

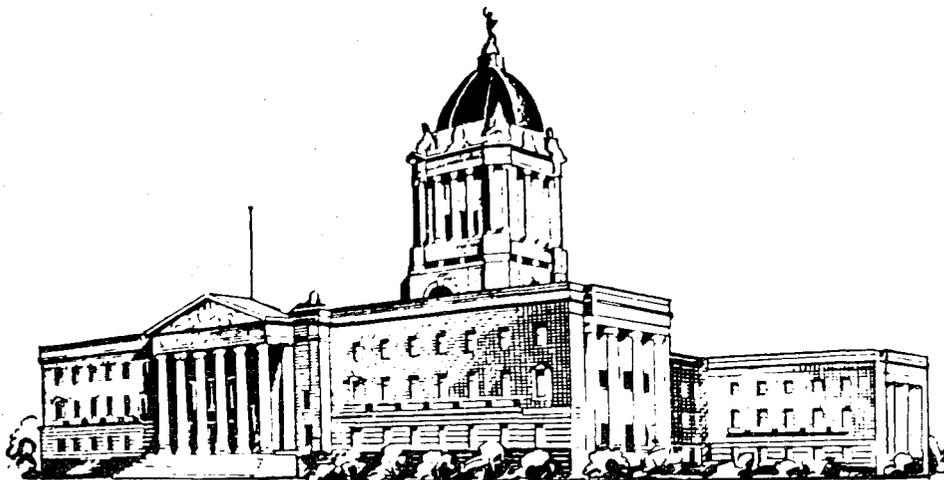


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXII No. 27 2:30 p.m., Wednesday, March 26th, 1975. Second Session, 30th Legislature.

| Electoral Division | Name | Political Affiliation | Address | Postal Code |
|--------------------|-------------------------|-----------------------|---|-------------|
| ARTHUR | J. Douglas Watt | P.C. | Reston, Man. | ROM 1X0 |
| ASSINIBOIA | Steve Patrick | Lib. | 10 Red Roblin Pl., Winnipeg | R3J 3L8 |
| BIRTLE-RUSSELL | Harry E. Graham | P.C. | Binscarth, Man. | ROJ 0G0 |
| BRANDON EAST | Hon. Leonard S. Evans | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| BRANDON WEST | Edward McGill | P.C. | 2228 Princess Ave., Brandon | R7B 0H9 |
| BURROWS | Hon. Ben Hanuschak | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| CHARLESWOOD | Arthur Moug | P.C. | 29 Willow Ridge Rd., Winnipeg | R3R 1L5 |
| CHURCHILL | Les Osland | NDP | 66 Radisson Blvd., Churchill | ROB 0E0 |
| CRESCENTWOOD | Vacant | | | |
| DAUPHIN | Hon. Peter Burtniak | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| ELMWOOD | Hon. Russell J. Doern | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| EMERSON | Steve Derewianchuk | NDP | Vita, Manitoba | ROA 2K0 |
| FLIN FLON | Thomas Barrow | NDP | Cranberry Portage, Man. | ROB 0H0 |
| FORT GARRY | L.R. (Bud) Sherman | P.C. | 86 Niagara St., Winnipeg | R3N 0T9 |
| FORT ROUGE | Lloyd Axworthy | Lib. | 132 Osborne St. S., Winnipeg | R3L 1Y5 |
| GIMLI | John C. Gottfried | NDP | 44 - 3rd Ave., Gimli, Man. | ROC 1B0 |
| GLADSTONE | James R. Ferguson | P.C. | Gladstone, Man. | ROJ 0T0 |
| INKSTER | Hon. Sidney Green, Q.C. | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| KILDONAN | Hon. Peter Fox | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| LAC DU BONNET | Hon. Sam Uskiw | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| LAKESIDE | Harry J. Enns | P.C. | Woodlands, Man. | ROC 3H0 |
| LA VERENDRYE | Bob Banman | P.C. | Steinbach, Man. | ROA 2A0 |
| LOGAN | William Jenkins | NDP | 1294 Erin St., Winnipeg | R3E 2S6 |
| MINNEBOSA | David Blake | P.C. | Minnedosa, Man. | ROJ 1E0 |
| MORRIS | Warner H. Jorgenson | P.C. | Morris, Man. | ROG 1K0 |
| OSBORNE | Hon. Ian Turnbull | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| PEMBINA | George Henderson | P.C. | Manitou, Man. | ROG 1G0 |
| POINT DOUGLAS | Donald Malinowski | NDP | 23 Coralberry Ave., Winnipeg | R2V 2P2 |
| PORTAGE LA PRAIRIE | Gordon E. Johnston | Lib. | 26-120 - 6th St., S.E., Portage la Prairie, Man. | R1N 1E8 |
| RADISSON | Harry Shafrensky | NDP | 4 Maplehurst Rd., Winnipeg | R2J 1W8 |
| RHINELAND | Arnold Brown | P.C. | Winkler, Man. | ROG 2X0 |
| RIEL | Donald W. Craik | P.C. | 3 River Lane, Winnipeg | R2M 3Y8 |
| RIVER HEIGHTS | Sidney Spivak, Q.C. | P.C. | Legislative Bldg., Winnipeg | R3C 0V8 |
| ROBLIN | J. Wally McKenzie | P.C. | Inglis, Man. | ROJ 0X0 |
| ROCK LAKE | Henry J. Einarson | P.C. | Glenboro, Man. | ROK 0X0 |
| ROSSMERE | Hon. Ed. Schreyer | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| RUPERTSLAND | Hon. Harvey Bostrom | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| ST. BONIFACE | Hon. L.L. Desjardins | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| ST. GEORGE | Hon. Bill Uruski | NDP | 10th flr., 330 Portage Ave., Wpg. | R3C 0C4 |
| ST. JAMES | George Minaker | P.C. | 318 Ronald St., Winnipeg | R3J 3J8 |
| ST. JOHNS | Saul Cherniack, Q.C. | NDP | 333 St. Johns Ave., Winnipeg | R2W 1H2 |
| ST. MATTHEWS | Wally Johannson | NDP | 418 Home St., Winnipeg | R3G 1X4 |
| ST. VITAL | D.J. Walding | NDP | 26 Hemlock Place, Winnipeg | R2H 1L7 |
| STE. ROSE | A.R. (Pete) Adam | NDP | Ste. Rose du Lac, Man. | ROL 1S0 |
| SELKIRK | Hon. Howard Pawley | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| SEVEN OAKS | Hon. Saul A. Miller | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| SOURIS KILLARNEY | Earl McKellar | P.C. | Nesbitt, Man. | ROK 1P0 |
| SPRINGFIELD | Hon. René E. Toupin | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| STURGEON CREEK | J. Frank Johnston | P.C. | 310 Overdale St., Winnipeg | R3J 2G3 |
| SWAN RIVER | James H. Bilton | P.C. | Swan River, Man. | ROL 1Z0 |
| THE PAS | Hon. Ron McBryde | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| THOMPSON | Ken Dillen | NDP | 84 Pintail Cres., Thompson | R8N 1A6 |
| TRANSCONA | Hon. Russell Paulley | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| VIRDEN | Morris McGregor | P.C. | Kenton, Man. | ROM 0Z0 |
| WELLINGTON | Philip M. Petursson | NDP | 681 Banning St., Winnipeg | R3G 2G3 |
| WINNIPEG CENTRE | Hon. J.R. (Bud) Boyce | NDP | Legislative Bldg., Winnipeg | R3C 0V8 |
| WOLSELEY | Vacant | | | |

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Wednesday, March 26, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 25 students of Grade 11 standing, of the Murdoch McKay School. These students are under the direction of Mr. Heindl. This school is located in the constituency of the Honourable Member for Transcona, the Minister of Labour.

We also have 17 students, Grade 11 standing, of the Grant Park School. These students are under the direction of Mr. Kroeker. This school is located in the constituency of the Honourable Member for River Heights, the Leader of the Opposition.

And we have 17 students of Grade 9 standing, of the Windsor School. These students are under the direction of Mr. Walker. This school is located in the constituency of the Honourable Member for St. Vital.

On behalf of all the honourable members, I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Tourism and Recreation.

TABLING OF REPORTS

HON. RENÉ TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I'd like to table the Annual Report for the Centre Cultural Franco-Manitobain, dated January, February and March of 1974, and including the auditor's reports and financial statement for the year ended March 31, 1974. And I'd like to table an Order for Return asked of me by the Honourable Member for Roblin, dated March 17, 1975.

MR. SPEAKER: Any other Ministerial Statement or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the First Minister. I wonder if he can indicate when the Budget will be brought down.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I had it in mind to indicate to the House today, and I thank the Honourable Leader of the Opposition for affording me the opportunity, to indicate that the Budget will be brought down on or about the 23rd of April, plus or minus a day.

MR. SPIVAK: I wonder if the First Minister would be in a position to indicate whether there will be relief provided for the municipal real estate taxpayer in the province.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the Leader of the Opposition knows full well the tradition that surrounds indicating the substance of Budget Addresses in advance.

MR. SPIVAK: I wonder if the First Minister could indicate whether Supplementary Estimates will be presented at the same time the Budget is . . .

MR. SCHREYER: That would be tantamount to the same thing, sir.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: This is to the First Minister and it may be that the matter should be referred to the Minister of Consumer Affairs or the Minister of Industry and Commerce, I'm not sure. I wonder if the government could indicate whether they have reviewed or monitored the potential or the likely increase in rents to take place in Manitoba, for rental accommodation.

MR. SCHREYER: Mr. Speaker, there was some close analysis of that approximately 12, 18 months ago. There may have been continuing review analysis since then, I can't say for certain, but there was such kind of analysis carried out in the past. I'll take the question as notice and provide a more definitive answer.

MR. SPIVAK: Well, I wonder then if the First Minister will be in a position to possibly . . . notice as to whether the government has considered what the increase in municipal taxes will do to rental increases in Manitoba.

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MR. SCHREYER: Well, Mr. Speaker, I suppose the answer to that is fairly self-evident in the sense that there is ample precedent for weighing that kind of problem. I think, for example, the fact that in 1965, in the mid-1960's, the municipal tax rate did increase in the order of 17 percent - in 1965 or '66, I forget exactly which of the two years - with corresponding effect eventually on rental.

MR. SPIVAK: I wonder if the First Minister is in a position to indicate whether rental increases have played a factor in the increases in housing costs, which have made Winnipeg the highest cost of living increase in the past 12 months.

MR. SCHREYER: Well, Mr. Speaker, I certainly reject the suggestion that on a 12-month basis that Winnipeg has that distinction. And certainly, if looked at in the course of a 4-year retrospective review, we find that the cost of living increase is relatively less in Winnipeg than in cities of metropolitan size anywhere else in Canada.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, my question is to the Honourable the Minister responsible for the Manitoba Public Insurance Corporation. I wonder if he could indicate to us if we'll be receiving the annual statement of the corporation this week.

MR. SPEAKER: The Honourable Minister.

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation) (St. George): Yes, I expect so.

A MEMBER: Tomorrow?

MR. URUSKI: This week, possibly tomorrow.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Labour. Does the Honourable Minister have any studies or reports, or undertaken any studies which will forecast the unemployment rate in Manitoba?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): No, Mr. Speaker, I haven't any forecast. I'm of the opinion that our local economy is pretty vibrant at the present time.

MR. PATRICK: A supplementary, Mr. Speaker. Can the Minister indicate to the House if the unemployment rates are increasing in Manitoba at the present time?

MR. PAULLEY: No information has been related to me which would indicate that at the present time. As you know, Mr. Speaker, I periodically inform the Assembly while we're in session as to the statistical position respecting unemployment and employment. I have not received any later figures than I provided a couple of weeks ago.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Tourism, Recreation and Cultural Affairs. Can the Minister notify the House whether he has received notice from officials or representatives of the Winnipeg Art Gallery that, unless they receive some assistance by June, they will have to close their doors by this summer?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. TOUPIN: Mr. Speaker, the financial discussions with the Board of Directors of the Art Gallery have been long and painful. They've been unofficially made aware of what is provided for in the Estimates before the House now, pertaining to the financial contribution of the province's taxes towards the Art Gallery for 1975-76. Yes they have. And they have equally indicated to me and to members of my staff that, if the amount as provided within the Estimates is not increased, there could be curtailment of activity at the Art Gallery, and that is something that we all have to be aware of.

MR. AXWORTHY: I have a supplementary, Mr. Speaker, to the same Minister. On the basis of his answer, can the Minister indicate what the degree of curtailment of activities would be and to what degree the Provincial Government may be prepared to offer assistance.

MR. SPEAKER: Order please. That question is better related to the Estimates.

MR. AXWORTHY: Well, Mr. Speaker, may I rephrase the question then? Can the Minister report to the House what the exact position of the Art Gallery is, in relation to its present status and the future kind of activities it will be able to offer?

MR. TOUPIN: Mr. Speaker, I'm not knowledgeable at this time of those activities that the Board of the Art Gallery are intending to curtail; what kinds are affected; what services,

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(MR. TOUPIN cont'd) or actually expositions that are intended to be curtailed, will affect whether it will be on a Friday evening, Saturday or Sunday. I'm not in a position to indicate. I'm only hoping that whatever has to be curtailed because of lack of funds will be at a time where people don't have that much opportunity to visit the Art Gallery and whatever is actually offered to the people there.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether the government is considering a revision in its program of assistance to the art and cultural programs in the Province of Manitoba?

