don't know whether the government fired him, I don't know whether they fired him --(Interjection)-- Yes. The Honourable Member for St. Johns, or the now the Minister of Finance, he criticized those of us on this side of the House for running him down.

I don't run Mr. Cass-Beggs down, Mr. Speaker, I hold the government completely responsible for the actions of the man that they appoint and it's the First Minister who must take full responsibility, Mr. Speaker, full responsibility for anyone that he brings into this province to develop the resources. --(Interjection)-- Well all right then why has he flown the coop? --(Interjection)-- Hasn't he? Well he should have been here then to answer some of the vulnerable questions that the people of Manitoba want to know about. You know, Mr. Speaker, I have many people who have asked me on this gentleman, I'm sure he gave his services probably in good faith. We don't know whether he was fired by this government or whether he just left because the thing was so hot for him he couldn't stay here to stick with it. It's got to be one or the other, it's got to be one or the other. And I say, Mr. Speaker, in all sincerity, because after all, Mr. Speaker, the people of Manitoba are taxpayers; they have got to, through their sweat and toil and hard work, have got to provide the funds because this government is collecting through taxation the moneys to develop this public or Crown corporation, so I think that the people of Manitoba have a right to know what an appointed individual by this government has been doing, what his actions are, and he must explain.

You know, Mr. Speaker, one of the things that are hurting many citizens of this province is the fact that that honourable gentleman spent 30 months in the Province of Manitoba, and I must say, Mr. Speaker, he must have been a privileged individual because this government saw through their Cabinet by passing an Order-in-Council - and sure he made his contribution for the few short 30 months that he spent in Manitoba - to make a contribution to a pension plan. And many people are wondering, Sir, because people who are employed in that Crown corporation have to work five years before they can qualify for a pension. This honourable gentleman spent 30 months and through the Order-in-Council was able to receive a pension for life. --(Interjection)-- Yes a pension over - approximately \$2,400--and I don't have the exact figure

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(MR. EINARSON cont'd) but I say approximately. --(Interjection)-- A year. So, I asked a question, Mr. Speaker, of the First Minister if it was correct that that pension - I asked him is that pension coming out of the Superannuation Fund of that Crown corporation? Mr. Speaker, the First Minister answered in the affirmative. He wasn't certain as to just exactly how much per month was coming out of that superannuation fund, but he did indicate in the affirmative. I think, Mr. Speaker, this is most unfair to the rest of the employees of the Manitoba Hydro in the Province of Manitoba.

MR. CHERNIACK: A hundred and twenty dollars a month.

MR. EINARSON: Mr. Speaker, the Minister of Finance tells me he's receiving \$120.00 per month. I would say, Mr. Speaker, I would have no qualms for the amount of money that he's receiving as a pension if we had seen results from the actions of this government. But we haven't done it, Mr. Speaker. They saw fit to develop the Lake Winnipeg and the Jenpeg. In all the four years that they've been in office the exploration that has been carried on has been a costly project to the taxpayers of this province. Mr. Speaker, total the whole thing up in the Manitoba Hydro development alone, comes to just about \$254 million, that the people of Manitoba are going to have to foot the bill, are going to have to foot the bill, Mr. Speaker.

And I want to say, Mr. Speaker, and this is another important thing as far as this subject is concerned. I'm wondering are the people of Manitoba going to share this cost, this sheer blundering on the part of this government? I suggest to you, Mr. Speaker, I'm afraid that the people of rural Manitoba are going to have to share a much greater portion of this load that is completely unnecessary if we'd had competent people to administer this operation over the past four years. --(Interjection)-- Yes, Mr. Speaker, Mr. Speaker, I was a member of that government and I think my colleague the Member for Lakeside was pursuing the right action. It's unfortunate we had to listen to some of the academics from the university who had some wild ideas about what should be done with South Indian Lake and all the environment in the northern parts of this province.

Well, Mr. Speaker, those are my comments when we talk about the \$100 million that are provided in the capital expenditures for the development of our Manitoba Hydro in this province. I could go on and on, Mr. Speaker, here tonight, but you know, let's put this all together and the amount of money and the debt that is being piled up year after year under this government, by mortgaging our future, by mortgaging my children and the children of all those of us in this House, I can't help but wonder what kind of a future they have to look to.

I'm reminded, Mr. Speaker, when the First Minister, that even his first year as Premier of this province he referred to the Country of Sweden, that wonderful country of Sweden and the model government that they had. It's funny, Mr. Speaker, you know the past year or so we haven't heard anything from this government about what's going on in the country of Sweden and how that government is functioning. I recall, Mr. Speaker, I put in an Order for Return for the Minister of Health and Social Development and some of his colleagues who made a trip over there to find out what that government was all about and what made it tick.

Well, Mr. Speaker, I have a few articles here that in the way of information are coming back to us and indicating just what it's like in the country of Sweden. I should like, Mr. Speaker, to refer just a few moments to one of them, and it's entitled, Where Socialism Ends. I might say, Mr. Speaker, "a future British Labour Government will drastically increase the government expenditures, liquidate all private wealth and bring about a levelling of incomes. The program has been outlined in a pamphlet published by the economic adviser at the treasury and senior economic adviser to former Prime Minister Harold Wilson." He was the Prime Minister of Great Britain at one time. And it goes on to say, Mr. Speaker, "full employment and redistribution of income should be the main economic objective of a Labour Government. It would include fierce taxation of wealth and savings" - and I underline that word, Mr. Speaker, "fierce" taxation. "Heavy indirect taxation on trivial goods, restrictions of advertising and further wholesale nationalization." These seem to be the comments that are in keeping with what's going on with this government and what we can look forward to if they're re-elected for another four years.

Mr. Speaker, Mr. Stewart argues that the program should be based on the levelling of incomes rather than on the future growth and that government expenditure is the best form of redistributing income. Mr. Speaker, this is indeed the policy pursued by the Olof Palme Government in Sweden, a policy of pure socialism that has succeeded in sending 83,000 people

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(MR. EINARSON cont'd) a year to mental hospitals and is responsible for the world's largest per capita consumption of alcoholic spirits.

I don't think I have to go any further, Mr. Speaker, on this article to say that if we continue this spiralling of increased debts of this province I wonder, Mr. Speaker, how many people in this province are going to have to seek assistance from the Minister of Health and Social Development, and I will say that one day he's going to wake up and find he's going to need a lot more psychiatrists than he's got today to handle the mental situation, to what he has today.

Well, Mr. Speaker, I think I should pursue this just a little bit further. "The picture of life in this western socialist paradise has been described by Dr. Hans Lahman, a Swedish psychiatrist commissioned to investigate the growing deterioration in the Swedes' mental health. Mother and father awake at 5:30 a.m. in their cramped barrack-styled apartment, drag the children to a foster home then stagger bleary-eyed to the factory. There for almost nine hours they attempt to fulfill sometimes impossible production norms. At night they slump exhausted in the silent underground cars that whisk them home to a dinner of sausage and boiled potatoes. Food prices being the world's highest this is all they can afford."

In Sweden, Mr. Speaker, - a friend of mine was in Sweden last fall and he was telling me about the way of life in that country and he says you know, he was into a restaurant one day and ordered a cup of coffee. His cup of coffee cost him 75 cents. Can you imagine, Mr. Speaker? This is what taxation of the kind that this government is heading for, will do the same thing to the Province of Manitoba.

A MEMBER: Hear, hear. Hear, hear.

MR. EINARSON: There will be no difference if we have this government in long enough.

A MEMBER: Hear, hear.

A MEMBER: Hamburger \$5.00 a pound.

A MEMBER: Quiet Lakeside. Eggs \$2.00 a dozen.

MR. EINARSON: Well, Mr. Speaker, I read this article, but I have friends in the City of Winnipeg who have made visits to that country who have given me firsthand information as to the conditions over there.

Mr. Speaker, these are the things that I am quoting and this, Mr. Speaker, is the First Minister's idea of a model government. A model government, Mr. Speaker. Social Democratic model government that they like to refer to. So Mr. Speaker, --(Interjection)-- yes, Sir. It's really interesting, Mr. Speaker, because the Honourable Member from Crescentwood and the Honourable the First Minister and Mines and Resources, I have said in this House on more than one occasion, I respect both of them, because you know, Sir, I know exactly where I stand with them. And I think that's fair game. And you know, Mr. Speaker, I know what they stand for and I'll fight them as long as God gives me breath to fight them. (Applause) Because, Mr. Speaker, my forefathers didn't come to this country merely to be taken over by a group of socialists on that side of the House; to be intimidated and to be dictated to and to be told that just because they have the initiative to **set** a standard or a goal in life for themselves that may be a little bit better than what the members on that side of the House feel is coming to them.

Mr. Speaker, when you --(Interjection)-- Yes, my honourable friend from Swan River he refers to the old Vikings. I am proud, Mr. Speaker, to classify myself as one of those Vikings. I'm sorry that's more than I can say for the Honourable Member for St. Matthews, for where he come I don't know. --(Interjection)-- Well you know, Mr. Speaker, we're dealing with an awful lot of money and as I said in the beginning of my comments I wasn't going to deal in figures. But merely I want to say, Mr. Speaker, that I am very concerned where we are going. I have grown up in this province as a man who was running a business, providing employment to people and am fully aware of what the high cost of taxation is to me and how it affects not only me as a businessman but every workingman who may go to work in the morning with a lunch pail. I doubt whether you can talk to any one of the gentlemen opposite and they'll understand what I mean. Because, Sir, you destroy the initiative of an individual to do what he wants and what he thinks is best in the way he can accomplish his goal in life only to be frustrated and to be held down by the laws that this kind of a government want to bring about. I hear it said more and more these days, Mr. Speaker, that we are now wondering just where are we going. Just how is the future for our future generation.

I want to say, Mr. Speaker, and leave you with this thought, that until we return this province to a more responsible government, we're headed for the kind of socialism they have

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(MR. EINARSON cont'd) in Sweden that we will live to regret for many years to come. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I'd like to add briefly to the observations of my colleague from Rock Lake and those who have preceded me. I hope with perhaps not as much eloquence but with equal sincerity.

MR. SPEAKER: Order, please.

MR. MCGILL: Mr. Speaker, in examining Bill 22 of course the first item, the item for the Manitoba Hydro of \$100 million is one that recalls a lot of discussion, a lot of committee work, a lot of bitter debate in the House and there may not be many more opportunities to place our views on the record in this session in respect to Manitoba Hydro and its problems and the decisions that were made eventually but delayed; and Mr. Speaker, perhaps it's difficult to really arouse the taxpayers of Manitoba when we talk in terms of hundreds of millions of dollars. Really it is difficult for people perhaps to deal with figures of that magnitude. They are more concerned about costs of perhaps placing a light in the yard of a farm or rural rates of hydro. But when we make them aware of expenditures amounting to \$200 million that could have been avoided, Mr. Speaker, I feel that perhaps that gets into a game and into a financial area where people begin to think it's not our kind of worry and our kind of responsibility. But it's very important for the opposition in this House to make sure that these things are on the record, that they are said and we hope that some of the people who are thinking seriously about the debts that we will have to pay, this province will have to pay eventually, are giving the present consideration that they urgently need.

In 1969 when Mr. Fallis was still Chairman and General Manager of the Hydro Board, he was on record as saying that if the Churchill River Diversion could not be proceeded with immediately, he would recommend that a crash program be instituted to provide thermal capacity to generate power, because if the Churchill River Diversion was not proceeded with then it was a possibility, indeed a probability, that this province would face a shortage of power for its domestic purposes before it would be possible to bring additional water to the Nelson system.

Mr. Speaker, it should be said to the credit of Mr. Cass-Beggs that he agreed with this estimate and this statement of Mr. Fallis and he also stated that in his view that if this diversion was not proceeded with, or if a plan was not proceeded with to provide more water for the Nelson River, then there should indeed be additional thermal capacity provided, built on a crash program.

Mr. Speaker, I think everyone should be aware and we should say it again, that the decision was taken by the Hydro Board as a calculated risk not to proceed with a crash program for thermal capacity to back up our hydro potential. They did not proceed. It was a calculated risk.

I wonder, Mr. Speaker, if really such a gamble involving the future of this province should have been the responsibility and the right to have been taken by the Hydro Board in conjunction with this administration. Well at the present moment the Chairman of the Hydro Board, Mr. Bateman says if he had to do it again he wouldn't do it that way. He foresees that there is a low water situation in Manitoba and there is a real danger at this stage of there being a power shortage for domestic purposes in Manitoba. What has happened is we'd have less water and we'd have a rate of increase of domestic power consumption greater than was forecast by the Hydro Board.

So, Mr. Speaker, at the risk of being called a gloom and doom forecaster, I say that literally there may be a very gloomy winter for Manitobans. I say that it is a distinct probability that there will be insufficient power generated by the Manitoba Hydro system this winter to serve the needs of our province.

I know that the Hydro Board are now at panic stations trying to find out where they can buy more power; they are attempting to find where they can possibly augment the amount of power that they can produce. Well, Mr. Speaker, isn't this a sad state of affairs for a province that listed as one of its two main advantages, one of its two great advantages were that it had a magnificent undeveloped potential of renewable energy in its hydro systems. For reasons more political than practical, this administration chose to delay the diversion of water into the Nelson River System. Mr. Speaker, it is fairly and squarely the responsibility of this administration

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(MR. MCGILL cont'd) if, as is now a distinct possibility, you have a power shortage this winter.

Mr. Speaker, I think that this government may go down on the records as being one that stumbled along from day to day doing the housekeeping things that a government should do but it looks like they are going to be a government that blows the big ones. That when big decisions are to be made somehow or other they are fouling them up. You are spending money far in excess of that which would have been required to proceed with the Churchill River Diversion when it was first conceived, you delayed it for two years. You are facing this province with a shortage of power, you are trying to buy power hopefully to replace that which you should have been developing yourself. You are not only losing the export of power and all the money and revenue that would have brought into Manitoba, but you're placing us in a precarious position. --(Interjection)-- Well, Mr. Speaker, the plan that this government has now adopted is that which the Weir administration proposed. The modification was simply in the level of the Southern Indian Lake controls. Then you have added, Mr. Speaker, the additional frill and window dressing of a Lake Winnipeg regulation which will involve for the future of this province some \$200 million addition.

Let's just say it again because we will not have many opportunities to say it. Perhaps it doesn't really impress the people of this province, perhaps the only thing that will impress them is when the Hydro bills go up. But I'll say it, Mr. Speaker, and if the problem arises this winter that we don't have enough power and that we're suffering a brownout in this fine province of ours, let's just fairly say that we had the potential of hydro and the government chose to delay its development.

Let me now, Mr. Speaker, just briefly say again what I have mentioned about the continual borrowing for the Manitoba Development Corporation. I think the original conception was that we would have a rollover fund here and that having been once funded to a certain extent there would be a rollover that would not require 39 or 40 million dollars this year and I think it was about the same amount last year that was required in capital borrowing.

The amount of equity positions that you've adopted or bought do not in any way account for a continuing requirement for funds for the Manitoba Development Corporation and this is becoming an increasingly expensive method of economic development and a rather dubious one in respect to the kinds of companies that the company is buying its positions in. It seems to me that the decision to take an equity position is more based upon the inability of the company to repay its loans than it is upon any future contribution which that company may make.

Finally, Mr. Speaker, I can't let this item in Schedule B go by without one more comment. The borrowing that is being done and capitalized for Winter Works and Emergency Programs. I do not in any way criticize the kind of programs you are taking on. You're putting on winter works programs, you're putting people to work. But, Mr. Speaker, I submit that these programs are not producing capital equipment, they're not producing items which will improve the productive capacity of this province, so how can you argue that they should be capitalized. It isn't the alternative of no program or program, there was enough revenue this year that you could have paid for these winter works programs from your revenues. This is exactly the way the kind of winter works programs and temporary make-work programs should surely be funded. Why do you borrow and commit the future to bond issues and so forth to put on transient make-work kinds of programs? If you're going to build hydro dams and things that's fine, that is a capital expenditure that is legitimate in an accounting sense, it's going to add to the productive capacity of this province, it's going to produce revenue. But make-work programs are not for that purpose and programs of that type should be paid for quite clearly out of the yearly revenues that are accumulated by this province.

Mr. Speaker, I have nothing further to add at this time except to again --(Interjection)-- I don't think I should do that. I think I should merely say that there has been a great departure generally from good accounting procedures in the way in which the Manitoba Development Corporation is having its statements produced, in the delays that are taking place and I think that we are getting into a very serious situation when last year we borrowed six million as a capital item for Winter Works and this year 13,400,000. What next year? Is this an established procedure of this government? Mr. Speaker, I submit this should be certainly handled from the current revenues of the province. Thank you.

MR. SPEAKER: The Honourable Member for Pembina.

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MR. HENDERSON: Mr. Speaker, I just don't feel I can let this go by without saying a few words although I know it's been said and very ably by several other members on this side. But the requesting of this money in connection with the Hydro development in Manitoba I believe is the worst bungle that the NDP government have really got into since they came into power. When I think of the way I see the figures presented, the cost of doing the program at approximately 854 feet which was a program which Mr. D.L. Campbell proposed, compared to the NDP program where you're regulating Lake Winnipeg, well you're talking about a difference of about \$254 million. This is spread over approximately half the people of Manitoba, \$254 million, because you're serviced by City Hydro in here and the other is Manitoba Hydro - at the present time at least. This is such a terrific amount of money to be bungling, and it keeps coming back to my mind about how you accused the Conservatives of their handling of CFI, and we won't get into the argument there, but even if they were wrong, it's small and only peanuts compared with the bungling that the NDP government is doing in connection with Manitoba Hydro. It's been a terrible thing. On top of that, if you'd went ahead with the program of diverting the Churchill Diversion, Southern Indian Lake at 854 feet, you'd have done it at a time when costs were more reasonable and today Manitoba could be planning on selling Hydro for the next number of years. There'd be income instead of expense. I remember the figures that the Honourable Member of Riel said, and we were told by Mr. Bateman that we were going to be facing a rate increase, and even with the rate increase about 20% of our Hydro premiums will be just going to pay the interest on this total debt. So I just feel that it's a terrible mistake that they've made. They've had somebody come in, and I don't know whether to blame him or whether to blame the people that brought him in, because I feel he was brought in for a political job. We took the word of a man that came in from another province against people like Mr. Campbell, Sterling Lyon and Mr. Kristjanson, engineers, and what was it? - 10 million or 20 million dollars worth of studies and all of a sudden somebody like him come along. In my time I attended several different political meetings and I remember years earlier when I attended a meeting by D.L. Campbell for the Liberal Party and he was talking about Manitoba Hydro and what they had done; and he said that if there was one thing that the Liberals should be re-elected on was on their progress and their program in connection with Manitoba Hydro. And by the same token I'd say if there is one particular thing that the NDP should be defeated on it's on their bungling of Manitoba Hydro.

A MEMBER: Hear, hear.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I don't know whether honourable members are so eager to get the item passed --(Interjections)-- Pardon? 6? --that would be the highlight of the session.

MR. SPEAKER: Order, please.

MR. FROESE: Mr. Speaker, Bill 22 deals . . .

MR. SPEAKER: Close the door please over there.

MR. FROESE: I don't mind Peeping Toms. --(Interjections)-- Yes, Bill 22 deals with capital expenditures or moneys for capital purposes and the Member for Inkster, the Minister of Mines and Resources is asking me to speak about debt. Well, maybe I should tell him a few things about debt, because he is charged with looking after the MDC which is the worst example of the handling of moneys this government has had. That and CFI which is getting its money from this corporation. I think, as the Member for Pembina said, that the government should be defeated because of Hydro. Well, I think people in the province want Hydro and we have to provide a source of Hydro power.

Now I feel that the people of this province certainly wouldn't want to see that we should fall down on our Hydro program and not provide them with the necessary energy. Whether you've made the right decision or not, certainly the Conservatives at the time of 1969 had a program and they were defeated on it. I don't know what the situation will be this year when you people decide to go to the polls and put your program to the people of this province. I don't know whether you'll come out strongly on your hydro-electric power project or not. I would certainly like to know whether this is going to be one of your big issues or not.

I recall a year ago when we were in Utilities Committee when we were given an outline on the projected expenditures for Hydro in Manitoba for the next number of years, I forget, was it ten years or so?, and it was in the neighbourhood of \$2 billion that they were going to

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(MR. FROESE cont'd) spend over that period of years in the development of Hydro in this province. It is indeed a very large project and I think great care should be taken that the right program is embarked on.

Naturally the NDP has made decisions as to their course of action a year or two ago, and they are proceeding with the Winnipeg River regulations and the channelling, so they have decided on that course and they are the government, therefore that project is proceeding and we have to provide the money. On the other hand, as stated by our Conservative friends that this is a lot of bungling and that you're spending a lot of money unnecessarily. History will certainly tell whether it was the right decision or not and what course of action should have been taken.

But I didn't really want to speak on Hydro that much. I felt that with the amounts allocated here on the back page, under Schedule A, that we have \$100 million for Manitoba Hydro Electric Board, then we have for Manitoba Telephone System, 25 million. Again I would just briefly like to point out that these Crown corporations send me an estimate as to what they will need for expansion, and I don't think it should just be that automatic, that they will ask for so much money and we just dish it out. Is there no point in time that we hesitate in our expenditures and take stock when we have inflation progressing in Manitoba and in Canada, as it is. The cost of these projects and any expansions is very high, and we are getting the value? Should we delay some of these projects or will the price just keep on increasing? These are things that I think have to be taken into consideration.

I know there's room for expansion and improvement in the telephone system because, as members have pointed out in Utilities Committee, there are still a number of people in this province who are on party lines and we would like to see that the number on a party line be reduced. And this has been done and gradually we're coming to the point where we have fewer people on party lines. And this costs money, sure. The Minister of Highways says--no doubt this costs money. I still have a party line back home and I certainly would like to see the day when we get private lines. Especially in our type of work that we're engaged in I feel it's actually improper for members of the Legislature to have to have party lines, because you can never discuss confidential matters when making calls. In fact, in fact every so often --(Interjections)-- in fact every so often I have to go to town to make telephone calls so that I can be on a private line.

A MEMBER: Have you got nosey neighbours?

MR. FROESE: . . . asking whether I have nosey neighbours. I think it's just a matter of course that you take; when you have something confidential that you take precautions so that things won't get out, and therefore you have to go to town, go to a private line and make your calls. Certainly this is far from the Watergate we have across the line. --(Interjection)-- The Member for Thompson says "that comes next".