MR. TOUPIN: Yes, Mr. Speaker, that is ongoing. Even while having tabled the estimates of all departments of government, including my own, there had been an Order-in-Council passed last week by cabinet, allowing for more financial flexibility especially in the creative arts, and the honourable member is aware of that because I've made a press release and this gives life to the community pertaining to culture, of which I am very happy.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Well, Mr. Speaker, before getting to the Orders of the Day, I would like to clarify an answer that I made in the House, which stems, I will have to admit, from my misunderstanding of the certification procedure. I answered the Member for St. James and the Member for La Verendrye relative to certification and I have received a memo from the head of our planning secretary which indicates as follows:

"From the transcript of your statement in the House, I wonder if you are aware of certain aspects of the certification procedure. There are two prototypes required for certification. The first prototype, the aerodynamic prototype, was completed in July, 1974, and has been undergoing tests. Approximately 85 percent of the certification program may be completed on this aircraft, which is a converted Heron. The second prototype, the engineering prototype, is the first aircraft to come off the production line. It is scheduled to be ready to fly in August, and about 15 percent of the certification program must be completed on this aircraft."

I had thought, and I admit that I had thought, Mr. Speaker, that all of the matters relative to certification are done on the first aircraft. That does not mean that the first aircraft will not be an available aircraft for sale; it is just not certified under the certification program for the assembly line plane.

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

MR. G. JOHNSTON (Portage la Prairie): Mr. Speaker, a question to the Minister who just gave his explanation. Could the Minister inform the House as to the target date for the Saunders Aircraft Company to have for the certificate of air worthiness from United States aeronautical authorities?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I will do so, and then indicate that previous target dates have not proven to have been met, so that I can't guarantee anything on this target date. I understand that certification is expected some time in the Fall of 1975.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I just want to clarify the answer given by the Minister. Is he suggesting that 85 percent on the one and the 15 percent on the one is the total 100 percent certification requirement, or are we talking about two separate certifications?

MR. GREEN: Mr. Speaker, I'm not going to hazard another venture into the unknown. It is exactly as I read it and that is, as I understand it, that 85 percent of the certification program may be completed on this aircraft, which is a converted Heron. The second prototype, the engineering prototype, is the first aircraft to come off the production line. It's scheduled to fly in August and about 15 percent of the certification program must be completed on this aircraft. That's 85 and 15 is 100 percent.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I appreciate this, but are we really talking about two separate certifications or one? Because there are two separate units that are being considered.

MR. GREEN: I understand that there is a certified aircraft that comes out, and that certified aircraft is the one that is scheduled for the production line. The certificate will be for an aircraft in accordance with certain specifications, and I gather that the second one will have those specifications and every subsequent one will have to be build in accordance with those specifications.

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MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: Mr. Speaker, a question to the same Minister. Would the Minister undertake to obtain the information and inform the House as to:

1. When will the certificate, the Canadian certificate, be . . . What's the target date for the Canadian certificate?

2. What is the target date for the American air-worthiness certificate?

MR. GREEN: Mr. Speaker, I have given the target date that I am aware of for the certificate that would be granted by our Department of Transport. The hope is, then, that in accordance with reciprocal understandings, that the American certificate would be forthcoming shortly after that.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. I direct a question to the Minister of Agriculture. I wonder if he can indicate to me whether or not Crocus Foods Limited has applied for or has been granted a permit in conjunction with their proposed building program in Selkirk.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, some few days ago, or a week or so ago, I indicated to members opposite that a final decision on Crocus Foods has not been made, so I would take it from that statement that this question is at this point premature.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I have a question for the Minister of Urban Affairs. Could the Minister tell us whether he has received a request from the City of Winnipeg to cost-share a capital works project to straighten out Wellington Crescent Avenue and to expropriate four houses to carry out that project?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister of Urban Affairs) (Seven Oaks): Yes, Mr. Speaker, that was one of, I believe, two or three requests.

MR. AXWORTHY: Mr. Speaker, could the Minister tell us when a decision might be made on this particular request?

MR. MILLER: Mr. Speaker, the decision was made.

MR. AXWORTHY: Mr. Speaker, a supplementary. Could the Minister please indicate then what the decision has been?

MR. MILLER: Yes, the decision was that the province would not cost-share the expropriation of those homes.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is for the Honourable Minister in charge of the Manitoba Development Corporation, and relates to his answer in clarification of his previous answer on the certification of the Saunders aircraft, which answer somewhat clouds my previous understanding. Could the Minister now tell us whether the certification, which he anticipates will be obtained in the Fall of 1975, is the long-awaited U.S. certification by the Federal Aeronautics Authority, or is he talking about the Ministry of Transport Canadian certification?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I thought it was explained - and if I am incorrect I apologize - at committee last year, that the certificate that is applied for is to the Canadian authorities. That is my understanding. And then I gather that, once that is granted, that the reciprocal understanding is that the American authorities will quickly make available the American certificate, because the new plane has not been certified by Canadian authorities. That is the certification procedure that we are going through.

MR. MCGILL: A supplementary question then. I can recall that the purpose of the new model was to obtain U.S. certification, which was not available on the original model, so that really the important thing is to know from the Minister when he anticipates the Federal Aviation Authority will certify this model, I believe S-28 it's called now.

MR. GREEN: Well, Mr. Speaker, I believe that the problem was that the Saunders people - again I'm quoting sort of from memory and the question will be more definitively answered at Committee - was that there was not going to be any hope of getting a certificate

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(MR. GREEN cont'd) in the United States for the first model and therefore a new model would be built, which would have to get Canadian certification and which could expect to obtain, on that basis, an American certificate.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Honourable Minister of Labour. Will the Minister of Labour be presenting a brief and a provincial position to the House of Commons Committee and Senate Committee that will be travelling in Manitoba in May, on immigration?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Well, Mr. Speaker, I don't think that there have been any precise dates mentioned at the present time. The Honourable the federal Minister of Manpower and Immigration, in consultation with his provincial counterparts, has suggested the date I believe of May 27th, when we may have a conference or consultation insofar as the matters under review and contained within the Green Paper. So I think my only answer to my honourable friend would be yes, we will be having consultation, but that may be prior to any particular definitive position taken by the Government of Manitoba.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary, Mr. Speaker. Would the Minister table his letters or correspondence between the Minister, the federal Minister of . . .

MR. SPEAKER: Order for Return.

MR. PATRICK: He indicated to the House that he would the other day. A supplementary question: would the Minister make available to the members of this House the provincial brief and position on immigration before it's presented to the Committee, the Standing Committee of the House of Commons, or the Senate Committee, in May?

MR. PAULLEY: I wonder, Mr. Chairman, if I were to do that, whether the honourable member who asked the question, or some other honourable member of the Assembly, would accuse me of predicting the outcome of the Resolution that is under consideration of the Assembly by virtue of a Private Members' Resolution. I'm sure that I would have my head taken off or not have my head taken off if I answered his question one way or the other.

ORDERS OF THE DAY - GOVERNMENT BILLS

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

MR. GREEN: Mr. Speaker, would you call Bill No. 3.

MR. SPEAKER: Thank you. Proposed motion of the Honourable the Attorney-General. The Honourable Attorney-General.

BILL NO. 3 - EXTRA-PROVINCIAL CUSTODY
ORDERS ENFORCEMENT ACT

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Industry and Commerce, that Bill No. 3, The Extra-Provincial Custody Orders Enforcement Act, be now read a second time.

MOTION presented.

MR. PAWLEY: Mr. Speaker, this bill is aimed at introducing into Manitoba, legislation which will permit the Manitoba courts to recognize a custody order granted in a court in another province in Canada. The bill before us comes by way of recommendation from the Uniform Law Commissioners Conference, a conference which is held each year and which provinces all across Canada participate in, and one of the areas that was agreed by all provinces was that this was an area which was in need of the development of uniform practice of law across Canada.

The bill before would ensure that a civil kidnapper would not find a haven in the province of Manitoba. In this regard, we anticipate enactment of similar legislation in all other provinces in due course. I believe that we are the first province to introduce this legislation, but it is anticipated that most, if not all, other provinces in Canada will do likewise.

Now, of course, civil kidnapping relates to the bringing into Manitoba by a parent a child removed from another parent, where the courts in the other province have, in effect, awarded custody of the child to the other parent, not the parent that brings the child into Manitoba.

This has not been a situation where there have been many instances, but certainly each

BILL 3

(MR. PAWLEY cont'd) year there are examples of this coming to our attention, where, for example, a mother might be awarded the custody of a child in British Columbia and the father sees fit, despite the custody order granted by the courts in the Province of British Columbia, to bring the child into Manitoba in order to avoid the custody order that has been granted in British Columbia.

Under the provisions of the Criminal Code there is basis for prosecuting for what is commonly known as Civil Kidnapping, but of course what is required in this type of situation is not a remedy based upon the Criminal Code, but is a remedy which can in fact enforce the custody order that has already been granted in the other court. So that is the objective of the legislation which we are dealing with.

Manitoba will ensure, through this bill, that the legislation is sufficiently flexible in order to allow a Manitoba court to vary an Extra-Provincial Custody Order where it is satisfied the child would suffer serious harm.

The bill also states that the Manitoba Court must give first consideration to the child's well-being, with the issue of custody taking precedence over such secondary issues as visitation rights.

So the bill, in brief, gives to Manitoba the right to recognize the orders granted in other provinces in respect to custody of children, and also provides flexibility to the extent that those orders can be varied upon application in the Manitoba court.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I beg to move, seconded by the Member for Virden, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Bill No. 11. The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I wonder if we can forego that and go to . . .

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee to consider the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY - AGRICULTURE

MR. CHAIRMAN: I refer honourable members to Page 4 of their Estimates Book. Resolution 8(a). The Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, I'm pleased to present my department's estimates of expenditures in the order of \$25,511,800 for the fiscal year 1975-76 for approval. After five years of rapid growth, the expenditures of the Department of Agriculture are being held to last year's level, although shifts among programs are being made to reflect the department's priorities.

For the third consecutive year, farm cash receipts, expenses and incomes, have set new records. In 1974, total cash receipts from farming operations reached \$818 million, operating and depreciation charges totalled \$476 million, and realized net income some \$396 million.

The outlook for 1975 is that farm cash receipts will remain at about the same level, but that operating and depreciation charges will increase to \$555 million. In effect, Statistics Canada projects a decline in net farm income in Manitoba of \$75 million from last year's level. It may be noted that the \$550 million in farm expenses and depreciation is higher than the total cash receipts in any year prior to 1973. That, Mr. Chairman, indicates that the current prosperity in the grain industry is somewhat precarious. It is important that governments pursue policies that will bring greater stability to the agricultural industry. And I think, Mr. Speaker, that in that connection, members opposite would appreciate that point, the fact that costs of production are rising very rapidly and the fact that we do not have stability in the various commodity markets, which would mean that the gains that farmers have made in the last two or three years could be wiped out very shortly through increased input costs.

In this connection, however, Mr. Chairman, I would like to observe that the agricultural

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(MR. USKIW cont'd) stabilization is the responsibility of the Government of Canada. It is also worth repeating what I told the bee producers a few weeks ago, namely, that the amendments to the Agricultural Stabilization Act that are presently before the House of Commons are not adequate. I can say that quite confidently, because the support prices for beef and pork that are presently in effect are based on the formula contained in the proposed legislation. The serious distress in the beef industry that we are witnessing today is the best yardstick with which to measure the federal legislation on farm income stability. I'm sure, Mr. Chairman, that all members will agree that the federal legislation fails to meet the legitimate needs of our producers.

I want to take a moment, Mr. Chairman, to deal with Bill 50, because it is really another amendment to existing legislation; and I want to take members back to about 1943, I believe it was, when one of the first pieces of legislation on farm income security was introduced in the House of Commons, after which somewhere in the late 1950's, when we had a change of government - I believe the government was then the Diefenbaker administration - decided that the legislation on the Statutes was somewhat antiquated and that a new day had arrived for agriculture, and that there was a need to introduce new legislation replacing the old that would ensure greater income security and agricultural stability. And I refer to the Agricultural Products Stabilization Act, which we have had to live with since about the late 1950's and which was found to be inadequate as well as the legislation that preceded it.

I should like to point out that there is no need for Bill 50 either, Mr. Chairman, because Bill 50 doesn't convey to the Minister of Agriculture of Canada any powers to effect income stabilization that he does not now have. Everything that is contained in the new legislation is now possible to be done without those amendments, and therefore, Mr. Chairman, it's obvious that the changes in legislation are mere window dressing without any real intent to deal with the problem of income stability for our farmers in Canada. It is really window dressing and nothing more.

By Order-in-Council, Mr. Chairman, under the present legislation, the Government of Canada has the power to set prices, under their stabilization program, at any level or to set support levels at any level, and the fact that they have decided to support the price of beef to the tune of some 45 or 46 cents a pound points that out very clearly. That formula is beyond the old act in the sense that it's beyond the formula contained in the act but not beyond the discretion of the Minister. Therefore, he could have set that figure at any level, it could have been 60 cents a pound, it could have been 55, it could have been anywhere at the pleasure of the Government of Canada, of the Cabinet. And so there was no real effort being made at the federal level to bring about the kind of corrective measures that are necessary in order to stabilize the cattle industry of this country.

I should like to take a moment or two, Mr. Chairman, to indicate why that is so, and that is because the previous government, the John Diefenbaker government, as well as the present government in Ottawa, cannot go beyond the present measures for philosophical reasons. They know that if they were to provide for guarantees, price guarantees, which would be interpreted as incentive guarantees to production, that in essence the next step would have to be . . .

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, on a point of order. It's certainly not my intention to in any way interrupt the interesting introduction of the Minister's estimates at this particular time. However, I draw to your attention, Mr. Chairman, that we're somewhat at a loss to wonder whether or not he's introducing the federal Department of Agriculture's estimates or the provincial department. We have no objection in the lecture, but we would of course reserve for ourselves, sir, the kind of broad-ranging privileges that he is assuming in the introduction of his estimates.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Chairman, if my honourable friend from Lakeside would like me not to talk about the problems of agriculture and the role of the Department of Agriculture in Manitoba, then I would presume that from this day on, Mr. Chairman, he will never ask a question about the price of beef in Manitoba, about the price of eggs, or the price of . . .
--(Interjection)--Well, Mr. Chairman, it's obvious that if all of these conditions were met, that members opposite would not be able to ask their present Minister of Agriculture almost

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(MR. USKIW cont'd) anything. They would have nothing to ask and nothing to gain from a debate on where the agricultural community is going, the status of the industry, and so on. So really, Mr. Speaker, I don't believe that the Member for Lakeside was serious with that interjection.

I should like to point out, however, that because there is a philosophical gap in the minds of the previous administration in Ottawa and the present one, we are not in a position to bring about stabilization legislation which in fact would provide basic minimum income guarantees. And the big stumbling block, as I attempted to say a moment ago, Mr. Chairman, is the fact that once you do that, it's obvious that you have to have supply-management, and that is a philosophical point that, my friends opposite, federal colleagues are not prepared to overcome. Hence we always have ad hocery that seems to indicate that something is going to be done but really never meets the situation.

And so it's ironical, Mr. Chairman, that we have a National Farmers Union marching across Canada, presenting petitions to every provincial government, that we have ad hoc farm organizations forming in order to present petitions to provincial governments, at a time when the very legislation that is supposed to be dealing with their problem is before the House of Commons. And I'm wondering, Mr. Chairman, whether or not those activities are designed to sort of defer the attention, or divert, rather, the attention from Ottawa to the provincial capital of Canada. I'm wondering, Mr. Chairman, whether that isn't what the real motivation is on the part of some of the leadership in the agricultural community, because they know, they know, Mr. Chairman, that the question should be properly put to the Government of Canada wherein the legislation is, has been provided for for many years past, and is now being amended, supposedly to deal with the new cost of production to reflect more the current situation of agriculture in Canada.

Members opposite would be well advised to bear that in mind when they engage in debate of the estimates of this department, that they too should be more responsible than to try to point attention to an area that has less jurisdiction and less fiscal capacity to deal with those problems.

There are other areas of the rural community that are having their problems. The potato growers, the vegetable growers, are not realizing their cost of production this year as well, so while the over-all picture looks fairly good, the income picture on average is good, the agricultural sector, the vegetable sector is not good, and those people are losing an awful lot of money this year. I think one has to keep in mind, however, that a year ago both of those sectors were doing quite well, so that they have not had to suffer for more than a 12-month period, or at least in the area of vegetable production in Manitoba that it's the last crop that is not yielding them their cost of production. In terms of the beef industry, of course, it's a bit beyond that. But certainly it's one of those cyclical things that happens in a free economy, in a free enterprise marketing system, and that it has to be accepted in that way.

In sharp contrast, however, Mr. Chairman, we have to compare the instability and the distress in the cattle industry, and of course the stability in the dairy industry. I think if you look at those two sectors, you find that the dairy industry is doing very well and is certainly the most stable part of our agricultural community. I'm proud, Mr. Chairman, that we took steps last year to make Manitoba the first and to date the only province in Canada to establish complete equity among dairy producers to price pooling, and the first province to free dairy producers from quota restrictions. At the same time, measures taken at the federal level have greatly enhanced the income position of dairy farmers in this country. The dairy industry, Mr. Chairman, is the best example to show that farm income stability can be achieved if governments are truly serious about it. As a result of the steps taken by Manitoba and the Government of Canada, dairy income in the province rose from \$41.5 million to \$55 million in one year. We are looking forward to the continued expansion of a stable and prosperous dairy industry in Manitoba.

Mr. Chairman, I would like to draw to the attention of members opposite some very interesting facts relating to the dairy industry. I want to compare the prices farmers received in 1974 compared to what they are receiving now. I want to compare consumer prices as well.

In 1974, fluid shippers received an average of \$8.54 cwt. for their milk. Industrial shippers averaged about \$7.17 cwt. In 1975, Grade A shippers in the new pooling arrangement averaged \$10.61 cwt. I'm talking about the latest statistics that we have, the month of February.

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(MR. USKIW cont'd) Grade B shippers, and there's a very small percentage of our production in that category, averaged \$9.41. To summarize, Mr. Chairman, the former fluid shippers moved from \$8.54 to \$10.61, an increase of \$2.07 or 24 percent. Former industrial shippers in the Grade A pool adjusted their price from \$7.17 to \$10.61, in other words, \$3.44 cwt., or the equivalent of 47 percent. In the Grade B pool the price adjustments moved from \$7.17 to \$9.41, or, in dollars, \$2.24 at 31 percent.

Now to look at consumer prices of fluid milk - I think this is important in the context of the interest of our consumers in Manitoba - the Toronto price was 53 cents and is going to 56 cents on April 1 of this year for a quart of homogenized milk. Northern Ontario towns and cities, average 55 to 61, will go to 58 to 64 on April 1. Retail prices of milk are not regulated in Ontario. In Winnipeg, the maximum price is 48 cents February 1, 1975. Delivery prices are of course higher. Regina, the maximum price is 49 cents, effective February 1. So there you have a good illustration. In Alberta, 48 cents, and of course there are variations if you engage in delivery programs and so on. So that we have a good relationship in prices as between the producers of milk in Manitoba and other provinces, and the price that consumers have to pay. In Manitoba, the pool price, as I said earlier, is \$10.61 to producers; in Saskatchewan, the blend price for a fluid pool within quota shipments are \$10.86. In Ontario, the blend price for fluid shippers is about \$10.40. So it gives you a good indication, Mr. Chairman, as to how we stack up with the new dairy policy in this province.

When introducing the estimates of my department last year, Mr. Chairman, I expressed my concern over the intentions of the Minister in charge of the Canadian Wheat Board to remove the marketing of feed grains from the jurisdiction of the Canadian Wheat Board. Mr. Chairman, I am sorry to report that the fears I expressed at that time have come to pass, in spite of the fact that in referendums held in Manitoba and Saskatchewan, more than 90 percent of the farmers were in favour of leaving the control of feed grain marketing in the hands of the Canadian Wheat Board. Mr. Lang turned the marketing of feed grains for domestic use over to the private trade and the Winnipeg Commodity Exchange. The results have been a serious loss of revenue to western grain producers.--(Interjection)--

The Member for Gladstone says, "How about the strike?" Well, of course, I don't know what he implies when he says what about it. I suppose he's implying that there's a negative aspect to it and I have to agree with him. Whenever you have a strike in any sector of our economy, it has its rippling effect on the balance of society. But that is something that goes hand in hand with the theory of collective bargaining, and so far we have not developed a system in this country which can better replace collective bargaining as the way in which we try to share the wealth of the country. I think the Member for Gladstone should appreciate that everyone always would like to think that it would be so nice if society in some way would control that other person. It's the other guy that we want to impose controls on. We're not quite so sure when we have to impose them on ourselves. And really, I think, when the Member for Gladstone says, "What about the strike?" he really should broaden that and he should talk about things far beyond the one or two or three or half a dozen groups that are now engaged in legal walkouts as their way of trying to bargain for their share of the wealth of Canada. I think he has to address himself to the question of whether there isn't a need to look at the profit side in the business community as well.

I don't think you can just look at the earnings of labour and whether or not those earnings present a problem to you in the economy. I think you have to bear in mind that various commodities have enjoyed very high mark-ups in the last few years, very rapidly escalating mark-ups, and I can only refer you to the price of sugar in the last year. I think it peaked around 65 or 70 cents a pound in this province. And at that time, Mr. Chairman, I was led to believe by people that are very knowledgeable in the sugar industry, that they would be very happy with sugar being at about 30 cents a pound. They thought that would be a good price, and in fact that would afford the building of a new plant in Manitoba if they could have 30 cents a pound.

And so, Mr. Chairman, it's obvious that we do have economic problems. We have some sectors of society earning profits far too large for the good of society as a whole, and that can apply to many areas. So when we want to talk about the negative effects of wage demands, we have to in concert talk about the negative effects of high profiteering, and that the two have to be dealt with together. And that is something that may or may not happen in the foreseeable future, Mr. Chairman. I have my fears that if something is not done to better regulate the

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(MR. USKIW cont'd) economies of our land, that we will have very serious and long-lasting repercussions that we will not enjoy. But certainly I don't pretend, Mr. Chairman, to have a solution.

But one thing is obvious, that nothing is possible in an economic system where everyone is allowed to sort of take his share, and where he has a dominating heel, or a corporate entity would have a dominating influence in the taking of that share. I think that is one of the things that we have to realize, that the welfare of the land has to be shared somewhat along guidelines that are well established by public representatives, and not on the basis of who has the greatest bargaining power or leverage in the marketplace.

So I'm very much in sympathy with the comments of the Member for Gladstone, but I would wish that he would broaden his scope of thought and that he would too recognize that that is an area, a problem area, which requires co-operative action, and that just singling out one group in society and pointing a finger at that group, and trying to suggest that if we could only have control of that one group our problems would be over. I think that is a very shallow approach and one which would not bring about the result that my honourable friend is seeking.

So, Mr. Chairman, with those few comments, I want to close by pointing out to members opposite that we have perused the expenditures of our department, the Department of Agriculture, in the past years, and we did a more thorough job this year of trying to analyze the value of programs. We have re-allocated some funds, we have introduced what I would call a stand-pat, no-growth budget. It was a decision that I preferred to take, given the fact that we have grown somewhat too rapidly in the last three or four years and that it's good to plateau once in a while in order to create greater efficiencies in the operations of the programs that we now have, rather than charting too many new courses. So I take pride in the fact that we have been able to trim our demands and at the same time allocate funds to priority areas within the department's estimates, and I recommend those estimates to the members opposite.

MR. CHAIRMAN: It is now my understanding that we will leave this item 8(a) until the end of the discussion on the remainder of the items, and we will now proceed with 8(b). Is that the understanding of the House? Agreed? Resolution 8, (b) (1)--passed; (b) (2)--passed; (3)--pass? The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Well, Mr. Chairman, on (b) (3) Special and Emergency Programs \$96,800, I'm wondering if the Minister could give us some detailed information as to what the Special and Emergency Programs consist of.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: While the Minister is preparing to respond to the question asked by the Member for Rock Lake, I think the interesting item on this matter is that last year the same clause called for the expenditure of somewhat over a half a million dollars in Special and Emergency Programs. This year, while I commend the Minister for cutting it back to \$96,000, it begs the question - there may be a very good, easy answer for it - what were these special emergency programs that cost a half a million dollars last year and he is now budgeting for \$96,000 this year?

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: First, Mr. Chairman, I would wish to deal with the content of the \$96,000. I think members opposite would recall that over a number of years, certainly before my time here, that there was a standing provision for emergency measures in the order of some \$16,000. This year you will notice it's \$96,000, and that has to do with an allocation of some \$80,000 additional to provide for hay assistance to Lake St. Martin, which were already provided for by special warrant in years past, and it has to do with the arrangements that have been made with the community of Lake St. Martin, three Indian reserves and a number of other farmers in the area, in the settlements of the province over the flood question. So that is formally presented in the budget this year but it was not last year. The loss of half a million dollars has to do with the fact that the province is not introducing this year an incentive program for pork production as it did a year ago. So that represents the difference.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, when the Minister indicates \$80,000 for hay assistance, I just want it to be elaborated. Does he mean to say that the \$80,000 is for the purchase of hay or to assist in transfer of hay from one place to another?

MR. USKIW: Well, Mr. Chairman, if the honourable member would recall, every year

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(MR. USKIW cont'd) for a number of years, virtually every year, we've had to purchase and transport hay to Lake St. Martin in order to replace the hay that they have lost to flooding, allegedly because of the operations of the Fairford Dam, and that dates back to the term of office of the previous government, and members opposite would be more familiar with it, back in 1965 to '67. But that is ongoing and it is almost complete. We hope that we will be out of that program within a year. We may have to do some more, a little more next year, but we have made a permanent arrangement, we've entered into a permanent arrangement where there has been a land trade. The Crown have allocated some land resources to the various reserves; they have purchased a number of private holdings as a means of settlement, and we are developing some Crown lands in order that those new-developed Crown lands which would be transferred to the reserves would supply the hay that has been lost to them because of that flooding.

MR. CHAIRMAN: (3)--passed; (4)--pass? The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Chairman, I hope when I am through with my few remarks the Minister will develop at some length the policies of the Milk Control Board. It is my understanding now that when the milk leaves the farmer's gate it belongs to the provincial government agency, and they market the product, allocate where it should go, and more or less there's no recourse to this. And, Mr. Chairman, I'm sure when these regulations were set up and applied, there was no thought given to the fact that a philosophical form of government would come in, who would then use this power in a political way. And I'm talking about the proposal of the government to establish Crocus Foods at Selkirk.

The ostensible explanation is that Crocus Foods is going to take a by-product of the dairy industry, whey, which was very difficult to dispose of if it was not used - in other words, the explanation given is that it's detrimental to the environment - and the government in their wisdom were going to solve this problem by putting a Crown corporation in place to use the by-product whey in a useful way. Well, Mr. Chairman, as far as that goes, it doesn't sound too badly, but when the government uses the Milk Control Board as an instrument to direct milk to a Crown corporation to the detriment of existing established industry in the farm and dairy business, well then I say it's time that the Opposition spoke up and exposed this and asked the government to back off.

For example, we have - and I'm going to quote now a newspaper article from the Carillon, the Steinbach paper, and it's sort of a defence, I guess, by someone in private industry, but they're speaking up and they're expressing their concern. And, Mr. Chairman, I'm going to read most of this article.