The next item on the list here is The Manitoba Water Services Board. Here again I think the Minister of Agriculture has outlined a program for that board and I think we are proceeding in the right direction and providing a good service to our communities in Manitoba. In fact some of the communities in my riding will be benefitting. I had a letter the other day asking--and I think it was directed to one of the Ministers, asking how come they hadn't been notified that they were going to receive the 40,000. Well, as members know, we are dealing with the bill, we have the bill before us, which will have to be completed and passed so that some of these moneys actually can be paid out, and certainly I don't intend to obstruct that particular bill. I think it has merits and that we will be able to provide more and better services to our rural people. After all, we want to keep as many of them in rural Manitoba as possible.

Then we have--the next item is The Manitoba Development Corporation, which calls for \$39,485,000. Mr. Speaker, this is the sore point of the whole group. I think it's one of the ones that I protest most strongly against because of the performance of the corporation, in that we are just pouring money down a drain that will never fill up. We have the report of the previous years and what do we find? We find that there are large deficits that we have to meet. I'd just like to read a paragraph of the General Manager's report on Page 6. I'm quoting now from the report: "The corporation incurred a net loss of \$13.9 million in 1971-72. The major portion of this loss resulted from a provision for losses on investments and from a provision for uncollectible interest for The Pas Forestry Complex. No provision for loss on principal for the contracts have been made while the Commission of Enquiry is in progress." So what we have been covering so far in the deficits is only interest, and we have been told that--or

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(MR. FROESE cont'd) anyway it has been referred to that there are further deficits already on the horizon for the last year, and that on this \$39 million, most likely another 13 million will probably go for the forestry complex again, without again covering any of the capital losses that we will no doubt sooner or later also have to assume and write off. Mr. Speaker, this is something the people of Manitoba certainly don't like and don't subscribe to.

We have also in that same report I was referring to, on Page 13, a graph here or a report of loans and equity investments in receivership as at March 31, 1972, and there is a whole list of them, in fact the loans totalling for the year 1972 of \$2,665,040. Then there's equity investments of \$70,000, bringing the total to \$2,735,040. Out of that same amount they have set aside \$1,913,000 for estimated losses. This is again a very high amount that has to be taken care of out of the loans listed on that page. I think there's ten loans listed on that sheet.

So again, Mr. Chairman, I feel if we have money to throw away, then use it in some areas where it can do more good --(Interjection)-- Sure, that's one. --(Interjection)-- I'm sure it would do a lot more good and for the amounts that we've already lost through deficits of the Forestry Complex we could have already built a dam and paid for it, just out of the losses that we've had with Churchill Forest Industry. And there is no end to that one yet. Last spring, I think, the papers released their contention that there had been an offer for that plant, something in the area of \$28 million, yet we've paid better than --what is it?-- better than 94 million --(Interjection)-- 120, the Minister says, by now, and I still think it's not finished or not completed. There's still some lines to go in --(Interjection)-- the Member for Portage says that we should take the 28 million and forget about the rest or sell it. Maybe it would be better to do that and get out of the thing, and not have to take losses every year the way we're doing at the present time. --(Interjection)-- Pardon? Well, the Member for Assiniboia asked how much money will it lose each year. Well, I can't see the 13 million that the deficit we had last year will not suffice in future years because our indebtedness is so much higher, and as far as I know the operations certainly haven't increased that much that could take care of that overhead and also show a better financial position.

So --(Interjection)-- yes, and the --(Interjections)--

MR. SPEAKER: Order, please. ORDER PLEASE!

MR. FROESE: The letter under discussion here amongst honourable members is the matter of a report from CFI. We still haven't got it.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, my honourable friend was not here in the House this morning when I reported on this matter; therefore, he is ill advised to comment on it. If he's not interested in being here when these reports are made, he shouldn't talk about them not being made.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: I'm here most of the time. If I'm not here just every moment -- I think I'm probably one of the members that's here more often than almost anyone else, and the Minister can well criticize me for not being here this morning, but I think if he passes that criticism on to me I think he should probably do the same to some of his own colleagues.

MR. SPEAKER: The Minister of Mines and Natural Resources. A point of order.

MR. GREEN: Yes, I rise on a point of order because I made the remark because of the reference to the report. Other people have not referred to a report which they say has not been given and which I dealt with this morning in the House.

MR. SPEAKER: The Member for Rhineland.

MR. FROESE: Thank you, Mr. Deputy Speaker. I'm not sure whether I should go on to something else and leave the MDC for the time being. I still feel that the \$49 million that we're asked to vote for the MDC is a lot of money thrown down the drain for which we will not receive any benefit whatever, and I feel that to vote for an item like this, for me to do that would be wrong indeed and therefore I certainly couldn't vote for this type of measure. While there are other things in this bill that I could support, but this particular one I certainly couldn't. And I know from past experience that you're much better off to vote against the whole matter than to vote for it and take exception to some things, because I know of previous occasions when we went into elections, whereas some members did vote for a certain proposition where they qualified their vote, then later on it was just indicated that they had voted for

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(MR. FROESE cont'd) it and this was the record. So I don't think I'll fall for that trap.

There are many smaller items in the total amount to be voted. There's \$211,330,000 in Schedule A and then under the next Schedule we have a total of \$62,149,800, making a total of \$273,479,000. On the second part I would take exception to the General Purposes bill because here again I feel that we are putting too much under capital in this way. In fact I would like to see that we should be on a pay-as-you-go basis, but for some of the bigger corporations I think this is probably impossible and our future generations will benefit from it, so I think you'll have to allow for some exceptions. But to provide under Capital for a number of these items in Schedule B, I think too is not proper and that they should come from current revenue.

I think the Member for Brandon West mentioned the winter works and emergency programs. Here again, Mr. Speaker, I find that we are not getting reports as to where this money is spent and who gets it and so on. I have a copy here of the Opportunities for Youth Report, projects funded by the Federal Government's Opportunities for Youth Program in 1972. This is a complete report of how the funds have been expended, and just for example I will quote a few. There is a large number here in the City of Winnipeg. There is one Urban Field Service where the Federal Government paid \$13,600; another one the Summer Start-Up, which is unemployed business education teachers working with 40 high school drops-outs with a view to motivating return to school, and the program will be videotaped. They spent \$15,711.00. The Yoga Therapy and the Community, \$15,000; Prairie Dog Press - and I think some of you members have most likely got some copies of that paper that was printed to publish a twice-a-month non-profit community newspaper in Winnipeg. The cost was \$13,595.00. So you have a report containing all the different programs and the amounts of money that were spent. We have programs of this type under the STEP; we have it under the Department of Education, under the various different departments, and yet we haven't got one report like this, and the same holds true for the winter projects, winter work projects. I think we should have reports so that we know where the moneys were spent and whether they were spent for good and useful purposes, because now we are just approving money and we get no report afterwards as to just whether the moneys were spent wisely or not. And I feel there should be a proper accounting for those monies spent in that way.

Mr. Speaker, in going through the bill most of it is routine, but there is one provision here which is headed Redesignation of Certain Capital Moneys, where we will now authorize the Minister of Finance to utilize the balances of moneys available from capital division from previous years, authorizations that were made and were not expended, and we will now under this Act have these moneys go and be expended by the Minister of Finance. This is a new provision. I haven't seen it heretofore in other money bills and while these authorizations were made and certain moneys weren't used to date, I still question whether it's the right thing to do. I think if we do that, I think the amounts should be stated in the bill as to how much was unused under the various departments, so that there would be a proper accounting in the bill and not for us just to pass something again which we don't know just what we are doing.

Mr. Speaker, I don't want to carry on too long and other members have already covered a lot of ground in this. I had some other points listed but I don't want to repeat what they have already said.

I think one of the members - was it the Member for St. Vital? --(Interjection)-- Riel, mentioned the B.C. Railway, the former PGE which is now the B.C. Railway, I think, they changed the name of it, referring to that government's report on that particular railway as though it wasn't a proper one. Yet it was an audited statement and it sounded as though they were inferring that there was certain dishonesty about it. Well I certainly don't go for that. If that is the case then, if we want to start attacking audited statements, I think then all our reports that are audited by our auditors are subject to attack and I don't feel that this is quite proper.

The matter of independent auditors for Crown corporations, I dealt with that on a previous occasion and I don't want to go into that at this particular time. I think I have stated my views and they are on the record.

For Housing and Renewal, I have indicated on previous occasions that I feel that rather than put all the money into public housing the way we do, that we should encourage

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(MR. FROESE cont'd)... . homeownership by people privately and rather assist them through some kind of a program so that they could build their houses to their own specifications and to their own liking. The Honourable Minister for Municipal Affairs says they will be, so if that is the case I certainly would prefer that to what has been done in the past, and I think people should be encouraged to own their own home and take pride in their own homes, and I feel this is better all around.

Mr. Speaker, I think those are the main points that I wanted to raise under this particular bill and I'll allow it to proceed from here.

MR. DEPUTY SPEAKER: Is it the will of the House to adopt the motion? On division? (Agreed) The Honourable House Leader.

MR. GREEN: Mr. Speaker, Bill 39, Mr. Speaker.

BILL NO. 39

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Attorney-General. The Honourable Member for Sturgeon Creek. Oh pardon me. The Honourable Member for Rhineland, on the proposed motion of the Honourable Minister of Agriculture. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I've just had two adjournments and since other members aren't present I guess I'll be called on to speak again.

Bill 39 is an Act to amend The Manitoba Water Services Board Act and I feel most of the provisions that are here will be beneficial, but at the same time, Mr. Speaker, there are some items in the particular bill that I would like to question and also briefly comment on.

There is provision here for the matter of setting rates and prices, and while we know that when the bill was brought in and also when amendments I think were made last year, that various towns and villages that would come under the program would benefit by it after a certain basic rate had been struck. These rates were to include the repayment of debts as is mentioned in this particular bill, and also the matter of stabilization of rates to meet contingencies and so on. But the question that I think was already posed by one other member is that, well, under this new bill, other towns and villages in this province have to take part in previous indebtedness of other areas, districts, and as a result, that the water rates in certain towns could be higher because of this. I certainly would like to have the Minister of Agriculture answer some of these questions.

On another provision we find that the Act will now apply to previously constructed works and, as a result, certain towns and villages will benefit because of some of the works that were carried on last year and which will now fall under the Act because of some of the provisions brought in. This is also evident because we find that in the provision here for commencement of Act, that there is a retract of a provision here as of July, 1972 and this will also benefit other areas that had work done last year and will now be entitled to benefit under this program.

The matter of sinking funds - I am not too clear on this and I had hoped that the Minister would be in so that I could question him on that part. However, since he's not in his chair and if the bill is passed tonight I will not get the information before we meet in committee. There is another provision here, or of the former Act, that has been struck out or will be struck out. This deals with the matter of funds of the board and of the government not to be mixed. Now by deleting that particular section, are we to understand that the funds will be mixed, that there will not be separate accounting of moneys that are paid in by the government and that of the various towns and villages when they pay towards their particular projects? And if not, why are we deleting that provision?

There is another provision dealing with depreciation and stabilization reserves. This again, we're deleting an old section of the Act and providing a new one. The old one set out the various items which would serve as guidelines to the board as to how they should proceed. Now this is being deleted and I don't know for what purpose, why we are deleting this particular provision. There must be reasons for it and I would like to hear from the Minister just why this is done.

Apparently under the bill there is provision for agreement with the Dominion of Canada so that they will be a contributor to the program, and I think this is welcomed by other members who have indicated so, and I am not sure at this time to what extent the Federal

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(MR. FROESE cont'd). . . . Government is participating in this program but I hope the Minister, when he closes debate or in Committee, will provide us with the details on it.

Then there is a further provision that the government will subsidize rates and prices, and this was already outlined a year ago so that I don't think we have to deal with that any more at this time.

MR. GREEN: Mr. Speaker, I really believe it is not in order for a member, in speaking to the principle of the bill, to go through clause by clause and tell us what the provisions are, that it is for him to comment on what the bill is trying to do, and that the clause by clause consideration of the bill takes place in Committee. The honourable member has taken the bill and has read us the clauses, and I think he should be aware that some of us can read ourselves.

MR. SPEAKER: The point is well taken. The Honourable Member for Rhineland.

MR. FROESE: Well there are different principles involved. One deals with rates; another deals with subsidies, and still another one deals with reserves and so on. I didn't refer to any particular clause; not at all. Not once. --(Interjection)-- Well certainly you speak of provisions in an Act. This is quite proper, Mr. Speaker, and when you agreed with the House Leader I think you erred. The bill certainly is retroactive and normally you would criticize bills when they are retroactive. I know this has been done on many occasions, but this time I think most of the members are welcoming it.

I had one question and that is under the old Act that the board made projections as to the usage of water by a certain town or village and the rates were struck accordingly. Now if you didn't meet those projections, this meant that the revenue wouldn't suffice to pay for the payments that were required to be made, and the balance of these deficits were collected on real property. This meant extra taxes for these towns and villages. And I'm wondering whether the subsidies are taking care of this completely now or will this matter be brought forward and carried on? And are the old projections still valid as far as the water rates are concerned?

A MEMBER: No.

MR. FROESE: These are the questions I had under the bill and they are valid ones, and I had thought that the Minister would be present and would be able to give us the answers, but he is not here tonight and I am just wondering at this time whether any answers will be coming forward.

QUESTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, No. 35.

BILL NO. 35

MR. SPEAKER: Proposed motion of the Honourable Attorney-General. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, could I have the indulgence of the House to have this matter stand, please.

MR. GREEN: No. No. . . .

MR. ENNS: I think we are now beginning to see the arrogance of the House Leader and of this government. I rise on a point of privilege, Mr. Speaker, that we have not had sufficient time to --(Interjection)-- not had--we have, not been given sufficient time to study the bills, at least a reasonable day or two to study the bills.

MR. GREEN: That is something that is normal in this House and people can take it. But the fact is that that bill has been on the Order Paper for weeks, I believe. The honourable member has had sufficient opportunity to discuss it. We had other honourable members not letting us stand bills, and it is not a matter of privilege that one member says he doesn't want the bill to stand. No.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, on the same point of order. I asked to have a bill stand. It was denied and it was proceeded on that basis that the debate was continued.

MR. SPEAKER: Order please. I must indicate to the honourable members that--Order please. Order please. Order please. I do believe we operate by consensus in this House. When a member asks for indulgence of the House, if it is granted he's entitled to it. But if it's

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(MR. SPEAKER cont'd). . . not given, I have no choice but to proceed with the Order Paper as called for. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker, and I'm rather sorry I hit a night when the House Leader has sore feet or corns or something of that nature. And I will probably like to put a whip in his hand; because he's mad at other people in the House he decides to take it out on everybody. And we're seeing that that's happening in this House.

I didn't vote for a Speed-up or I very seldom have been involved in Speed-up. I opposed it the last time but I would just say this, that I would never vote for Speed-up again in my life while that gentleman is the House Leader.

Mr. Speaker, on this particular bill, it was presented yesterday, a very thorough explanation by the Attorney-General, which I appreciated; also went to the trouble of giving me his explanatory papers, which I have had the chance to go across, and of course, Mr. Speaker, we are not all brilliant lawyers in this House, you know. We don't all have the fortunate part to be able to read things as brilliantly as some people in this House and work out the sections of a bill as we would all like to, and we do have to get advice from people from time to time, and when we get advice from people sometimes there's contrary advice and sometimes there isn't. You know, we ordinary laymen would like to have the opportunity to study things a little bit as we'd like to. But of course, the House Leader has corns tonight.

Mr. Speaker, in this bill we basically get down to the sections where we list the criminal offences that, you know, somebody is hurt, the first one I believe, and I haven't got the bill out in front of me because I hadn't quite finished working on it, but I can turn to the bill and the first one I believe is riots, because we're looking at the schedule that we have here at the present time. And the schedule is taking part in riots and with that 76(1) and we generally go down all the sections of this bill. And this section says basically what people can be compensated for, and these are additions, now a riot. If there is a riot, which is an unlawful thing in this province and other places, a riot is one that if it starts supposing a group of people, Sir, are going down the street. we have a large riot start, people get into a donnybrook or a fight, and if you happen to be a bystander and when that riot takes place, you get hurt, you can take compensation or claim compensation.

Mr. Speaker, also in this bill, Mr. Speaker, you have a situation where the person or for a person who is trying to stop a crime, or in this case if he were trying to stop a riot; now let's say we have a riot start, everybody is throwing fits, somebody, a bystander gets a punch in the nose and he makes a claim. But I'd like to know the board that can decide if the people that were in the riot got punched in the nose, came up and said, well I was just walking down the street and all of a sudden a fight started, I got a belt in the ear and I'm now going to make a claim. Now this is the kind of thing, Mr. Speaker, that I might not be talking about at the present time had I had a little more time, or even tonight, or part of tomorrow morning, to discuss with some of my learned friends which I haven't had the opportunity to have that education. So, Mr. Speaker, then another one, after looking it up we get down to what we call, after the riot one, you know, then how is the board really going to prove who was in a riot and who wasn't? You know, a riot could conceivably start in the NDP caucus room, which I am sure happens very regularly, and those poor bystanders walking by could be called in and then you'd also have the boys who would say, I didn't start it so I want compensation.

Then we get into a broader respect in this bill in this same area, they say, they're now classifying necessities. Failure to provide necessities. This bill was originally meant, this bill was originally meant, when somebody committed a criminal offence against you and you had compensation, if you were a bystander you could claim compensation, but the legal terms of "necessaries" is something that I had to get into detail on, Sir. You know, providing of necessities, Mr. Speaker, is that after one month's time if I do not provide for my family it is a criminal offence. Now this bill is now going into the area of giving compensation - you know how could the board decide? The lady could say I had a fainting spell because my husband did not supply necessities. Now I am not completely sure of myself on this, and this is one thing that I was checking on, and I believe this to be the fact, and as I said I wouldn't maybe be standing here now, and we wouldn't maybe having to go through this whole thing on this bill, if I could have had more time. But all of a sudden, we now take a bill, which was basically designed to compensate people that received bodily or harm from a criminal

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(MR. F. JOHNSTON cont'd). . . offence by, you might say, by a violent criminal offence or something of that nature. Now we have taken this bill into the area because providing of necessities is a criminal offence, we get it into the family. And I really don't understand why this bill is being extended to that nature. If a person is not being provided for I would suggest that he could get welfare, or apply for welfare, or social assistance of some kind.

But the other part of it is, Mr. Speaker, the other part of it is that the bill also takes into account that your common-law wife, if you're living common-law, that this bill becomes a situation where the common-law wife has basically the same rights as the wife, and the common-law children have basically the same rights as the wife under this Act, the Criminal Act, because this was brought in, certainly brought in at this time with the amendments, a little bit of a broadening.

So here we have a situation that if a fellow were not to provide the necessities of his family it could be a criminal offence, and while a criminal offence is being caused against somebody, they can make claim against the government. The board is almost going to be in an impossible position trying to decide these things. Now Mr. Speaker, that's the questionable area of this bill, it's a very questionable area, and I think it deserves answering, and I was trying to get some answers but, as I said, the House Leader has corns tonight.

But the situation also has been extended in this bill where you will find that a person who is visiting the Province of Manitoba and he is injured in some way because of criminal offence in this province, that he can make claim. The other bill I believe, Sir, read that if there was a reciprocal agreement between provinces, if we had an agreement with Saskatchewan, that that person visiting Manitoba from Saskatchewan could make claim; if we didn't have an agreement, say with Ontario, they couldn't. But the Province of Manitoba has extended this-- generally we may be taking a first step here in this respect that the Province of Manitoba is saying anybody who visits our province and is hurt because of a criminal offence in this province, or hurt because of a criminal act in this province, or if he decides to try and stop a fight or a criminal action in this province and he is harmed by doing so, he will receive aid from the Province of Manitoba, or he can apply for aid from the Province of Manitoba -- (Interjection)-- Nobody said it wasn't. You know, nobody said it wasn't. So, Mr. Speaker, when they say it's a good idea. I say nobody said it wasn't. And that's right. --(Interjection) -- And that's right. We could probably put an ad in the tourism and recreation and have it part of - come on to Manitoba, when you see a bank robbery jump in it get your toe shot off and we'll look after you, type of thing.

So, Mr. Speaker, that's basically what this bill - so riots, Mr. Speaker, a very questionable area as how you would decide. A person saying I'm stopping a riot could be in the middle of it. Who's going to prove he was or he wasn't? When you get into the necessities, which is shown in the Schedule here, is a very questionable area, and also Mr. Speaker, that the major - there are other changes in the bill that we certainly wouldn't have any disagreement with. In fact it makes it better legislation. But I can assure you, Mr. Speaker, I would like to hear the answers of some of the comments I've made. I probably wouldn't have been asking for them if I'd had a little more time but as I said the House Leader has corns tonight. Thank you very much.

MR. SPEAKER: The Honourable Attorney-General will be - the Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. Mr. Speaker, I hadn't intended originally to get into this debate but there are a few things that the Attorney-General said when he introduced this that caused me a little bit of concern, Mr. Speaker. When the Attorney-General introduced this he went to great lengths to explain that this was some of the forward legislation of this government, the courageous steps forward taken by this government, and he was also in the same breath complaining that the Federal Government wasn't putting enough money into the program.

It's rather remarkable, Mr. Speaker, that on so many occasions, whether it be this bill or another bill it doesn't matter, but every program that this government announces so proudly, that this is the courageous forward look of this government. Down behind the back they're digging into the pockets of the Federal Government and saying, give us more! Mr. Speaker, I have yet in the four years I've been here under this government seen any program of any nature that this government brought forward on their own without a significant

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(MR. GRAHAM cont'd). . . . contribution from the Federal Government. And this leads me to assume, Mr. Speaker, that this government must indeed be remarkably similar to the Federal NDP government in that they are in the hip pocket of the Federal Liberal Party. All their programs are dependent on federal participation just as the Federal Liberal Party is now dependent on the NDP federally for survival, here we find the reverse is true. And I think they have a cosy little nest --(Interjection)-- that's the word of the Member for Flin Flon, cosy little arrangement which many people would wonder. And I think the people should start to wonder just how close are these two political parties.

A MEMBER: Like would you believe it, Harry?