"Construction of a government-owned milk processing plant at Selkirk would have very serious repercussions on the dairy industry as a whole, and on present processing plants in particular, according to a spokesman for Modern Dairies. Medo-land Dairy products at Grunthal, a subsidiary of Modern Dairies, has already lost nearly 20 shippers to the fluid milk industry in the past two months because of government control. All milk is now bought directly from the government and, when production slows for the winter months, industrial processors face cutbacks because of an increased need for fluid milk, a Modern Dairies spokesman said.

"The opening of a government-owned processing plant in direct competition would probably result in the closing of the Grunthal plant altogether. The government originally planned to open a whey plant at Selkirk to assist in environmental problems caused by some plants having difficulty in disposing of whey left after cheese operations. Since then, they have suggested the construction of a milk-processing plant. The Modern Dairies' spokesman expressed concern over the effect that would have on the milk-processing industry. He said many processors feel the government's proposal is being considered strictly for political reasons, especially in the light of the proposed location. The government suggested the whey plant be built in Selkirk as a central location, but two thirds of the needs of the whey plant would be filled by processors at Winkler, Pilot Mound, Souris, Rosssburn and Dauphin.

"Modern Dairies is already drying whey to be used as livestock feed and at present has equipment ready to be installed at their Grunthal plant. The company spokesman said they weren't setting up the operation because they had indications any application to the government would be refused. Of special concern to the Grunthal plant is the fact that production has

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(MR. G. JOHNSTON cont'd) already cut to 40 percent because of diversion of their regular milk supply by the government. This amounts to a cutback of about 10,000 pounds per day. And any further cutbacks expected with government competition would be disastrous."

Now I won't go on with the rest of the article, Mr. Chairman. No doubt members opposite will say, well, there's someone defending big business or private enterprise or free enterprise. Mr. Chairman, it goes further than that. We have a large, healthy co-operative development in Manitoba. It's going to affect companies such as Manco, which are owned by the producers. And I think the government has jumped into this, probably with the best of intentions, then when they found in their preliminary studies that there was no way they could make a viable operation with the whey only, they decided, well, they might as well go into the full-fledged processing of dairy products and try and get at least one Crown corporation that they instituted in a profit side of the ledger - which I don't think has happened yet.

Well, Mr. Speaker, with the government's record of going into business, I think they should be very cautious in this regard, because they are going to use the taxpayer's money, whether it's the federal DREE grant and a combination of provincial funds, or some combination thereof, to go into competition with people who are in business, whether they are producer-owned businesses or private enterprise businesses. And I don't think that that's what we need in Manitoba. I don't think that the people who put together the Milk Control Act and the regulations had in mind that it would be used as a club of government, as a weapon of government, to force the product of the farms of this province to a Crown corporation so that a group of bureaucrats or political people can say, "There! Look what we have done. Look what we have produced."

If there was a need, I would say yes, we're willing to listen, but there is not a need, Mr. Chairman, there is not a need at this time in Manitoba for government to go in the dairy business. And I would like to hear the Minister explain why he thinks there's a need for the government to go in the dairy business at this time. He has just cited figures to us that shows that Manitoba has still one of the lowest, if not the lowest, cost of a quart of milk to the consumer. He cited, I believe, Northern Ontario about eight cents higher, if I recall correctly. And I can say, Mr. Chairman, if the government goes into business and starts driving out efficient operators who are doing this job, then we will be paying as high as anybody else in the country. And I don't see any need whatsoever for the province to go into another business, that is in capable hands right now, by way of a combination of co-operatives and private enterprise, producer-controlled and privately-controlled. They have lots of control over them. They can't raise a price without permission of a government agency, they are regulated, and they are doing a good job. And I say, unless the government can produce any evidence to suggest otherwise, that they leave them alone.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, I think it will be up to . . . the Minister in a very short while that we intend to, at this stage of the Estimates and on this particular time, try and find some answers that we have been unable to solicit from him during the short period of this session and even prior to that. Let me say, Mr. Chairman, at the outset, that this is the kind of situation that this government has all too often demonstrated a unique capacity at in moving in through the back door in a program that appears initially to be reasonable, acceptable, and indeed quite justifiable. You know, the problem as first related to us was the problem of the disposal of whey. There was a pollution problem. And with one arm of government, namely the Clean Environment Act, putting down specific deadlines, as it is their responsibility to do to clean up pollution problems, and I understand these were applied to the dairy-processing industry generally, that this whey problem had to be cleaned up within a given time period, I believe a year - I could be in error, but anyway they were served notice that this pollution problem had to be looked after.

You know, it wasn't the announcement, early on, that the government was considering helping out the private sector with this by-product which in fact was becoming a pollution problem, which it would appear up to that point in time the private sector could not find a reasonable or economical way of dealing with, you know, that left room for, in my judgment, government involvement or government concern, maybe through the means of collective government action being able to make this heretofore unprofitable by-product into at least a break-even one, one that may not be attractive to the private sector but one that may well be within the

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(MR. ENNS cont'd) realm of government responsibility, in doing two things: in recognizing that there was a pollution problem, and in recognizing that up to a given point in time the private sector had shown some reluctance - and I am prepared to concede that to the Minister - some reluctance in coming to grips with. So that the original suggestions about the government getting into the whey business, you know, weren't that alarming. However, that soon changed. And, as the Member from Portage la Prairie has already indicated, we are now talking about the government's full-scale entry into the dairy processing industry, and we are not getting any kind of answers, you know, as to the full intent of the government, the scope and scale.

We had conflicting announcements that talked about a projected plant in Selkirk, ranging anywhere from six to nine million dollars in capital costs. We have a suggestion that the plant will be involved in the recycling of whey, and because that in itself can't make the plant pay, that the plant will have to go into other areas of processing of dairy goods, dairy products, but we don't know to what extent.

Now, Mr. Chairman, you know, it may not be that important that I'm worried about it, or that even the Member from Portage la Prairie is worried about it, but how in the world do you expect, you know, that portion of the private sector that has been doing a very good job in this business, how do you expect them to carry on with any face in re-equipping and re-investing in the constant efforts of updating their plants to maintain operations in this province when they know that very shortly they're going to have a very senior competitor in the game, a competitor that has all the aces up their sleeves?--(Interjection)--Because the products that we're talking about is already a very carefully controlled and regulated product.

One agency of government can cut off and divert and direct the flow of product to wherever they will. And what worries me most about this, Mr. Chairman, is, and I have - you know I believe that because of the regulated state of this industry certain sections of the Dairy Act now on the Statutes are there for a good reason. And I've asked the Honourable Minister several times by letter prior to the session, and I asked him during this session, in the early stages of this session, and I ask him now, to indicate to us whether or not he is prepared to do us the courtesy, and more important as I've said before, the existing industry the courtesy, of living up to his own Dairy Act.

Let me, sir, just for the matter of information to the members of the House read portions of that Dairy Act to you. "Section 7 (1) Permits for dairy manufacturing plants. No person shall establish a dairy manufacturing plant in the province, or enlarge, alter, or newly equip, a dairy manufacturing plant in such a way as to permit of the manufacture, production or processing therein of a dairy product additional to those manufactured, produced, or processed therein before the making of the enlargement, or alteration, or the installation of the new equipment". Now, Mr. Chairman, these provisions of the Act that I want to recite to you are there for the sole purpose of allowing the industry as a whole under the direction of the government to control unlimited and inefficient growth in the industry; to protect to some extent the established and efficient operators within the industry; and to make sure that at all times the industry, you know, will not be unduly put into a position where through uncontrolled expansion, ill-advised expansion, long established - well, industries that are currently serving the need are jeopardized.

Section 7 (2) of the same Act says: "That an application for a permit, and the permit shall be in such a form as described by the minister, and the application shall be accompanied by the fee prescribed in the regulations". Now this deals with anybody, anybody that intends to get into the dairy business; enlarge, build a new plant or alter an old one. Now, again, Mr. Chairman, I have this feeling that the laws of this province are meant for everybody else, and particularly the private sector, but not for the government. And I asked the Honourable Minister this afternoon, sir, whether or not Crocus Foods Limited had applied for the permit as called for under the Act. And his answer was, that we have as yet to make the definitive decisions about Crocus Foods. I'm assuming that that'll take place next week or the week thereafter, when he and his senior advisers or the government, the Cabinet, will decide whether or not to go into the business of dairy manufacturing. But that's not what the Act is all about.

The Act specifies that you should first of all obtain a permit from the Minister, and that permit then serves notice on the existing industry, serves notice on the producer, serves notice on the public, that this and this is going to take place. There's a special section under

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(MR. ENNS cont'd) 7 (3) of the Act with reference to "Notice of Application".

"Before - before issuing a permit under sub-section 1, the Minister shall give public notice that the application has been made and shall cause the notice to be, (a) mailed to the operator of each dairy manufacturing plant that operates in the area, that in the opinion of the Minister is the area that would be served by the proposed dairy manufacturing plant in respect of which the application is made; (b) Published in two issues of the Manitoba Gazette; and (c) Published in such other manner, if any, as he deems advisable". In other words, again, Mr. Chairman, the purpose of the Dairy Act, the now-existing Dairy Act is to ensure that the existing industry, the producers and the public have full and proper knowledge about when a new entry or change or basic change or alteration is made to the dairy processing capacity of this province.

Under the same Act, Section 7 (4), "The Minister is advised that the Minister shall not issue a permit for the establishment of a dairy manufacturing plant unless a board of five persons, of whom four shall be a quorum, appointed for the purpose by Order of the Lieutenant-Governor-in-Council, certifies to the Minister that the proposed plant is desirable, having regard to the volume of production, the marketing facilities, and such other factors as may affect the development of the dairy industry in the district to be served by the proposed plant. And if the board certifies, as aforesaid, the Minister may issue the permit".

Now Mr. Chairman, the Act couldn't be clearer. The Act couldn't be clearer. The Act says that the Minister should set up an advisory board that obviously hearings of some kind should be held, representations should be allowed to be forthcoming from the producers, from the existing processors to make representations as to the desirability of this new plant expansion in Manitoba.

Now, I don't know Mr. Chairman, what the Minister's thoughts are about the relevancy of this Act. I'm not suggesting for a moment that he is ignorant of the Act. I'm well aware that that isn't the case. I may suggest that he has entirely the capacity of arrogantly ignoring the Act, as has happened with some of his colleagues when it came to some other questions of government adhering to their own pieces of legislation, and I'm referring to such things as building permits, you know, within the vicinity of this building, or otherwise.--(Interjection)--

MR. USKIW: I believe that the honourable member is alluding to something that is not correct. The Government of Manitoba didn't have to have a building permit with respect to the incident that I can recall.

MR. ENNS: Well, I suppose I should accept from that interjection that the Government of Manitoba also doesn't have to listen to its own Dairy Act.

A MEMBER: That's right.

MR. ENNS: Well, there seems to be a parallel drawn here that if I were, you know, correctly advised just a moment ago that Acts, and requests, or necessity for permits, and what have you, are for the private sector but not for government. Then, I suppose, that may explain, Mr. Chairman, why the government, who seems to be on the verge of making fundamental and basic decisions that involve a good deal of capital outlay - I suspect that negotiations are far advanced with our colleagues in Ottawa for the potential, you know, help in the building of the proposed plant. If the Minister can answer this afternoon that he is within maybe a week - or I don't recall his immediate answer - but he certainly gave the impression that the final decision as to whether to go ahead with Crocus Foods Limited was to be made within a very short time. I ask him where within that short time is there room for carrying out the provisions of the Act? Where within that short time is there room to establish that Advisory Board that the Act calls for? Where within that short time is there room to advise the existing industries of their new competitor looming on the horizon?

So, Mr. Chairman, I beg the Honourable Minister to give us some indication as to how he intends to live up to the Act, if indeed he does; what his feelings are about the Act as they apply to government action in this field; and whether or not he intends to carry out the Act. Mr. Chairman, I think these are pretty straight-forward questions that, as I said earlier, it's not just a question of satisfying members of this House, it's a question of treating fairly an existing processing industry here in the Province of Manitoba.

Now, Mr. Chairman, the Honourable Member from Portage la Prairie has already indicated several reasons why the people of Manitoba should be very nervous, extremely nervous about this government getting into the business of dairying in a serious way.

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(MR. ENNS cont'd)

Mr. Chairman, with a track record that this government has, you know, I honestly believe that they will get those aeroplanes to fly in Gimli. I just don't know whether I could wish them on anybody to have the price tag to buy them.

Now I realize that the average housewife isn't really too concerned about buying an aircraft from Saunders in Gimli tomorrow. But she buys a quart of milk every morning. And the Minister's own figures indicate, you know if we want to believe his own figures, and I believe his own figures, indicate that the dairy industry is in pretty good shape right here in the province, that the producer is getting a reasonable return, and that the consumer is getting a pretty fair break relative to other provinces.

Well, what is the drive, what is the rationale for the government now spending millions of dollars to get into the dairy industry? How does that fit in, Mr. Chairman, with his First Minister's request, that in lieu of the kind of inflationary period that we're in that unnecessary capital expenditures should be postponed? How does it measure up with this Minister's own pretty good effort at maintaining a pretty tight belt on the expenditures of his departmental expenditures over all? In fact I think some acknowledgement has to be made to the Minister and some compliments have to be paid to the Minister in this respect. But, Mr. Chairman, that doesn't seem to cut any ice when this government is bent on an ideological venture into the dairy industry.