MR. GRAHAM: I'm afraid to believe it. Mr. Speaker, bills such as this and others where this government intends to take all the credit and wants to take all the federal money to provide. I think the people of Manitoba are beginning to find out just where they really stand politically. The Federal Liberal Party, Federal NDP Party, the Provincial NDP Party are playing ring-around-a-rosy, who's got the biggest pot, put some of the coins into my fountain, and this is the way they're operating and I think the people ought to know it.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, like the Member for Birtle-Russell, I had not intended to participate until the House Leader demonstrated something tonight that I think should be commented upon.

During the course of the day the Member for Sturgeon Creek has very busily studied Bill No. 5 and No. 6, 7, 8, 9, and No. 26. All of those bills we allowed to proceed to Law Amendments because they are essentially bills that have been recommended by the Law Reform Commission, and we have some faith that the Law Reform Commission is a body that has given careful consideration and study to the measures and the recommendations that they're proposing to the government to act upon. They may not be responsible for the initial drafting of the legislation, or the final drafting of the legislation. And we all know that the drafting of legislation is an imperfect art. There is no one that is so infallible in the drafting of any legislation that when it appears in its final form for consideration before the House that one can accept that it is so good and so perfect that it could not require some improvement, and especially something as complicated, as involved, and as technical as Bill No. 5. And because we felt it would be necessary to have the people who are going to be affected by this bill appear before Law Amendments in order to present their views so that we would have an opportunity to hear their recommendations, discuss them, we allowed those bills to proceed before committee. There are other bills and No. 35 is one of those bills - my honourable friend from Sturgeon Creek had done some considerable amount of work on, as his remarks had indicated. However he had not quite completed the study that he was undertaking because of other responsibilities and asked for a little time to hold the bill over. This, Sir, was denied by the House Leader. One can only speculate as to the reasons why. But I think it shows a character in the House Leader that now is beginning to surface, notwithstanding his protestations that he loves the Legislature, and he has a great deal of respect for the institution and for what it stands for and what it's supposed to do, we find now that that only extends insofar as his own participation in the Legislature is concerned. He doesn't give a --to use the words of my honourable friend, to use the terminology of my honourable friend the Minister of Labour he doesn't give a "continental" about the contribution and the responsibilities of members on this side of the House; and notwithstanding the fact, Sir, that we have co-operated in every way with the government in attempting to expedite the business of this House, to enable the bills that are before us to proceed for examination in Committee, we have now this exhibition on the part of the House Leader, an exhibition, Sir, that demonstrates his callous disregard . . .

MR. SPEAKER: Order please.

MR. JORGENSEN: . . . and his disrespect for . . .

MR. SPEAKER: The Honourable Minister have a point of order?

POINT OF ORDER

MR. GREEN: Yes, Mr. Speaker, I have a point of order. I think that the honourable member will surely find a way of getting to my character and my callousness, etc., but he should not do it on the Criminal Injuries Compensation Act. I think he, Mr. Speaker,

POINT OF ORDER

(MR. GREEN cont'd). . . --(Interjection)-- Mr. Speaker, the honourable member says my actions are criminal. I wonder whether he would not withdraw that remark. I as well as any other member in the House has the right to say that he feels that a bill should proceed. I want the honourable member to know that when I was in the opposition a bill was introduced at 12:30 midnight for the first time; when I got up to try to stand it I was chastised by the then House Leader, the Honourable Sterling Lyon.

A MEMBER: That's right.

MR. GREEN: This bill was introduced three weeks ago at least; it has stood on the Order Paper for those three weeks; the honourable member had a chance to research it; he didn't do so. It was distributed over three weeks ago. It was --(Interjection)-- Mr. Speaker, it was introduced a long time ago; it was distributed over three weeks ago.

MR. SPEAKER: Order please.

MR. GREEN: Mr. Speaker, I am indicating that it was distributed at least three weeks ago.

MR. SPEAKER: Order please. Order please. When the bill was distributed is irrelevant to the point of order. The point of order that was raised in respect to the debate has validity. I would ask the Honourable Member for Morris to continue and to try and tie it in to Bill 35. The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, the House Leader said that the bill was introduced for first reading three weeks ago. The fact is that the bill was introduced for second reading yesterday. And if it takes the government three weeks after first reading of a bill to introduce it for second reading, then surely to heaven two days is not too long to ask the opposition to examine the bill.

A MEMBER: When you do six others the same day.

A MEMBER: Quiet.

MR. SPEAKER: Will the Honourable Minister explain his point of order?

MR. GREEN: Mr. Speaker, what the honourable member thinks of me is of no relevance to this debate and I suggest that he get--it is a point of order, and if it's not then I would ask the Speaker to rule on it, not the Member for Assiniboia, who couldn't see a point of order if it was staring him in the face. --(Interjection)-- Right. Well let him rule. So you shut up.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Then seeing the arrogance of the House Leader, and it's a side of him, Sir, that so far he has kept under the surface, he's beginning to expose himself now, Sir, and I suggest, Sir, . . .

MR. SPEAKER: Order please.

MR. JORGENSON: . . . that to expose himself in this Chamber is --(Interjection)--

MR. SPEAKER: Order please. The rulings come on request, if there is a ruling to be made. The point of order that was raised by the Honourable House Leader a little while ago I agreed was valid. I have to give the Honourable Member for Morris a chance to make his sentences so that I can understand them, and I also must allow some latitude in respect to introductory remarks, and I'm assuming he's going to deal with Bill 35. I think he knows the rules and I'm assuming that he shall, and I think we'll proceed on that basis. The Honourable Member for Morris.

BILL NO. 35 Cont'd

MR. JORGENSON: Mr. Speaker, I want to thank you very much. I want to say that during the course of this debate we've had - on previous bills as well - we've had a number of questions that were asked for example on a recent bill that was just gone through, Bill 39. The Government House Leader doesn't even have the courtesy to have a Minister on that side of the House reply to questions that have been raised on second reading. That's perfectly all right as far as the government's concerned, but when on this side of the House we ask for one day in which to proceed with second reading of a bill that is denied, Sir. And I suggest to you that the--I suggest that the House Leader is displaying the kind of arrogance that one can expect and that seems to be characteristic of totalitarian thinkers and totalitarian governments. Sir . . .

MR. SPEAKER: I would hope the honourable member will--will make his remarks to Bill 35.

BILL NO. 35

MR. JORGENSEN: Mr. Speaker the Member for Sturgeon Creek has pretty well outlined the position of this party insofar as this bill is concerned. I have no objections to the bill proceeding to Law Amendments. I rise on this occasion primarily to point out that the attitude that the government is now taking is an attitude that is unbecoming to this Chamber and to the proper and effective discharge . . .

MR. SPEAKER: Order please.

MR. JORGENSEN: . . . of the responsibility . . .

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: The honourable member has just indicated to you that everything he is saying is out of order. He has indicated, Mr. Speaker, the position has been put that he is going to vote for it and he rises only to talk about the arrogance of members on this side. Mr. Speaker, that could be an indication, Mr. Speaker, that his remarks . . .

A MEMBER: Quiet Lakeside.

MR. GREEN: . . . as declared are out of order and he should be asked to stop. . .

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: The Bill 35 is a bill entitled to amend The Criminal Injuries Compensation Act. What the House Leader has done as far as I'm concerned in parliamentary practice is criminal and I'm suggesting that there should be some compensation for that kind of action.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition)(River Heights): Mr. Speaker, I move, seconded by the Honourable Member for Riel, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

A MEMBER: Good Lord you petty little . . .

MR. GREEN: Bill No. 5, Mr. Speaker.

BILL NO. 5

MR. SPEAKER: The proposed motion of the Honourable Attorney-General--Order please. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I haven't finished perusing the bill and I would ask the indulgence of the House to have this matter stand.

MR. SPEAKER: Does the honourable gentleman have the indulgence? (Agreed) No. 11?

MR. GREEN: Proceed to the concurrence motion.

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MR. SPEAKER: We are on Agriculture, Resolutions 7 to 16. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, the resolutions under consideration are the Department of Agriculture and I had a few comments to make in connection with the several resolutions under the item. We are called to concur in the expenditures of the department and I feel that there is a lot left undone that could be improved on and which is not really taken care of and where I feel the government is failing very badly.

I feel quite strongly that in the matter of rural development that we are certainly not meeting the needs of the rural area in this province, and I would briefly like to comment on the matter of the cannery at Morden and also of the former cannery at Winkler. I know some years ago--this government was already in office at that time--that a request was made for assistance and to keep the cannery at Winkler in operation. The government at that time certainly didn't see fit and didn't come across and as a result the industry was lost to us. And this is a big loss indeed because we have very few industries of this type in the Province of Manitoba that process the raw product of the agricultural industry in this province, and certainly I think we should see to it that we support the canning industries. However they saw fit to purchase the Morden cannery and we now have their report which was handed to us in the Economic Development Committee meeting, and we find that they had a loss of \$137,000.00. Their sales were 429,000 last year and their losses 137,000. So if they were supposed to make a profit, or come out even, they should charge 33 percent more for their goods than what they are selling them for, and I doubt whether this can be done, and that they

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(MR. FROESE cont'd). . . . can come out with a profit, showing a profit. When you take a look at the list of expenditures in their operations the freight is one of the big items of \$29,845.00, and having had some experience in this type of venture I know that freight is a very big item and will continue to be so unless this government will look after it that some of the freight rates are being changed. And I would like to see that this government assist more in this line of providing agricultural industries of a raw product here in this province.

And I think there are various areas that we could assist. We are exporting something like 500 million bushels of wheat each year from Canada, and why not sell this wheat in the form of flour. Why can't we have mills in this country milling the wheat and then exporting it like other countries exporting goods to us. It's in the finished product. Look at the amounts of goods that we buy from Japan. Completed products exported down here, we buy them. Why can we not process the wheat, mill it, and export flour? This would provide additional employment here in Canada; it would do a number of things. We find too that it would identify our product. Today we can sell our wheat to other countries, they mix it with other wheat from other countries, and therefore they produce an inferior quality of flour, and this they later on contribute to as Canadian wheat and Canadian flour, though this may not be the case at all.

There are other things such as the hard wheat. We pride ourselves in producing a hard wheat in Canada and yet when we export that wheat to Europe they refer to it as soft wheat, and that's where the change takes place. They refer to our durum wheat as hard wheat and to our spring wheat as soft wheat.

So that there are large areas where we certainly can do something, if we only would, and provide more industry, more labour, for our people.

I find too that the assistance that is being given, and given industries in rural areas, but in producing more or less non-essential items, non-essential goods, and I --(Interjection) -- We are producing in our industries in rural Manitoba so much of these goods that are more or less non-essential, and I think we should try and produce really essential goods that there will be a need of even though the economy should go down. We see that almost every little town, or a larger centre, has a trailer manufacturing industry and sooner or later that market will be exhausted, or at least if not exhausted if the economy should go down --(Interjection)-- the need for that product will not be there and as a result our industries could suffer severe setbacks.

A MEMBER: Not while we're in control of the economy.

MR. FROESE: While for the time being most of them are flourishing, are doing very well, but at the same time I certainly have kept my fingers crossed during the last number of years that we wouldn't have a serious recession and that as a result we would have --(Interjection)-- Pardon? --(Interjection)-- The Member for Ste. Rose says as long as they will be in power there won't be any recessions. I'm sure that your government does not control the sources of money supplies on which a lot of the progress of this type is hinging on; as long as we will have a good money supply and that the demand will be there, we won't have trouble, but as soon as that should come down, and for which there is no guarantee that it will not happen or it cannot happen, that this could certainly cause serious setbacks.

Mention has been made here earlier in the session, what would happen if we had a crop failure this year. This in itself, and with the prospects of the dry season that we are experiencing, especially in the Red River Valley, that already there are committees being formed I see from the papers to deal with the matter of drought if this should become more serious; and while it is probably still early, and we certainly don't hope that such --(Interjection)-- well, I don't like to prophesy such things; in fact I rather associate with those that are optimistic. It's much healthier too, I can assure you that.

But I think at the same time we have a number of industries that aren't flourishing so much. When we take a look at the Fish Processing Plant here in the city, I think that's quite a sore eye for this government too as well as the Federal Government. It's a Crown corporation that was set up under federal statute but at the same time we passed supplementary legislation here to make it possible --(Interjection)-- and we're providing the bulk of the fish for that processing plant. I think it was something like 85 percent, and certainly the future of that plant doesn't look very rosy at this time and if they have things coming up which would improve it, I would certainly like to hear from the government benches to tell us so.

A lot of our industries in this province that have been set up in the last number of years

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(MR. FROESE cont'd). . . . came about because of the various federal grants that are being offered and made available through the various programs of the Federal Government. And were it not for these grants many of the industries would not be in operation today, both as to the capital as well as to subsidizing the labour in these plants. And I think we could certainly do more in this respect if we had a proper brochure telling the people what grants are available under the various departments, under the various programs. To date we've seen nothing. The information has to be searched out by the people to the federal authorities. Why can't we assist them as a provincial government in this area? I certainly feel that there is an area where we're lacking and where I have people questioning me, what type of programs are these, who do we contact, what are the stipulations, what are the conditions, and so on? And we need material to tell them just what the score is. Our development corporations, our regional development corporations are assisting the people in the province in this respect, but I feel that we as members should be knowledgeable of these various grants that are available, and there should be some brochure or some information put out by the Department of Industry and Commerce which should be made available to members so we would all be knowledgeable of what is available, and so that we could personally assist people who ask us for advice and help.

A MEMBER: Especially when you've got so many programs coming out.

MR. FROESE: Well, that's just it, there are so many different type available that unless you are very thoroughly familiar with them you could be giving them the wrong advice too.

I think there is also other areas for concern, because this afternoon I raised a question which is in today's paper of the convention that took place in the North Star Inn this week and over the weekend having to do with the research, and where we had prominent speakers taking part in the proceedings, and they indicated that we could expect something like 90 percent in the farm costs as far as production is concerned by 1980, and we had been informed earlier that there is roughly a 10 percent increase in costs this year. So if we have this type of increasing cost that will go to the farmer, that will mean that his operating costs will roughly be doubled by 1980. I think it's also incumbent that we should see to it that the farmer gets a better return, and will be getting better returns right along, so that they can meet these increasing costs, because certainly the farming community is not one that has enjoyed prosperity these many years. It is only this year in particular where we have better prices now and we do hope that we'll also have better crops so that farmers will be able to realize on these better prices that are now available to them.

I have yet to hear from the Minister of Agriculture even acknowledging these things, that the costs are on the increase, and that projections are being made at the present time, that it could be increasing by 100 percent by 1980.

I have on so many other occasions raised the matter of grain reserves - and here again we find that our neighbor across the line, the U.S., has the government taking charge of the costs of having a grain reserve, and I feel that we should follow suit, that we in Canada should also, if we want the reserve that we shouldn't call on the farmer to bear the cost and the brunt of having these reserves. If the government bought it up and carried those stocks, stored them, then it would also have a different effect like you see in the States, that it doesn't mean that it will be a burden that would affect the prices of wheat. They have been withholding, storing various commodities, withholding them from the market so that they wouldn't be a depressing factor on the prices. And I think this is what we need in Canada, and I think we should look into as the Province of Manitoba to see whether we couldn't do something about this so that the burden wouldn't be completely on the farmer and that it need not affect the future pricing of our grains, so that the farmer could retain a better price for his product.

Mr. Speaker, I think these items are valid because we have received the economic or introduction--the economic analysis, Volume 1 of the Guidelines for the Seventies, and this is what is being borne out by this particular report here, and I've referred to it on previous occasions. On Page 82, we find the statement, and I'm just quoting a few excerpts of this report, and I'm quoting now: "In the disaster years of 1969-71 overhead and operating expenses ate up more than 80 percent of the sales dollar,"--this is referring to farm income --"Consequently, net farm cash income declined from 50 percent to 20 percent of farm cash receipts." So there's a drastic reduction of farm cash income to the farmers of this province.

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(MR. FROESE cont'd). . . . And I could go on and quote other sections which bear these facts out, and which really condemn the government as far as I can see, and I feel that certainly when they pay for these reports to be brought out as guidelines for the government that they should then also when these facts are brought home to them, that they should do something about them.

There's a further statement here: "The low incomes which the majority of Manitoba farms populations have been receiving have meant that many farmers cannot make a living at their chosen occupation." This means that they're being driven off the land because they have not got sufficient income to stay there.

It also says: "In 1941 Manitoba had 58,000 farms; today the number is less than 35,000!" So there is a big drop right here in the number of farms; whereas in 1941 a quarter of a million people lived on farms in the province, today there are only half that. Not only has there been a reduction in farm numbers, but also the farm population has aged as young people leave the farms in great numbers. And not only that but it affects the employment on farms. It says here, I'm reading another excerpt: "The continued decline of employment opportunities in agriculture must be ended, and the growing gap between incomes in agriculture and other industries must be reversed." And I feel very strongly that something has to be done to reverse it and yet we see nothing happening; and again we'll be leaving this session without any concrete evidence of any type of program that really would reverse the situation. And therefore I felt that when we concur in the Agriculture Estimates that we're spending more money, yet I don't feel that we're spending it in such a way that maximum benefits can be received, and I also feel that if the government came up with a proper program that I would be willing to support greater expenditures if we could only reverse this trend and have a strong farm economy in this province.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I will be short but I want to bring up a few things--if you wish to call it brief, Mr. --(Interjection)-- what kind of chops were they? Anyways I shall be brief.

I have a few concerns--some of them have been touched this afternoon--and this of course goes back to the egg war that's starting to form or perhaps already exists, and I think the Minister is aware that there are no easy solutions to this thing. I think we'll have to stand up and be counted on this issue because of the fact that for a change Manitoba is in a position to raise eggs, or produce eggs on a basis of a lower produce than perhaps other provinces can, is not good enough if we belong to one Canada. And I think the fact that British Columbia, or whoever is saying this, that we have an advantage as far as feed is concerned - so what? We should - we're happy to have this advantage and I think this is a factor that will have to be seriously considered by the Minister and when he's going to Ottawa, or when these things are going to be ironed out, and I hope he starts fighting the case before he gets a chance to go to Ottawa because that could be for some time.

However the fact that our egg producers can produce a dozen of eggs cheaper than perhaps many other provinces is no excuse, and I just could bring up the fact that we need some of British Columbia's lumber, and we need it badly, and we're paying a very good price for it, and this price is perhaps very deserving to the British Columbia people, but because of the fact that they have and can produce that type of lumber and we cannot, that should be their advantage, and it should be our advantage if we can produce a dozen of eggs cheaper than somebody else.

The other point that I have been rather disturbed at the last couple of weeks--I brought it up in the House partly and one or two other members have also--this is the problem of our milk producers, and not just because I come from an area that probably produces approximately two-thirds of all the milk that is being drank in Greater Winnipeg, I think this is a serious situation. When you start studying their brief you find out that first of all whatever brief they present they are already a year behind, taking into consideration wages, taking into consideration many factors, and the producer is already at a disadvantage because in most cases the farmer, the dairy farmer, and farming other than in the dairy business, they don't have the opportunity of taking some days off in any week; they have no statutory holidays and they have no overtime, and still when they present their briefs they have to--and they do, I think they do it voluntarily, it's not perhaps a matter of must--but they present their brief on a basis of minimum wage

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(MR. BARKMAN cont'd). . . . of whatever that province may be paying at that time. So it disturbs me, Mr. Speaker, when I see that the Manitoba Milk Control Board wants to study this thing carefully, is very concerned of the consumer, which they should be. However, I see no reason, when these briefs are already a year outdated that the farmer has to suffer the losses of--and in this case, one grade of milk at 88 cents per hundredweight and the other grade \$1.50 per hundredweight; I think this is not the way it ought to be. I could be a little bit below the belt and suggest that perhaps maybe the election has something to do with it and we have more consumers than we have milk producers.

However, I hope that the Minister of Agriculture is going to take note of this, because really since 1964 they have only had five increases, and some of very minor nature; one of 20 cents per hundred weight in 1964, one of 38 cents in 1966, 39 cents in '67, 43 cents in '69, and 40 and 20 cents in 1972. So this is a serious matter and I don't know the internal problems of the board. There may be some that I don't understand or am not aware of, but when a producer presents his brief and is already a year outdated, and I don't want to go into statistics tonight; I have them here in this brief, and I was alarmed to see that the farmer, the producer, the dairy producer, was quite a ways off; he was figuring out his brief on a minimum wage basis, and even then he was not considering many of the points that other labour can figure in and should. I've nothing against this; they should be treated correctly so that they can after all pay for this popular product, milk that is becoming very popular, and I'm very happy of that because I don't think I have to waste your time of telling you that it's perhaps one of the best drinks that any of us can -- should be and can be drinking.

So, Mr. Speaker, I do hope that the Manitoba Dairy Board takes note of the conditions and if they have problems that we are not aware of in this House, I hope they'll come forward and express it to the Minister; other than that I think the Minister should get at this board and ask him to hurry up this increase if at all possible because these farmers, these dairy producers are starting to fall by the wayside, and they're not going to be encouraged by layoffs or by delays of this nature.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you Mr. Speaker. When we're dealing with the Department of Agriculture, Mr. Speaker, naturally we're dealing with the livelihood of people who geographically represent a significant portion of the Province of Manitoba.

The farmers of Manitoba and their contribution to the income of the Province of Manitoba is significant whether you measure it in 1910, 1920, 1940, 1960, 1970, and even when you project the contribution into the 80s, 90s, and as far as the year 2000. The farmer will continue to be one of the major contributing factors to the economic stability of the Province of Manitoba. This is recognized by all political parties -- unfortunately all political parties do not see eye to eye on the method of maintaining a viable healthy economic unit in the family farm. Mr. Speaker, on previous occasions, I have in this House outlined how the family farm is in difficulty, and how the programs and the policies of this government make it exceedingly difficult for the continuation of the family farm in Manitoba. The inheritance tax, the gift tax, succession duties, and the capital gains tax of the income tax division, all militate against the continuation of the family farm. The unfortunate part, Mr. Speaker, is that this government in enunciating policy, uses words that really belie the intent.