Mr. Chairman, the other, you know, major concern of course is that I don't think too many people in the general public realize how carefully controlled and monitored this industry is, how simple it is in this instance for the Government to practise that full and heavy hand of supply and management. Can you imagine, Mr. Chairman, this kind of a scenario, which I suggest to you is real, that if they enter into that plant at Selkirk, and if they find that in the first year or two or three years that they're having difficulty in making ends meet, and they can't get it in out of the red and into the black figures . . . --(Interjection)--Well, Mr. Chairman, you know, they can simply keep diverting milk from the dairy that's struggling and trying to make an existence in Souris, or in Brandon, or in Grunthal, or in St. Claude, or in Arborg.

Well, Mr. Chairman, the fact of the matter is, you know dairying industry, the manufacturing and processing of the various kinds of cheeses, one like that, are one of the few industries that are, you know, that have some chance of prospering in rural parts of Manitoba. They're the kinds of industries that, in my judgment, the government should be doing everything to encourage that they should stay and, in fact, locate more of them closer to the source of supply. In terms of efficiency surely it has to be considered that moving the perishable raw product, milk, into the processor as fast, as conveniently, as quickly, means the better chances for a better product, and then to move the processed product in form of cheese or powdered milk into the retail outlets. But no, Mr. Chairman, we're talking about building a giant in Selkirk that'll start draining milk from all over the province at the whim of the Minister, at the whim of the Milk Control Board; and once they have committed themselves to making this million dollar dairy plant in Selkirk work, they have no other choice. And can you really tell me, Mr. Chairman, that the cries of anguish from Pilot Mound, or from Brunkild, or from Souris, are going to be loud enough to stop that diversion of milk products from their little plants? Some of these plants have already received notice asking them to divert upwards to 25 percent of their product into the City of Winnipeg.

Now, Mr. Chairman, that kind of decision is easily made at the bureaucratic level, Milk Control Board level, but that 25 percent product may well be the difference between a small plant, a marginal plant operation in Souris surviving or not surviving.

Mr. Chairman, I believe the Minister and this government owes us a great deal of explanation as to what their specific interest is in getting into the dairy business at this particular time. I think they owe us some very specific reassurances and guarantees that if they do, it will not be done so at the cost of existing plants, and I speak particularly for the smaller rural plants, although just as well for the larger city processors.

I asked him to indicate to us what is the rationale for the government's entering into the dairy industry at this particular time. Are there massive corporate ripoffs being taken as was the case in the automobile insurance business that motivates this government for ideological purposes to enter into the dairy industry, is that what he's saying? I don't really think

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(MR. ENNS cont'd) he's saying that because we've already been told by the Member for Portage la Prairie that in this particular industry a government agency already regulates the price and the profit level, price to both primary producer and consumer. --(Interjection)--This is a controlled industry.

Mr. Chairman, is it really then for want of greater control that this government is now prepared to spend several millions of dollars to get into the dairy industry? And is that control, that hoped for control, does that overshadow any concern that they have for the consumer, who in my judgment will be the eventual loser? Has the consumer any right to feel at all comfortable with this government's entry into the milk business that their prices, that they will continue to enjoy the relatively modest price that they pay for such a basic commodity.

Mr. Speaker, if our milk industry was in shambles, if we headed the list in terms of cost to our consumers and across Canada, if we had difficulty in finding processors interested in processing dairy products in this province, you know, if some of these things were true, then perhaps there might be reason for the government's consideration in this area. Certainly, Mr. Chairman, the original, the original reason given for the government's interest in this matter are quickly dissipating. The private sector is now prepared, willing, and has machinery ready, has machinery that they want to install to recycle whey and this government refuses to give those companies the permits to do that. This government would sooner let pollution continue in this Province of Manitoba, rather than let the private sector clean up that pollution, because this government is not giving anybody permits to recycle whey. They're also going around to processors and saying, that we want your whey, and we want you to sign a contract for ten years; if you don't, you may not get any milk.

A MEMBER: . . . controls.

MR. ENNS: That's a pretty heavy clout. That's a pretty heavy clout. I suppose, Mr. Chairman, in the final analysis, it could all be considered part of the package. At election year, we might all find the price of milk dropping four cents a quart, as we saw Autopac drop, four cents a quart. You know . . .

A MEMBER: With a picture of the Minister of Agriculture on the front.

MR. ENNS: So I suppose if the bent is, if the bent is control, massive control by government, then we know what the ball game is all about. But, Mr. Chairman, I suggest that the Honourable Minister's going to have a very difficult time to in any way, in any way explain in a rational way the expenditure of public funds at this time on the part of the government in co-operation perhaps with the Federal Government, to get into the dairy business. Now he may not choose to explain it that way. He may choose to explain it that this is part of the new thrust that was mentioned in the Throne Speech, MDC getting into those other areas, those more lucrative areas; they're tired of bankrolling the losers, they now want to get in on the money makers. Lord have mercy on the consumer, is all I can say. The track record of this government in those kind of ventures leaves nothing but concern for the consumer with respect to the future price quality of important and staple food items such as milk and related dairy products.

So, Mr. Chairman, you know, the Honourable Minister has in his manner chosen not to answer questions directly during the question and answer period with respect to his future plans for a Crocus--I believe it's really not acceptable, Mr. Minister, to tell us now, if you choose to tell us now, that your plans are still far from being finalized. You know, there are just too many stories going around about machinery being purchased, about advance studies. I congratulate the manager of Crocus Foods Limited, I believe Mr. Frank Muirhead, with whom I've always had a good association with. He did an excellent job in handling and managing that part of the extension service having to do with affairs in agricultural societies. I don't particularly know that that makes him a dairy expert overnight, but then of course efficiency and competence is not really a concern of this government when it enters into its business ventures.

So, Mr. Chairman, I think the Honourable Minister must recognize that we have been pretty patient in trying to find some straightforward answers as to what the government intends to do at Selkirk with Crocus Foods Limited, how much money they intend to spend, how much of their product they intend to divert to that plant, and how much consideration they have given to the plausible effects on existing industry now located, not only here in the City of Winnipeg but throughout rural Manitoba.

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MR. CHAIRMAN: The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Thank you, Mr. Chairman. I'd just like to make a few comments at this time. I particularly became interested in the Crocus Plant back in November when we received a News Release from the government propaganda office . . .

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, the subject matter that we are debating, and I should have risen sooner, is the Milk Control Board, and the subject matter that has so far been debated by members opposite is the Producers Marketing Board, and a company not yet in existence, well, it's in existence in its early form. But wherein the matter, that subject matter is not before the House. The Milk Control Board has jurisdiction only in the area of setting the price of milk for the consumers of Manitoba. That's what we are debating; we are not debating Crocus; we are not debating The Milk Producers Marketing Board. So members should, I think, restrain themselves to the debate, which is the Milk Control Board, which has very limited jurisdiction, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Lakeside on the same point of order.

MR. ENNS: You know, perusing the estimates would indicate to us that while technically the Honourable Minister may have a point, the Milk Control Board nonetheless is the operative agency, very much so in my judgment, with respect to at least being the only occasion under which we can, in trying to abide with the rules that we establish for ourselves in this House, discuss this matter. I realize that we can perhaps drop this now and come back on the Minister's Salary at the end, but we are attempting to go by the regulations that we've established, and I see no specific - of course we'll not find an estimate entry of Crocus Foods Limited in the estimates, because the Minister says it's not established, and I don't think that we will find a specific entry for the Marketing Board that he refers to. The Milk Control Board agency as such is our . . .

A MEMBER: Is our source.

MR. CHAIRMAN: The Honourable Member for Portage la Prairie on the same point of order?

MR. G. JOHNSTON: Well, on the same point of order. I have in my hand the annual report of the Milk Control Board, and in it they report on the activities - there's a section devoted to reporting the activities of the Manitoba Milk Producers Marketing Board which was formed, and it's contained right in the annual report of the Milk Control Board. Now if the Minister has a suggestion where we can discuss this in another part of his estimates, I'm willing to listen, but the Milk Control Board which we're on in their report contain the activities of the Manitoba Milk Producers Marketing Board.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): A glance at the estimates will indicate to you, sir, that there is not other occasion in which dairy matters can be discussed under, except under the Milk Control Board, and as it was pointed out by the Member for Portage la Prairie and the Member for Lakeside, there contains reference in the Milk Control Board report to the Milk Producers Marketing Board. In any event, even if that were not the case, it's the Milk Control Board that has the responsibility for licensing any processing plant, and since Crocus Foods will have to apply for a license under the Milk Control Board in order to come into operation, then it seems to me that logically it follows that only under this particular item can you discuss this subject. There is no other opportunity in the entire set of estimates. One of the reasons why we changed the consideration of estimates in this sense was to be able to get an organized discussion of the various aspects of each of the departments of government. If we can carry on the discussion on all matters relating to milk under this particular item, then we have concentrated that debate in this particular section, whether it be the Milk Producers Marketing Board, the Milk Control Board, or Crocus Foods or whatever; whatever matters relating to milk can be discussed, and should be discussed under this item, sir. It is the only item under which we can discuss it logically.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: I want to beg to differ with my honourable friends because the Milk Control Board has no authority in this connection. The proper area of debate, Mr. Chairman, would be under Manitoba Marketing Board 7 (c), yes 7(c), that is the agency that has all of those powers that members opposite have alluded to in the debate.

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MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: On a point of order, I believe if we turn to Page 20, Exhibit B of the Milk Control Board of Manitoba Annual Report, under the Income, they show Whey Plant Proposal, \$9,271, and then further under Expenditure, Whey Plant Proposal, \$9,271, and I would suggest, Mr. Chairman, that we are quite in order to discuss this. It's my understanding, as the honourable colleague from Morris has indicated, that the Milk Control Board has a licensing power to either grant or deny whey drying facilities in existing plants, and I would think that for this reason we have full and proper authority to discuss this at this time.

MR. USKIW: Mr. Chairman, I would want to point out to the honourable gentleman that the report he refers to is somewhat dated and there have been many changes that have taken place since, and certainly since May of a year ago, or of May of last year there has been a restructuring wherein the Producers Marketing Board assumed the powers that members opposite now wish to debate under the Milk Control Board. So they are totally out of context, Mr. Chairman.

MR. MINAKER: A point of order, Mr. Chairman. I believe the front of the cover says the Annual Report from October 1, 1973 to September 30, 1974, and I believe the Honourable Minister just mentioned that the change occurred in May, yet it has not appeared in this particular statement on the front of the cover, so I still think we are in order.

MR. CHAIRMAN: Order please. The Chair will recognize debate under this item, but will be very arbitrary when we come to the marketing section with respect to whey - in no way will the Chair entertain a revival of debate on that matter.

MR. USKIW: Mr. Chairman, I want to point out that the area of debate on the Milk Marketing Board has to do with the price of milk as established by the ruling of that agency for the consumers of Manitoba. The subject matter we're discussing has nothing to do with that responsibility. --(Interjection)--

MR. CHAIRMAN: . . . but under 7(c) we're not going to in no way discuss the whey problem again. The Honourable Member for St. James.

MR. JORGENSEN: . . . want to make sure that we're clear on this point, that the Minister's Salary item will remain open at the last, and the opportunity will provide us . . .

MR. CHAIRMAN: But I'm talking under 7(c).

MR. JORGENSEN: That is quite agreeable, Mr. Chairman.

MR. USKIW: Well, you can't have it both ways.

MR. G. JOHNSTON: Mr. Chairman, I believe we can discuss the question of the Milk Control Board and the granting of licensing of whey plants, and also it's my understanding that a contract has been passed through the . . .

MR. USKIW: The member is out of context. The Milk Control Board that we're debating has no authority to license a whey plant.

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

MR. G. JOHNSTON: On the same point of order and I refer to the matter that was brought to our attention by the Member for St. James, when the Milk Control Board in Exhibit B on Page 20 in a financial statement mentioned the Whey Plant Proposal. Well, if this is part of the Milk Control Board's report, surely we can discuss it.

MR. CHAIRMAN: I would ask you to . . . rule, that you can discuss the whey program now, but not under 7 (c).

MR. G. JOHNSTON: Well, Mr. Chairman, it's . . .

MR. CHAIRMAN: Order please. I've declared that the member is in order.

MR. G. JOHNSTON: Oh, I thought you said there's no way we could discuss whey.

MR. CHAIRMAN: Not under 7 (c).

MR. G. JOHNSTON: Pardon?

MR. CHAIRMAN: Not under 7 (c); later on.

MR. G. JOHNSTON: Okay.

MR. USKIW: Well, Mr. Chairman, I would like to draw your attention to the comments of the Member for Lakeside, who did recite to us the powers of the Dairy Act and the question of licensing, and those powers are not within the confines of the Milk Control Board, which my honourable friends want to now discuss. The Member for Lakeside recited the Dairy Act, and recited the licensing authority.

MR. MINAKER: Mr. Chairman, then I will discuss the subject under the Manitoba Milk Producers Marketing Board.

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MR. CHAIRMAN: Fine. That item then.

MR. MINAKER: You'll be tagged with the name, "No way José" in a minute. Anyways, Mr. Chairman, we on this side became interested in the Crocus Plant back in November of last year, or in 1973, when the Honourable Minister of Agriculture announced through the Government News Service that . . .

MR. USKIW: Are we not on 7(c) because the honourable member said he is prepared to debate it under that section.

MR. JORGENSON: Mr. Chairman, I'm not going to instruct you, but I wish the Minister of Agriculture would allow the debate to continue. His constant interruptions are unwarranted, unnecessary, and he knows full well that he is going to have every opportunity to reply as many times as he likes. I wish he would allow members on this side of the House to continue the debate in the way they want to continue it. Surely to heaven, he is not going to now try and control debate on this side of the House. We will say the things that we want to say, not what he wants us to say.