It was a year and a half ago, Mr. Speaker, and I had the privilege of attending a banquet in the Marlborough Hotel, a municipal banquet, at which the Minister of Agriculture was the guest speaker, and at that time he enunciated the stay-option policy of the present government. And those that were at that meeting, and I'm sure there were members from the government side and there was members from all political parties there, I think they can remember. Sir, how the meeting that night started out. The major portion of the head table were paraded in by pipes and they stood at attention at the head table. Somebody gave the cue for the playing of O Canada, after the piper had retired from the room, and during the playing of O Canada, the piper re-entered the room, piping in the Minister of Municipal Affairs. It was an absolute fiasco, Mr. Speaker, the program enunciated by the Minister of Agriculture that night was a fiasco, as we have found out in the 18 months since. It is really nothing more than words because I have found out, Mr. Speaker, --(Interjection)-- that was 18 months ago, and yet this spring in my area of the province, where the government has been continually mouthing their stay-option, I find that the number of auction sale bills is increasing fantastically, almost

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(MR. GRAHAM cont'd) unprecedented. And one has to ask the question, why, Mr. Speaker? Government is advocating the stay-option, the preservation of the family farm, and we're finding the number of farms that are being sold is increasing.

But there is a rather strange thing, Mr. Speaker, there's a pattern evolving out of this, that under the present legislation governing gift tax and succession duties, the farms that are being sold, and the farmers that are getting out of business today, are those that had no intention of turning their farm over to their son. You wonder why. And they say, "Well it doesn't matter if I get now or if I wait until I die, if the farm is not left directly to the immediate family, I pay gift tax on anything over \$50,000. I'm better to get out now and pay capital gains tax, and in doing so the taxation may be less." So he's not going to keep it in the family, he's getting out, and the one that has a possibility of leaving his farm to his son is not doing that either, because under the gift tax and the succession duty he can't give the farm to his son, because the gift tax is prohibitive, and he can't leave it to his son under succession duty tax until he dies. So it's the older farmer is the one that is exercising the stay-option and it's the young people that are leaving. And the farmer who really wants to retire, or is at that age where he should be thinking about retiring, is being forced to stay on the farm because of the legislation that we have in this province which makes it almost economically impossible for him to do anything else. He can't give the farm to his son, and if he sells out, pays capital gains tax, the son is not going to be able to purchase, so the stay-option in that respect doesn't work.

Mr. Speaker, political parties are going to argue, they're going to be concerned, if they're not concerned they should be concerned, with the plight of the farmer in Manitoba to date. I know we in the Conservative Party are vitally concerned, and the programs that we propose we believe are the best for agriculture in western Canada and in Manitoba. They're programs that offer incentives to people, offer them the opportunity and the freedom of choice that is so essential for a thriving business. Instead we find this government today is saying we offer you the stay-option. Stay in a static state; there is very little opportunity provided for you; don't worry, we're the state; we believe that we know best how to spend your money rather than you do; and we will look after you, and opportunity and incentive died. Mr. Speaker, I don't believe that that is best for the people of Manitoba. I don't believe that any agricultural society which is basically an enterprise of an individual can effectively operate under policies and programs which by their very nature can only succeed under state domination. Mr. Speaker, the stay-option, as advocated 18 months ago, has repeated on every available platform--and no doubt the Minister of Agriculture tonight even though we're dealing with concurrence on his Estimates is probably finding a platform somewhere to once again advocate the stay-option program. The stay-option program for Manitoba is not for the farmers of Manitoba. And Mr. Speaker, just as the old English bard . . .

A MEMBER: Keep it clean now Harry, keep it clean.

MR. GRAHAM: . . . William Shakespeare said, "It's full of sound and fury." --(Interjection)-- "Full of sound and fury. Signifying nothing."

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, before this item passes I should like to make a few remarks dealing with the deficiencies as we see them in the government's program for agriculture. My attention recently has been drawn to an article that appeared in the Winnipeg Free Press of November 20th or 25th, 1970, and it was entitled "Food and Beverages - a Billion Dollar Adolescent". And the article goes on to point out the tremendous opportunities awaiting this province in becoming the centre of the food processing industry and the food production industry in Canada, and indeed in the North American continent. The person who made the address that forms part of the article, was a man who works for Federal Grain, a manager of the agro sales for Federal Grain, and he went on to point out that what is required in successful agriculture production are a few basic resources, and he lists them in this order: soil, climate and moisture, water and power resources, transportation, geographic location, labour costs, government aid, and environment. One can't help but relate those basic resources, this infrastructure, as he describes it, to what the present government is doing to not encourage the development of that industry but to discourage it. And I think it is a tragedy that this is happening.

There are two things in this province that we can do, we feel we can do better than any other province in Canada because of our dozens of resources that are here and because of our

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(MR. JORGENSEN cont'd) , geographic location. The first one is the production of power, and I won't go into that subject because the topic has been dealt with pretty adequately earlier today. And the second one is the production of food, and the processing of food and supplying of food to a hungry world. And in those cases, Sir, this government is falling far short of taking advantage of those basic resources and transferring them into wealth for this province. Sir, it is not because of a lack of desire on the part of our producers; it is not because of their inability to manage their farms properly, but largely because of the frustrations that are experienced in their efforts to become efficient producers. To do the thing that they know how to do best and to take advantage of the opportunities that are available to them; opportunities that are being denied because of the restrictive inward-looking approach this government is taking to agriculture production, and it was pretty well outlined by what the Member for Lakeside said earlier today in the case of eggs alone, and there are other examples. The Minister of Agriculture said that there are no restrictions. Well it was the Minister of Agriculture and the Attorney-General who were quick to take advantage of the opportunity that was provided to them when Quebec, the Province of Quebec, began to prohibit the import of eggs into that province. And having gained that initiative and that advantage, having gained a decision from the Court of Appeal in the Province of Manitoba and the Supreme Court in Ottawa, having firmly established that restrictions in the movement of agricultural products across this country was unconstitutional, the Minister of Agriculture was in conference, was in conference with Ministers of Agriculture in other provinces within two weeks after that decision was handed down by the Supreme Court. And the purpose of the meeting that he had with those Ministers of Agriculture was the carving up of this country into different market areas. And the result of that meeting was the, was a proposal that's contained in a report that was submitted in August of 1972, a proposal for a national egg marketing plan for Canada adopted by the Canadian Egg Producers Council, and it was said that there were no restrictions. Well I want to read a few sections of that proposal to indicate that the whole thing is, the whole proposal is shot through with the kind of restrictions that are making it difficult for our producers to gain access to markets in other parts of the country.

Section 3 of the proposal goes on to say that the proposals which follow are designed to end these recurrent and wasteful cycles of production and prices in the industry. The means proposed is to manage the supply of eggs through the authority of provincial producer marketing boards acting in co-operation with a producer-run national agency, and to set up an orderly and equitable system for the allocation of shares of market, the stabilization of prices, and the planning of the long-term development of the industry in the producer and public interests. Then it goes on to point out in another section the establishment of a provincial egg marketing board in each province, and a national agency to exercise the necessary authorities and administer the plan - at this time all such boards exist in all provinces. This proposal calls for the establishment of a national agency.

Then it goes on to outline that indeed the intention is to establish a market-sharing formula that would have the effect, Sir, of limiting production of eggs in this province, to the Province of Manitoba, plus that portion of Ontario from the Lakehead west.

Sir, the advantages that are enjoyed by eastern Canada, in Ontario and in Quebec; western Canada, Alberta and British Columbia, as the Member for Lakeside has pointed out, we don't quarrel with them; they have those natural advantages and they have the right to exploit them for the benefit of those particular areas. But, Sir, when we have natural advantages we can exploit, to the benefit of the people of this province . . .

A MEMBER: They're bartered away.

MR. JORGENSEN: . . . they're sold out.

The failure to develop our power resources has now created a situation that that could further place the agricultural industry in this province in jeopardy. Just today, at the Biomass, or just recently at the Biomass Conference held here in Winnipeg an article appeared in today's newspaper: "Farming Energy Prices Looms." The article goes on to point out that if there is an energy shortage in this Province, the first people that are going to feel the effects of it, and if they do feel the effects of it, the consumers and the economy in general is going to suffer as a result of the failure of farmers to be able to produce because of their energy requirements. And this statement was made by a man who, as the Minister of Agriculture has stated, is eminently qualified to do the research in this field, as Dr. MacEachern has been putting out

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(MR. JORGENSON cont'd) articles over a period of years now concerning agriculture, and each one of them contains food for thought in the development of our agriculture potential in this country.

And we have now reached the situation where the production of food in this country could be seriously jeopardized if an energy crisis is to develop. So the failure of this government to properly exploit the advantages that we have could produce a two-fold catastrophe for this country. The government's record is a dismal one. In their egalitarian tendencies to divide the pie in this province into smaller and smaller pieces, they have neglected to provide for the baking of more pies, for the increasing of the wealth of this country so that there would be more for everybody. Sir, the discouragement of those people who have the initiative and the capacity and the energy to produce wealth in this country, are being discouraged from doing so, and the net result is that the province is going to be poorer for it.

I find it rather interesting to compare the Minister of Agriculture's reluctance to do anything about the situation in British Columbia as compared to his alacrity during the time that the Province of Quebec in 1970 were prohibiting the import of eggs into that province, and in an article in the Free Press it was reported at that time that Manitoba's Agriculture Sam Uskiw said Wednesday that as far as he is concerned Manitoba egg producers have every right to smuggle their products into Quebec. As far as I am concerned no province has the right to tell anyone in Manitoba he cannot sell his products anywhere in Canada, Mr. Uskiw said in an interview. Well, the same approach and the same attitude, the same conviction, does not seem to hold true in British Columbia, and one can only speculate as to the reasons why.

More recently the Manitoba Hog Marketing Board has stated that there is an opportunity now for Manitoba producers to produce two million hogs yearly, and what a change that has been from just two years ago. But the rather interesting thing about the statement issued by Mr. Munroe is that--he goes on to say that the trial shipments were to measure the service to a competitive area to see whether an import product can be sold at a premium price and still capture a good share of the market - the American firm would be selling Manitoba pork on the domestic market--Sir, makes that statement as if that was something new. Manitoba pork has been commanding a premium price on the American market for years. It's been premium pork that has been selling on the American market. It's been premium cheese that is commanding a premium price almost double the price of Australian and New Zealand cheese, that has been capturing the attention of the British market. And, Sir, coming the other way, it is Chiquita bananas that have developed a market in this product, and they've done that, Sir, because somebody has given some attention to quality. Somebody has recognized that quality in food products is an important factor in capturing markets, and it has been the quality of the Canadian pork that has enabled us to capture a premium price in that market. It's been the quality of Canadian cheddar cheese that has enabled us to get into the British market and stay there with premium prices. It is the little bit of extra attention and quality--Chiquita bananas has developed such a huge sale for that product in here. Even the Minister of Municipal Affairs has found that even the little sticker that goes on those bananas are useful as a substitute for stickers on the license plates.

But, Sir, there are other products in this province that could also be sold at a premium price, and I can give you one example of a firm in this city that has done more to develop the market for Canadian oats in parts of the world than the Wheat Board has, that indeed there have been years when they've sold more oats abroad than the Canadian Wheat Board has, that's Central Grain here in Winnipeg. And the rather interesting thing about Central Grain is that they have to purchase that grain at Wheat Board prices, prices that are established by the Canadian Wheat Board for oats. And yet, because he's recognized a feature of merchandising that had escaped the Board, and had escaped a good many other exporters of Canadian grains, he managed to sell greater volumes of oats at a time when it was difficult to sell oats. Indeed, Sir, I venture to suggest that the feed grain market that we now enjoy in Europe, and in other parts of the world, was essentially pioneered by Morris Rosen in Central Grains, simply because he recognized a characteristic of consumers, that they liked their product packaged, and because he put the oats in a bag that was attractive, because he selected them carefully, and provided what the consumer wanted, he was able to command a price for Canadian oats that was unbelievable, unheard of; and he used the same merchandising techniques to get oats, and feed grains into the European markets and other markets in the world.