MR. USKIW: On that point of order, I simply make the observation that the member opposite rose and said he's prepared to debate this issue on 7(c), and then he proceeded to debate it under the other section.

MR. JORGENSON: That is not what he said.

MR. CHAIRMAN: Order please. Order please. That is distinctly the impression that the Chair received, that the honourable member said he was not going to discuss it, he would discuss it under marketing boards. You can't have it both ways.

MR. JORGENSON: Mr. Chairman, your ruling was, as far as we are concerned, to the effect that we could discuss matters relating to Milk Marketing Board, the Milk Producers Marketing Board, and Crocus Foods, under this particular item, but that you would not allow it under 7 (c). We are proceeding on that basis.

MR. CHAIRMAN: Right. That subsequently the Honourable Member for St. James said he was going to discuss it under 7 (c). Maybe I misunderstood him. Well, if that is the case . . .

MR. JORGENSON: No. No, I think you misunderstood it, and I think the reason was, sir, is because of the confusion created by the Minister of Agriculture himself. If he would stay out of the debate until you are recognizing him, then perhaps the debate could proceed on an orderly fashion. But his constant interjections are completely out of order.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Mr. Chairman, it's my understanding we are now under (b) (4). Is that correct? And that under (b) (4) that we can discuss the whey plant. This is my understanding of the Chairman's decision, that under (b) (4) we can discuss the whey plant, and I am now discussing . . .

MR. CHAIRMAN: Not under 7 (c).

MR. MINAKER: That's right. But we're on (b) (4). I don't believe you called the question, Mr. Chairman.

Mr. Chairman, we on this side became interested back in November 1973 when the Honourable Minister of Agriculture through the News Service announced that there was a serious pollution problem that could be transformed into 10 million pounds of food. And at that time he said that it could be done for an order of about \$2 1/2 million, and we were also under the impression that the MDC Corporation was becoming involved in this thing, so naturally we became interested. We further became interested when we found some year later that word was being passed around that the new price of the plant was going to be in the order of six to eight million dollars. And . . .

MR. USKIW: The subject matter that is being debated is totally out of context. The Milk Control Board has nothing to do with that item. They have no jurisdiction whatever.

MR. MINAKER: Mr. Chairman, I cannot find it being out of order of sort of citing past history on how the Opposition became very interested in this whey plant, and if the Honourable Minister doesn't like history, then that's his problem.

Mr. Chairman, we talked to the people in the dairy industry, the processors and the producers, and it was interesting to find out that if one looked at the statistics in 1973, in the Statistics Canada, Table 9, Catalogue 23201, Dairy Statistics, that in Manitoba in 1973 there was some 9.7 million pounds of cheddar cheese produced here. And if one is involved

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(MR. MINAKER cont'd) in the dairy industry they know that you can only get so much whey out of a by-product from production of cheese. In actual fact 100 pounds of milk will produce about 10 pounds of cheddar cheese; it will also produce about 10 pounds of whey cream and it leaves you about 80 pounds left of this liquid whey we're talking about. And in that liquid whey that we are talking about to be processed in this plant, out of that 80 pounds there is about 5 1/2 percent to 6 percent solids. So when you transform these figures back to Statistics Canada's figure on the total cheese produced in Manitoba back in 1973, lo and behold there was only four and a quarter million pounds of possible whey that could be produced by drying this liquid whey. So one started to wonder where was this other five and three quarter million pounds of whey going to be coming from. We also wondered why all of a sudden the value of the plant had gone from two and a half million dollars to some eight or nine million.

So when this question was raised by myself this winter, the honourable minister, our understanding through a press release, advised well we cannot just dry whey because there is not enough whey produced in Manitoba to keep the plant operating continuously, we will also dry powdered milk. So then the truth started to come out that now all of a sudden there wasn't as much whey as was proposed in the news release, they were now going to move also into another part of the dairy industry and produce and compete, and now we wondered just how serious is this pollution problem that they are proposing to satisfy and resolve by starting up this plant. We found out that in some areas in Manitoba some of the cheese plants were spreading the whey on the fields, that it made good fertilizer for grass and corn produce. And then we found out that there was a problem in Winkler, there's a problem with the lagoon, with the whey being dumped in the lagoon. There is also a problem in Arborg. So one starts to wonder maybe there's another approach to solving this pollution problem than one of going into a whey plant.

But does the government really want to go after the other approach, does it really want to look at another solution and leave the dairy industry to itself rather than trying to completely take it over and control? Because it is our understanding, Mr. Chairman, that there has been some research done for the government on the handling of whey. We understand that it can be chilled and retained for certain periods of time, but also it has to be concentrated. So there's a cost of chilling, there's a cost of concentrating. They also found out that there was a limitation on how much you could concentrate this whey before you transported it. And then there's the cost of transportation. There has been studies done in Eastern Canada on this and latest reports indicate that transportation costs are prohibitive if you want to try and operate in a market in competition and pay for itself. It is our understanding that the study looked at transportation costs utilizing 25,000 pounds per haul of a concentrated type of whey. Yet in these other reports they were talking about 45,000 pounds per haul. The other problem was that most of these plants from Selkirk are approximately a 100 miles in radius from them, so you're talking about 200 miles; 100 miles empty, 100 miles full when you truck it back. All these things add to the cost of producing.

So one raises the question, Mr. Chairman, why not allow the present plants that are equipped to, or can be equipped to process this whey, why not look at the feasibility of allowing a certain number of them, or all of them if they want to do it, if they can prove it economically, allow them to do it. Because, Mr. Chairman, it is our understanding at the present time there is a shortage of milk in Manitoba for the cheese plants which were encouraged to locate in Manitoba and to start up here. Now many of them are operating at a low capacity to what they are capable of.

It is our understanding that there's a cheese plant in southeast Manitoba that has the equipment ready to go if they are allowed to dry whey for a portion of the plants in that area. It is also our understanding that there is a cheese plant in Dauphin that can be equipped relatively at a low cost to dry whey. Yet, on the other hand, we understand that these people in the processing end of it are receiving contracts or forms to sign that will say they will give their liquid whey back to, I don't know whether it's the Milk Producer Board or whether it's back to the Milk Control Board, I wouldn't want to be out of order at this time, Mr. Chairman, so I won't say who is requesting it back. But one starts to wonder is it ethically right, if the Milk Producer's Board or the Milk Control Board owns all the milk in Manitoba, which basically they do, is it right from them to sell it to a processor. I would think when you buy milk, Mr. Chairman, or you buy any product, you own it. Once you've paid for it, you own it. Then you

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(MR. MINAKER cont'd) should basically be able to do with it what you would like. If you have a portion of that milk left over and you can turn it into a useful product, why shouldn't you have the right to do it, you own it. But no, this government says you can't, you have to give back part of that milk that you own to us and we'll process it.

So, Mr. Speaker, I think there's something basically wrong with that thinking in my opinion, and I would think in the opinion of most people in Manitoba. That when you buy something through the regulations you should be able to make full use of it. Yet, in this instance, this government is saying no, we want you to give it back to us. You have to give it back to us or you might not get any more, you'll pay more for it. So, Mr. Speaker, there's something awfully wrong with that kind of thinking. One can only be lead to believe, like my honourable colleague from Lakeside has indicated earlier, that this government wants to control that industry; wants to control it completely. And I would think that would be very unfair competition because what kind of competition is it that somebody runs a plant, owns the milk, can divert the milk anywhere they want and they have some seven or eight processors looking for milk to produce cheese, they haven't got enough, and all of a sudden there's somebody down the road who opens a plant who owns the milk in the first place and can divert it anywhere they want. I would suggest, Mr. Chairman, that that isn't competition at all. Not at all. And not only that they won't be in competition. If they're in competition like they are at Flyer Industries or Saunders, we'll see what will happen. That the costs will go up and up and up.

And I would suggest, Mr. Chairman, that if there is a pollution problem that there must be another more economical approach for all of Manitobans to satisfy this pollution problem by allowing the companies that are already in the industry to review it themselves. If they can come up with a plan where one or two, or three, or maybe four of these plants can process the whey in their areas, and dry it and get rid of the problem that way, it might be well worth the while that part of the concentration that they're proposing of the liquid whey in some of the plants take place, and truck it to certain areas. But in the long run, I would think the approach that's being taken by the government is going to cost us all a lot more money than if we looked at the other approach to this problem. And still we would have a relatively good dairy industry where there is still some competition left to a degree and not one where step by step processors would be forced out of business by the government, who . . . many of them were encouraged to go into the business in the first place by that same government. Because the government wants to control and operate an important industry in our province.

I would hope that the Minister of Agriculture would review his plans, because if you look at the over-all whey that can be produced in this province at the present time, it is our understanding that the milk production from January to September 1973 was somewhere in the order of 637 million pounds, whereas in the same period of time in 1974 it's dropped to 604 million pounds. It's dropped some 5.1 percent, the actual production of milk in Manitoba. And they're looking at setting up a new processing plant that will absorb more of that milk that's already in short supply amongst the processors that are already in existence, and as I indicated earlier in many cases were encouraged to go into the business by this government.

Mr. Chairman, if we have a shortage of milk and we have a demand put on it not only by the fluid consumption but also the industrial use of it, why, why would the government even consider going into it. I would think it would be more practical to look at the pollution problem from another point of view and to correct that problem, if it is a major problem, in a different method and approach, rather than open a plant and find that it will only be operating maybe 50 percent of the time, 35, 75. It depends, Mr. Chairman, on what capacity of machine that they buy. And that is one question that I think the Minister has failed to answer in this House. Is it 4,000 pounds per hour? Is it 5,000 pounds per hour? Because if it's in that capacity, and I would think it would have to be for the size of the plant they're proposing, then it will not be operating very much per week, I'll tell you. Not unless the Minister has invented a new cow that produces milk that has a greater solid content in its end product. Now I don't know what end product he might be using but if the Minister hasn't come up with a new breed of cattle that can do this, then I would suggest the plant will be very idle for much and many hours of the month. Unless they turn around and start producing powdered milk like he's talking about, cheese, ice cream, fluid milk. Is that what they're

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(MR. MINAKER cont'd) after, Mr. Chairman? Because if that's what they're after obviously the dairy industry of Manitoba is dead and I would hope that the government has realized by now that the industries, such as the mining industry, what has happened there where they've got fully involved, will happen to the dairy industry and the agriculture industry which is so important in our province.

MR. CHAIRMAN: Order please, the hour being 5:30, Private Members' Hour, Committee rise and report. Call in the Speaker.

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

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Emerson, the report of the Committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Private Members' Hour. We are on Resolution No. 10. The Honourable Member for Riel is absent. The Honourable Member for Lakeside have a point of order?

RESOLUTION NO. 10

MR. ENNS: No, Mr. Speaker, I wonder if it's in order if the Member for Lakeside moves this resolution, seconded by the Honourable the Member for . . .

MR. SPEAKER: Well it will get us into a predicament because who then will have the opportunity of closing debate. I think we have to have agreement on that before we proceed in that fashion. I'm willing to ask for opinion from the House. The Honourable Minister of Labour.

MR. PAULLEY: Well, Mr. Chairman, I wonder whether we would not be establishing a possible dangerous precedence if we did this. I know that the subject matter of the resolution is of deep concern to all members of the House, but whether we should establish the propriety of having a member other than the member in which a resolution stands on Private Members Resolutions introduce that resolution, I would question it.

I would suggest, Mr. Speaker, that consultations be held with you as to whether or not we should establish this. I think it's --(Interjection)-- yes, we may be at that, Mr. Speaker, but I can see getting into grave problems. Now it could be the same with this resolution dealing with the independent Auditor General. I also note the next resolution stands in the name of the Honourable Member for Riel as well. --(Interjection)-- Well we were dealing with resolution No. 10 and that's the resolution that the Honourable Member for Lakeside stood up on, Mr. Speaker, and I would caution, I would caution the propriety of a member other than the member whose name the resolution stands in, proceeding with the same because our rules of order clearly establishes that where the member is not present in order to deal with the resolution, that that resolution automatically goes to the bottom of the order paper, if I'm interpreting our rules correctly. And I think that I am.

So I would suggest that unless we change the rules of the House, then we should follow through what has been laid down as the rules of procedure at the present time and that the resolution standing in the name of the Honourable Member for Riel go to the proper place, as ordered by this House in the adoption of the rules.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I'm not going to argue or dispute what the Minister of Labour in this House had to say, but I believe there is a precedent, because I've had a couple of resolutions many years ago introduced by one of the other members on our side when we were on this side. I remember specifically one resolution was on use of salt on streets; there was another one which I don't remember offhand. It may have been by leave, I don't know.

MR. SPEAKER: The Honourable Member for Morris.

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MR. JORGENSON: Mr. Speaker, I'm the last one that want to break rules in this House. But the Minister of Labour has risen in his place and protests against the substitution of one member for another in introducing a resolution. I can find no rule in our Rule Book that prohibits that, nor can I find any citation in Beauchesne, and I wonder if the Minister of Labour, if he can show me a citation that clearly states that this is out of order, then we are certainly not going to quarrel with it. But if he is, as usual, just simply rising on a point of order for the sake of doing so, without knowledge of the rules, which is not unusual for him, then of course we're going to question it, and we're going to then trust to your good judgment, sir, because I have a great deal of confidence, more confidence in your knowledge and your interpretation of the rules than I have in the Minister of Labour.

MR. PAULLEY: If I may, Mr. Speaker, I too have every confidence in your capability of conducting the House and absolutely no confidence in any contribution made by the Honourable Member for Morris, because as I have indicated on numerous occasions, there is no member so inept insofar as the Rules of the House are concerned than the honourable member, who figures he's the lord and master of the rules of conduct.

I think, Mr. Speaker, and I'm looking through the - no, I'm looking through the rules that were adopted since the incident referred to by the Honourable Member for Assiniboia that we adopted, whereby it does state in our rules that a resolution that is not proceeded with on the Order Paper, standing in the name of an honourable member, goes to the bottom of the Order, and I'm going to insist that that be done. I will not give leave, not as the present Acting House Leader, but as a Member of the Assembly.

MR. SPEAKER: The Honourable Member from Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I don't know why I arose because I was going to suggest that the Member for Lakeside ask for leave and if he could proceed. Of course we know that the Member for Riel would be giving up quite an amount of his contribution to the debate of the resolution standing in his name, and I'm surprised that my friendly Minister of Labour has got so obstinate in the last few minutes because he likes good debates and I'm sure that this would produce a good debate if leave could be given.

MR. PAULLEY: Mr. Speaker . . .

MR. SPEAKER: The Honourable Member for - just a minute. Does the Honourable Member from Morris wish to consider it a second time?

MR. JORGENSON: I'd just like to make reference to the citation. I wonder if the Minister could give me the number of that particular citation so that - well, what is it?

MR. SPEAKER: I'll save time. The rule is 22.4.

MR. JORGENSON: 22.4. Well, Mr. Speaker, then let me just deal with 22.4, and I want to read it: "Where the Resolution of a member is reached for the first time on the Order Paper during Private Members' Hour, if the member is not present or does not proceed with the Resolution at that time, the Resolution shall be placed at the bottom of the Order Paper." There's nothing in that rule, sir, that says that another member can't proceed with it. Nothing at all.

MR. PAULLEY: "If the member is not present or does not proceed,"

MR. JORGENSON: That's right. Now the member is not present, but we're prepared to proceed with the Resolution. Now, I don't know whether you want to --(Interjection)--

MR. PAULLEY: Aw, come on, now.

MR. JORGENSON: . . . what kind of an interpretation that the Minister wants to place on this. We have no objections. If the Minister doesn't want to go ahead with that Resolution, that's fine.

MR. SPEAKER: The Honourable House Leader. The Honourable Minister of Labour.

MR. PAULLEY: Well, I was the Acting House Leader at the time this matter was raised, and I don't know what type of interpretation the Honourable Member from Morris places, and for his edification may I read Section 4 of 22: "Where the Resolution of a member is reached for the first time on the Order Paper during Private Members' Hour, if the member is not present" - what? "or if the member does not proceed with the Resolution at that time, it goes to the bottom of the Order Paper." There's no question about it except in the befuddled mind of my honourable friend the Member for Morris.

MR. SPEAKER: I wonder if I can help the House out by offering my suggestion. As has been mentioned, by leave anything can be done, but I would suggest that this would be a

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(MR. SPEAKER cont'd) precedent which would not be a very good procedural matter for the simple reason, besides the fact that we have this particular rule, there are other rules of debate which impinge upon proceeding something which belongs to a member, such as closing of debate and so on, and of course the number of times a member may speak, which will throw the whole procedure out of context of what we originally decided.

I would suggest to the House, unless there is unanimous consent, that we do not proceed . . . Order please. May I finish what I have to say before I get opinions? If there is not unanimous consent, we should not deviate from the rules. Now, the Honourable Member for Morris

MR. JORGENSON: Well, Mr. Chairman, I just want to make one further point to you in relation to the comments that you've just made. You said that there is a rule about closing debates, and I remember very distinctly on at least one occasion when the Minister of Agriculture was absent for very good reasons, and the First Minister was allowed to - or closed debate on that particular occasion.

There is, in my view, a precedent in more than one other occasion for that particular thing happening. However, we're not going to press it. The Member for Lakeside has asked to be allowed to withdraw, in fact he's pleading with the House now to be allowed to withdraw his intention to proceed with that Resolution, and we can go on to the next ones.

MR. SPEAKER: Very well. Resolution 11 is also in the name of the Honourable Member for Riel. Resolution No. 12. The Honourable Member for Portage la Prairie.

RESOLUTION NO. 12

MR. G. JOHNSTON: Mr. Speaker, I move, seconded by the Member for Assiniboia, WHEREAS Manitoba Beef Growers and Cow-Calf Producers are facing a serious shortage of cash income,

AND WHEREAS many Beef Growers and Cow-Calf Producers will be unable to pay their bills and taxes,

AND WHEREAS this situation is already having a serious impact on the economy of rural communities and will adversely affect the entire provincial economy,

THEREFORE BE IT RESOLVED that the Standing Committee on Agriculture be called into emergency sitting immediately during the current session of the Legislature, to consider all aspects of the problem and to recommend means of alleviating it.

MOTION presented.

MR. G. JOHNSTON: Well, Mr. Speaker, the Resolution is self-explanatory and I certainly don't intend to debate the merits, or the argument, shall I say, of the cow-calf producers. What I'm suggesting is that because of the seriousness of the problem - and it's a problem that is upon them now, has been for some months, and in the foreseeable future it's going to be a very serious hardship for a significant segment of agriculture in this province. I haven't got percentage figures in front of me but the cow-calf producers form a great percentage of the agricultural industry of Manitoba.

Now I know the Minister finds it's a vexing problem, very vexing it must be. We know that both the Federal Government and the Provincial Government have in past actively encouraged through various incentive programs, encouraged farmers to get into this sort of phase of agriculture. Now that the bottom's fallen out of the market for reasons beyond the control of the producers, they are seeking help. If it was because of inefficiency or something that was within their control then perhaps I wouldn't take this drastic measure to so forcibly bring it to the attention of the government.

Mr. Speaker, these men are desperate. They are caught in a bind over circumstances over which they have no control whatsoever. They are in difficulties that are not of their making. And it wasn't very many years ago - and I don't fault the Minister of Agriculture in this regard - I can recall former Ministers of Agriculture in this House introducing programs to encourage farmers into this particular line. Some of them took that assistance. I can recall also representatives of the cattle industry telling us in their presentations to our caucus that they wished the government would stay out of the business because it was a strict supply and demand operation and it was very easily upset. That Manitoba was not an island unto themselves. The Manitoba production of cattle was a very small percentage of the North

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(MR. JOHNSTON cont'd) American market. And for government to try and force-feed an industry, so to speak, to get more people into it and then now when the going gets tough, to say, "Well, sorry, that is really your problem. We have offered you some assistance by way of an interest-free loan and that's going to be it".

Well, Mr. Speaker, these people don't feel that that's good enough for them in the situation that they find themselves in today, where they can't pay last year's bills, last year's taxes. It's not the type of business you can get out of, you can drop and kill off and get out of it, because if it happens that way it'll be the ruination of many hundreds of farmers in this province.

We had a visit in our caucus room today, and I'm sure the other members in the House had visits from this gentleman and he left a letter that he's addressed to all MP's and MLA's, and he's hoping for a public meeting on Saturday on the steps of the Legislature. He is hoping for a response from the government, and so far the only response from the government is, "Well, we tried to help you last year. That's all we're going to do. It's now up to Ottawa." And they were directed to Ottawa for any other assistance.

Mr. Speaker, in the past the Provincial Government has recognized that they had a responsibility and they tried to do something about it. It was recognized with respect to potato growers. It was recognized during Ste. Rose by-election that there was a problem with grain farmers and \$100 a farm was made available. So I think governments should be responsive between elections and not just at election time.

Now the Minister probably will rise and say, "Well, we've done all we can. We can't pour more money into a small segment of the population of the province". Well, then, Mr. Speaker, surely there is something more government can do. There can be, for example, a herd reduction program for culling the herds and taking out some of the animals. If a farmer has 50 animals, well give him some assistance in reducing say, by 5 or 10 percent and pay him a difference between market value, what it should be at a break-even point and the loss that it is now.

I hear NDP members sitting on the backbench haw-hawing and thinking that's a big joke. That's a big joke to them. If these were constituents of theirs it wouldn't be such a big joke because it would translate it then into votes and to whether they sat there or not, and it wouldn't be quite so funny, Mr. Speaker.

But these people, we've seen by talking to them and all members of the House have talked to them, they've been here two or three times, these people are desperate. You know, it's nothing to laugh and haw-haw at. I don't see anything funny about it at all. These people have spent a lifetime building up an industry and now that industry is sick. It's really sick. And the government I feel have a responsibility to give some more assistance. Admittedly they have done something, I give some credit there. But there is a responsibility to help out in some fashion other than the help that has been given so far.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Thank you, Mr. Speaker. Yes, I would like to commend the Honourable Member from Portage on his resolution. It is very straightforward and to the point and I think that we're all quite aware of the plight that the cow-calf operators are in. They've approached all of our caucuses I imagine several times, they have held demonstrations, etc. trying to push their plight forward to the public, even to the degree where they're giving away a certain amount of free meat. And again you can't basically fault the present government on the fact that the experts, the so-called experts who always seem to be in a position whereby when they start projecting a shortage or a surplus, you just go the opposite way to what they're doing and you usually end up right.

The advice in the past year has been that by 1980 there wouldn't be enough red meats available on the North American continent, I guess over the whole world. But again we find that in a period of six months we're down to a surplus all over the world of great . . . to a degree this has been caused by buyers resistance to the fact that the first thing that everyone seems to attack is the high price of meat. They seem to forget that wages in many cases have gone up 2 or 3 hundred percent in the labour force and the general public, and that the cost of producing food has supposedly stayed at the same point over the years.

I'm not one that believes in government programs, and I feel that - I know that you fellows over there can laugh, you think it's funny and the Minister of Mines and Resources, he would say, Well the cattlemen they're independent, consequently . . .

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MR. SPEAKER: Order please. The Honourable Member for Ste. Rose state his matter of privilege.

MR. A.R. (PETE) ADAM (Ste. Rose): I'm not sure whether the honourable member was referring to me when he said that I could laugh. But I want to assure him that I'm not laughing.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: I assure the Honourable Member for Ste. Rose that he might just as well join the happy throng over there.

But in any case we find that in the province this 20 percent forgiveable loan was quite a windfall. You could go into the auction markets over the Province of Manitoba and walk in and you could see the fellows that were walking out of the banks or credit unions with \$10,000 in their jeans to blow that afternoon, and it wasn't very long until you started seeing toothless old cows that should have been going to the baloney can and all the rest of it, being re-bred back into the auction marts, being recycled at \$600 a piece; and it basically does have its . . . one of the effects, it doubled the price of a cow in the province. It also led to a build-up that was not foreseen. We were supposedly going along 6, 7, 8 percent, all of a sudden we found that we were in a 15 to 17 percent increase. And of course the Province of Manitoba is not to blame altogether for the surplus, but over the whole picture it again is government interference. The law of supply and demand will take care of itself and the livestock industry is one place that it should be. And we could certainly get along very well without the interference of government. But to make themselves good fellows they would leap in and start pushing programs that normally they're not necessary. People who are in cattle, if the price goes up, they'll follow the price. If the price goes down they're in a position to absorb the loss. You've got a lot of young fellows here. You won't find too many of the old . . . cattlemen in this thing. But there's no doubt there's a lot of them caught. But you've got the young fellows here that were encouraged to go into something. In many cases they didn't have the expertise to do it. They found themselves caught short of feed last winter, a year ago, short of pasture; the prices are going up to get them into the community pastures, and the unavailability of getting them in there, and the high cost of feed pushed many of them to the brink last year. Then you bring another poor year on top of it, and that's the end of them. And there's certainly no way of even being bailed out this year, the program that the Minister brought in of \$100 a calf, which is another perfect example. That calf may be worth less a year from now than it is right now. So it's again . . . once you get in and start messing around in a business that you've got no business being in in the first place, you start establishing precedents and then you try to get yourself out of them and it just compounds the issue as far as I'm concerned.

The Minister feels that he has made quite an effort, and he has. Forgiveness of the lease rentals, coupled with the 20 percent forgiveable. It's been a program . . . I suppose when he did it he thought he was really doing something. Consequently he's caught off base on both counts. And on the \$100 a cow, I'm sure that the cow men and the cow-calf boys are quite aware of the fact that the provincial treasury isn't going to pick up a \$40 million bill. Federal fellows haven't shown much inclination to get in. There's always a lot of talk in Ottawa, but we have a Prime Minister there who spends more time skiing than he does on trying to settle our grain strikes, or even getting the people together. So consequently I don't think we can expect very much help from Ottawa on anything as far as agriculture goes.

And again, I do believe that the province could go along possibly maybe on half the demands of the cow-calf fellows on a one-shot deal. They're not asking for a continuous support plan here. They're asking for a one shot which, who knows, if they got through this year, they might bail themselves out. But they are in a desperate situation. I imagine . . . you can't use a percentage, but a lot of those fellows - and there were over 300 here that day, and you go through them and talk to them . . . a lot of the young fellows there are going to be out of business by this year. And again we are faced with a build-up that we can't get rid of. There's going to be more calves born in the Province of Manitoba and Western provinces this year than there has ever been. And there's just no way that you can . . . it's not like a pig enterprise whereby you can phase yourself out in about six months. With cows there's no way, you're stuck there until such time as you can get out from under the load, and it usually takes a period of three, four or five years. You're not going to do it over one year. Now, as I started out to say, the government did see fit before the Ste. Rose by-election to

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(MR. FERGUSON cont'd) put \$4 million out to the farmers in Manitoba, and that was on a one-shot deal. Back in the fall of 69 or 70, I believe, there was an area in Manitoba that had their potatoes frozen and they picked up \$55,000 on a one-shot deal. So consequently, I believe that the government could take a little bit of a look at this suggestion, resolution by the Honourable Member from Portage and call the committee, have these fellows make their presentations, try and get the thing through this year. It's only a stop-gap method of course but it might get them back on track and keep some of these young fellows in business. Thank you, Mr. Speaker.