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(MR. JORGENSEN cont'd)

Sir, it's that kind of initiative, it is that kind of merchandising technique, that our producers so badly needed. That, Sir, is being denied our producers, because they have only one thing on their minds, this government have only one thing on their mind, and that is the control, the compulsory control of the marketing of products through a government agency. Sir, it is the wrong approach to merchandising; it is the wrong approach to find markets for the products of our Canadian farms.

Sir, there are a relatively few people who have that unique ability to take a dollar and turn it into two, take two and turn it into four, and to take a thousand and turn it into 10,000. I'm sure it's a possibility that along the way some of that money is going to stay in their pockets, but a good deal of it goes back to the government in any case in taxes. But along the way they create jobs, and along the way they create opportunities, and along the way they create wealth for this country. Sir, those entrepreneurs, those people are not going to remain in a province where they're discouraged, where they're prevented from developing those techniques, where they're denied the opportunities that they can see because of their foresight, because of their ability. And I suggest to you, Sir, that this government is slowly but surely strangling that kind of initiative, strangling the economy of this province, by discouraging people who can create wealth.

A MEMBER: Enshrining mediocrity.

MR. JORGENSEN: Yes, and as is pointed out by the Member for Brandon West, and enshrining mediocrity.

A MEMBER: The hallmark of socialism.

MR. JORGENSEN: That is, Sir, the hallmark of socialism.

The Minister of Agriculture in his few brief remarks this afternoon said, that the only thing that's wrong with this egg marketing plan is that there are a few more strictures that have to be imposed on it, and Sir, that is the hallmark of socialism. If the imposition of controls and regimentation doesn't work, their answer to that is more controls; you're suffering from a dose of strychnine poisoning, well they've got a quick remedy for that, double the dose, and that is what is happening to agriculture in this province, preventing those who have the capacity and those who have the ability of creating wealth.

A case in point was mentioned, I believe it was by the Member for Rock Lake, a farmer in the Brandon area, a man who, because of his own initiative and ability, was purchasing huge quantities of grain from farmers in that area, converting it into beef, and then marketing that beef for the benefit of this province and creating wealth for this province. The government insisted that they had to come under the regulations and the strictures of their warped thinking, and the result was he got out of this, and I venture to suggest, Sir, that they're going to force a lot more people out of business by this very attitude.

Sir, it's rather interesting to see the contortions of my honourable friends opposite in their approach to agriculture in this country. On the one hand they go to the producing areas of this country, to the farmers, and advocate higher prices, and talk about how important it is that farmers must have greater wealth, higher prices for their products, and then on the other hand they cry crocodile tears and they tell the consumers something is wrong because there's such high prices for food. And I don't intend to go into the subject of food costs on the Estimates of the Department of Agriculture--I intend to deal with it on another occasion--but the interesting thing about what is happening in this question of food costs is that the government are attempting to get on both sides of the issue. Sir, it's an impossible position to be in. It requires the antics of an acrobat to straddle both sides of the fence on this issue.

Sir, last fall the prices of agriculture products began to rise and immediately the effect of those increases in price, and those better prices, began to reflect themselves in an improved situation in the entire Canadian economy. It is not the first time that because of a change in the prospects for agriculture that this country has been lifted out of a recession period and again to face more prosperous times because of the impetus that was generated by an improved agricultural situation. Not any thanks, as the Minister of Labour would like to have us believe, not any thanks to any actions on the part of his government, none whatsoever, but simply, simply because the countries of the world that are engaged in the production of food have had the misfortune of experiencing severe drought conditions for two or three years. That situation can occur almost any time. But notwithstanding the fact that the prices of agricultural products have

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(MR. JORGENSON cont'd) improved, already we see the results of that in the increase in costs to the producer.

Last fall at the Chamber of Commerce meeting, attended by the Minister of Agriculture and the Leader of the Liberal Party, when we were asked to make statements and to state positions on agriculture, and our hopes and our fears, I made the statement at that time that in my view the prosperity in agriculture was going to be short-lived, short-lived because immediately following the increase in farm prices, was going to be an increase in farm costs. And quite recently we have noted that according to Statistics Canada, farm costs have already increased, in that short period, have already increased by 10.2 percent.

Sir, the buoyant market for agriculture products is - I don't think we can expect it to be a permanent situation, although it may be with us for a few years. But there is going to be a time when prices will return to more realistic, more normal levels, and I suggest Sir, that if they don't - and I'm the last one in the world to want to even suggest that lower prices for agriculture products is the best thing for the farmers, because they're not. But high, or unusually high prices for agriculture products eventually will result in a circumscribing of the market for those products - and we have seen such a classic example of that in the dairy industry, where because of the fact that they do have almost a closed shop and pretty well determine their prices, and determine whether or not anybody can come into the dairy industry, the fixing of prices in the dairy industry has resulted in a shrinking of their market rather than an increase in that market. Because of the introduction of substitutes, 200 million pounds of margarine are now being consumed; \$20 million worth of coffee whiteners. There's also a substitute milk that is on the market that one can't distinguish from the real thing. And it's just a matter of time before that becomes universal in its consumption, and when that happens there will be a further shrinking of the products of the dairy farms.

The effort, the effort to restrict and to prevent people from producing a better product at a lower cost, or at a lower price, can only result in isolating those producers from the realities of the marketplace, which on the final analysis will destroy the very people that it's intended to protect. If, for example, the hog producers, or the turkey producers, or any other group of producers in this country, or in this province, think that by imposing production controls and restrictions and by protecting those that are already in the industry, that they are providing security for themselves, they're mistaken. That is something that has been proven over the years. And any attempt on the part of this government, and they are making those attempts; to impose that kind of restriction will result, and can only result, in damage to those who they purport to assist.

During the course of the remarks of the Member for Lakeside this afternoon we heard from members on the other side, and they brought back the bogey of 10 cent eggs, and I heard comment about how we should run our business like General Motors. Sir, all that is nonsense. My friends opposite have a depression complex, and they talk about others not coming into the 20th Century, but they fail to recognize that the situation that existed in the 30s was a situation that was not created by the individual, it was a situation that was to a large extent created by the interference of governments, created by the interference of governments. The situation today, and the situation today that we face is also one, is also one that is being created by the interference of governments. Sir, we --(Interjection)-- Sir, we cannot allow this to happen again. There is no way that we can expect to restrict those who have the ability to create wealth in this province, and then have - then expect to have enough wealth to continue to operate as a province.

The Minister of Agriculture has made a big issue about the desirability of improving and encouraging the livestock industry in Manitoba, and for that we give him credit. It's a desirable trend. But what the Minister must recognize, and what he's failed to do, is to take advantage of this opportunity to do those things that are absolutely essential for the preservation and the development of the livestock industry. If droughts, Sir, can create havoc in the grain producing areas of the world, and indeed it can, then that same drought can produce a disaster in livestock. So along with the development, along with the development of - or an encouragement of more livestock production in this province, must also - measures must be taken to encourage essentially feed production, feed grain production and forage production, and the ability to store that food during periods when they're going to be required.

So a resolution that was introduced on the Order Paper, and scoffed at by honourable

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(MR. JORGENSEN cont'd) gentlemen opposite, by the Member, I believe, it was from Virden, a program of taking over abandoned grain elevators and converting them into storage places for feed grains and livestock feeds, is one that appears to be pretty timely right now.

The resolution and the encouragement by the Member for Pembina developing the Pembina River Dam, and other areas of this province that could store water, is one that must go hand in hand with a livestock development program. This government is failing to do that. And these, these measures, Sir, unless they are taken could place those people that they've encouraged to go into livestock in a position where they'll go bankrupt if such a climatic catastrophe does occur.

So Sir, we say that although the government give lip service to the encouraging of livestock production, that encouragement, Sir, is incomplete unless it is followed by measures to ensure that livestock production can be sustained under all conditions in this province. And I urge the, I urge the government then to give consideration to taking those steps and encouraging those measures that will make food production in the Province of Manitoba one of the biggest and the most profitable industries in this province. I believe it was Eric Kierans when he appeared before the Economic Development Committee that said, "A province should do what it can do best." And he said, "The production of food in this province seems to be the most logical development that could take place."

A former Premier of this province, Mr. Weir, embarked on a program to encourage that very thing. And had he been given the opportunity to pursue and continue that program, this province would have been much better off for it today, would have had a great deal more wealth, and would have been a great deal more secure from the vagaries of the markets for airplanes. Sir, government have failed the producers of this province, not because I don't think there is a desire on the part of honourable gentlemen opposite to do something but because their ideologies prevent them from looking at the realities of agriculture production and markets in the world.

MR. SPEAKER: Resolution passed? The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I move, seconded by the Honourable Member for Rhineland that the House do now adjourn.

MOTION presented and lost.

MR. BOROWSKI: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: The Honourable Member have support? Call in the members.

Order, please. The motion before the House is to adjourn the House.

A STANDING VOTE was taken, the result being as follows:

YEAS

Messr.	Barkman	Messr.	Henderson
	Blake		G. Johnston (Portage la Prairie)
	Borowski		F. Johnston (Sturgeon Cr.)
	Craik		Jorgenson
	Enns		McGill
	Ferguson		Patrick
	Froese		Spivak
	Graham	Mrs.	Trueman

NAYS

Messr.	Adam	Messr.	Johannson
	Barrow		Mackling
	Boyce		Malinowski
	Burtniak		Miller
	Cherniack		Paulley (Transcona)
	Desjardins		Pawley (Selkirk)
	Doern		Petursson
	Evans		Schreyer
	Gottfried		Shafransky
	Green		Toupin
	Hanuschak		Turnbull
	Jenkins		Uruski
			Walding

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MR. CLERK: Yeas 16, Nays 25.

MOTION lost.

MR. SPEAKER: Resolved that it be granted to Her Majesty a sum not exceeding \$14,169,600 for Attorney-General, Resolution 17 to 24, separately and collectively.

MR. GREEN: Mr. Speaker--sorry, I'm waiting for the question to be put on the Department of Agriculture.

MR. SPEAKER: I put the question and I said the resolution passed, and right after that the honourable gentleman said he wanted to adjourn the House.

MR. GREEN: Well, Mr. Speaker, then there has been a misunderstanding. I did not get the--when you put the resolution, the Member for Thompson got up on his feet, you recognized him, there was no other point on which to recognize him. I thought he was taking the floor on the resolution, there was otherwise no point in recognizing him, and the resolution was not put to a vote, and that's why we did not adjourn the House. Put the resolution on the Department of Agriculture.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I think that the Member for--or the House Leader has interpreted the events correctly. I think that the vote on Agriculture has not been put, and if you will put that vote now, Sir, then we can determine whether or not . . .

MR. SPEAKER: Very well. Resolutions 7 to 16, called separately and collectively passed. Resolution . . .

MR. BOROWSKI: Mr. Speaker, I move, seconded by the Minister of Labour, that the House do now adjourn.

MOTION presented and carried, and the House adjourned until 10:00 a.m. tomorrow morning. (Thursday)