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MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. ADAM: Thank you very much, Mr. Speaker. I just want to remind the last speaker again that I am very very concerned with what's happening in the livestock industry at this particular time. I don't believe I have to advise the House that I'm also a livestock producer, and--(Interjection)--The honourable member has just concluded his remarks and he's continuing to speak from his seat. If he's not through with his remarks, I will be glad to sit down and let him finish them. But I would hope . . . I listened to his remarks very carefully; I did not interrupt; I did not laugh, because it's not a laughable matter, and I would hope that he would extend the same courtesy to me, Mr. Speaker.

I also want to advise the member that I'm also a member of the Cow-Calf Producers. I attended one of their meetings, one of the first meetings, at Eddystone. A group of outsiders came in to organize the northern livestock producers in my constituency. They were all southerners. I don't know where they came from. I think probably south of No. 1. And, Mr. Speaker, I attended that meeting as an observer because I believe it's my responsibility to hear what the problems are of the livestock producers in my area. And I attended as an observer, and I listened for about an hour as speaker after speaker got up, and they were mostly outsiders, not from the district but from the southern part of the province, got up and condemned the government for everything under the sun, for the problems that the livestock industry was facing at the present time.

The meeting developed into a confrontation between the people who were proposing to organize the cow-calf operators and the National Farmers Union. There was some members there, and they got to a confrontation amongst themselves. The chairman of the Cow-Calf operators who was there that day realized that the meeting was getting out of hand and nothing was going to be accomplished, so he tried to bring things down . . . bring things in order again. And he said, "Now look, look," he said, "I didn't think that this meeting was going to develop into a confrontation between different organizations. We've got to organize this thing; we've got to get this thing on the road, so that we can then go to government." And someone else got up in the meeting, someone who hadn't spoken, but he was a local fellow, and he said, "Well, I've been listening for about an hour and a half and all I've heard is condemning the government. The government should stay out of our business. Now you're saying that you want to go to the government." And the chairman replied, he said, "Where in hell else are we going to go."

So I took that, sir, perhaps as lack of experience in organization because after all the Cow-Calf operators have only been recently organized as opposed to other farm organizations, such as the National Farmers Union and other organizations. So I accepted that as perhaps inexperience. But I want them to know, I want the Cow-Calf operators to know that what they have been asking for, a cash subsidy, that the National Farmers Union had the same position. They were asking for a subsidy last fall, last October, September, October, they were asking for cash advance from the Federal Government. Not in January of this year from the Provincial Government, they were asking a subsidy, and I believe they did ask even - I'm not sure on this but I wouldn't be surprised if they didn't even ask the Manitoba government. I'm not sure in that. I would have to ask my Minister of Agriculture if that is correct or not. But I know definitely that they did approach the Federal Government. They were turned down. They were turned down, Mr. Speaker.

The problem is not a . . . actually it is a simple one to solve if they want, if the livestock producers want to solve it. We live in a day and age, Mr. Speaker, where the law of supply and demand no longer applies. Now I hear the comments coming.--(Interjection)-- If you will allow me, I will try and explain this to you, sir, for your edification.

The fact is when the President of the United States can bring in measures in his country that affects production patterns and the price in our country, it's time that we start looking at our pricing patterns and our way, our system of marketing. I can tell you, sir, that the United States, when they put on their freeze, that is where the trouble started. That is where everybody held back their livestock in the United States. They didn't market them at the marketable weight, they held them over till they were 1,200 pounds, then they put them on the market after the freeze was off. And that surplus spilled over into Canada, down went our price, eh? And the Federal Government, the Federal Government put on a surtax, a

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(MR. ADAM cont'd) surtax, and then they put on a subsidy of seven cents a pound, and what happened? The packers gobbled up five cents within two days. They have gobbled up five cents of that seven cents subsidy. And I want to advise the members here that there is a danger that if we give an advance that is proposed, the packers may take the whole thing right away. They did it on the subsidy, they did it on the Federal subsidy. They took five cents. So you have to be very careful what you do. You have to be very careful. They're just liable to gobble up that \$50.00 so fast, you won't even see it going by. It won't stick to the producers I can tell you that, because I never got that seven cents subsidy, the packer got it, because within a week the price had dropped by five cents, five, six cents a pound.

What is happening now in the livestock industry is what's happening in the potato industry in the East. Almost identical. There's still a belief here that there--there's still a belief in Manitoba and in Canada that there is a surplus of cattle. That is a fallacy, Mr. Speaker. Canadian producers have never produced enough cattle to supply the Canadian market, and they're still not doing it today. I heard the Member for Portage, and I sympathize with him, and I realize that he's sincere, but he also shows that he doesn't know what's happening. There is a shortage of production in Canada. The problem is that they're using cheap imports from other countries to depress our prices. It's the same thing as what's happening in the potato market down East. They are dumping potatoes in Prince Edward Island, and they're importing potatoes from the United States, and they'll pay 15 cents a hundred more to get them. That's exactly what's happening, sir. And that's how you get the local boys in line, is by letting them dump a few potatoes. That's what's happening. Just recently McCain's was given an import permit to import a 100,000 tons of potatoes.--(Interjection)--While the PEI fellows they've got to dump their potatoes. If that's the free market that you fellows are supporting, well that don't wash anymore. That don't wash, I can tell you. Not when the President of the United States can bring in measures in his country that our production . . . you said it, that we only produce about 4 percent, or just a small percentage of the world market. The United States can just tear us like this, with a few measures in their own country.

So it's time that we start looking at our own situation here and take another look at this. It doesn't work.--(Interjections)--The honourable member is asking for us to extend a cash subsidy. The next day the Member for Morris will be condemning the government for increased expenditures and causing inflation, and what have you. You know, you want it both ways, eh? Want it both ways.

Twice it was mentioned that there was a cash acreage payment made in Ste. Rose during the Ste. Rose by-election. I want to advise the honourable members that that particular program had been under consideration, correspondence had been taking place with the Federal Government long before I had any intention of ever getting into politics. Long before I was even in politics whatsoever, Mr. Speaker.

MR. SPEAKER: Order please.

MR. ADAM: I see that the Minister, that I am correct on that. Well the laugh is coming from the other side now, Mr. Speaker. The laughing is coming from the other side, this is how much they care about the situation.

MR. G. JOHNSTON: On a point of order.

MR. SPEAKER: The honourable member state his point of order. The Honourable Member for Portage.

MR. G. JOHNSTON: My point of order was, we were laughing because the Member for Morris called the Member for Ste. Rose a \$4 million man because of the injection of funds in the Ste. Rose by-election.

MR. SPEAKER: The Honourable Member for Ste. Rose. He has five minutes.

MR. ADAM: Well, Mr. Speaker, I don't know . . . there's no farmers in St. Vital, and it seems to me that there was a man in St. Vital that got elected on the same day as I did, Mr. Speaker. And there's five members in Northern Manitoba that got elected, and there's no famers there either, and in Point Douglas and all over the place.

Mr. Speaker, I would like to move, seconded by the Honourable Member for Point Douglas, that the resolution proposed by the Honourable Member for Portage la Prairie be amended by deleting the words after the word "that" in the first line of the resolved, the section of the resolution, and substitute the following: "this House recommends that the Government of Canada amend the Agriculture Products Stabilization Act to ensure that producers

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(MR. ADAM cont'd) would receive a minimum price for their products which would reflect the cost of production."

MR. SPEAKER: The Honourable Member for Portage have a point of order?

MR. G. JOHNSTON: Well, I make the point of order that before you rule on the resolution that you consider whether or not it's in order, because it's referring to a different jurisdiction than this one in which the resolution is directed.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: I raise a point of order on the question of this amendment as well. My understanding is, and I haven't had an opportunity to look up the references, but it does occur to me that within Beauséjour there is a reference that suggests that amendments to original motions must bear some relationship to the original motion. And what is happening here, they're just simply . . . The amendment bears no relationship at all to the original motion, which suggests that the Agricultural Committee be called in to deal with this matter, and the context of the amendment contains an entirely different subject, one that could be introduced in a completely separate motion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, in speaking to the proposed amendment, I would discard completely the suggestion of the Honourable Member for Morris, because the subject matter contained in the proposed resolution of the Honourable Member for Portage la Prairie, deals with the predicament with which the Manitoba Beef Growers and Cow-Calf Producers are faced with at the present time. In that particular resolution, reference is made in the resolved part of the resolution to calling together a Standing Committee on Agriculture to consider this problem that is being faced. And following that I would imagine some steps might be taken.

The purpose of the amendment to the resolution is to take direct action to the party or the jurisdiction that has control in this particular field of endeavour. This is not unusual, that amendments of this nature have been adopted by this House; it's a more direct action in order to deal with the problem that is properly raised by the Member for Portage la Prairie, that is of an emergency, and the whole purport of the amendment, which I suggest is in order, is to draw to the attention of the jurisdiction that has the power to resolve the predicament with which the beef growers are faced with in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I now have found the particular citation that I was looking for, and I refer you to Citation 203 of Beauséjour's, in which it says: "It is an imperative rule that every amendment must be relevant to the question in which the amendment is proposed. Every amendment proposed to be made either to a question or to a proposed amendment should be so framed that if agreed to by the House, the question as amended would be intelligible and consistent within itself. The law on the relevancy of amendments is that they are on the same subject matter with original motions, they are admissible, but not when foreign thereto." And I submit, sir, that the amendment that is now being proposed is completely foreign to the original motion.

MR. SPEAKER: Well, the Chair has considered this matter, and I'm first of all guided in the precedence of things as they are read. I realize the Honourable Member for Morris has cited Citation 203, but Citation 201 says first of all: "The object of an amendment may be to effect such an alteration in a question as will obtain the support of those who without such alteration must either vote against it or abstain from voting hereon; or to present to the House an alternative proposition, either wholly or partially opposed to the original question. This may be effected by moving to omit all the words of the question after the first word 'that'." This is what this amendment does, therefore I am putting it to the floor.

Moved by the Honourable Member for Ste. Rose, seconded by the Honourable Member for Point Douglas, the resolution of the Honourable Member for Portage be amended by deleting all the words after the word "that" in the first line of the resolved section of the resolution, and substitute the following: "This House recommends that the Government of Canada amend the Agricultural Products Stabilization Act to ensure that producers would receive a minimum price for their products which would reflect the cost of production." Are you ready for the question? The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I would like to have a few minutes to speak to the amendment to this resolution, and indicate to the Minister of Agriculture that he has now indicated

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(MR. EINARSON cont'd) to us on this side of the House how he is going to completely renege on his responsibilities as Minister of Agriculture of this province.

Mr. Speaker, you know this Minister when he finds it opportune for himself on certain aspects or areas of his department that are going well he brags about it. But when he is faced up with responsibilities that aren't so pleasant, and he knows himself through the actions that he has applied within his department over the past recent years, he's not prepared to accept that responsibility.

All this resolution is suggesting, Mr. Speaker, that the Minister called the Standing Committee on Agriculture so that those farmers who have problems and are concerned about the plight of their individual businesses in this province, want to have an opportunity to come before this Minister, and those of us who would be on that committee from this Legislature to express their views.

Mr. Speaker, I take you back to last fall when these same farmers tried to approach the Department of Agriculture and the Minister. They presented a brief on the 21st of January, but nothing happened after that. They got no answer. I want to say, Mr. Speaker, the answer they received was a historical document that is an insult to the farmers of this province. That's the view I took. I was really disappointed, Mr. Speaker, that the Minister couldn't have done better. And here today, when he introduces our estimates in agriculture, he gave some comments and he referred to the dairy industry, how wonderful it is, but he also had to include another history lesson to us. That seems to be the theme, Mr. Speaker, that he was going on.

You know, Mr. Speaker, I thought, sir, that the amendment to this resolution would be out of order, because he is now shifting his responsibility to the Federal Minister of Agriculture. And, you know, Mr. Speaker, how many times did we ask in this House of the First Minister, or the Minister of Agriculture about his concern or the government's concern in regards to the strikes that have been going on at the west coast. Oh, Mr. Speaker, they said, that's not our jurisdiction, it's not our responsibility, it's not our responsibility.

MR. ADAM: Speak to the resolution.

MR. EINARSON: I am, sir, speaking to the resolution as the Member for Ste. Rose suggests I do. I'm using a comparison here. So in order that they might have the opportunity, this is exactly what they're doing, to slough off their responsibilities and bringing in an amendment to a resolution to say, "go to the Federal Government".

And they know full well, Mr. Speaker, that the Minister of Agriculture in the Province of Manitoba cannot go to the Minister and ask on behalf of the Cow-Calf Producers and the Beef Producers in this province to get special assistance from a federal jurisdiction. It's just not possible, sir. --(Interjection)--Well, he says it's possible. I'd like for him to put himself in the position of the Federal Minister of Agricultural and reverse the situation. If he were in Mr. Whelen's position, would he accept that responsibility? I say no, sir, I don't think he would, because he is concerned about a policy for the whole of Canada, not just for Manitoba, not just for Manitoba. And we're concerned about the farmers in the Province of Manitoba, sir, not in Ontario, not in Saskatchewan, not in Alberta, I'm concerned about my responsibilities in the Province of Manitoba at the present time. And of course the Member for Ste. Rose, he got on a tangent and he takes us into the international markets, you know. I was wondering when he introduced the amendment if we were headed for a revolution. I don't know what he meant by that.

You know, Mr. Speaker, the Member for Ste. Rose was making some comments, and I think it is relative to the amendment now, much more so than when he was speaking, because he refers to the ex-President of the United States, and what he did by freezing the price of meat in that country and what it did to us. And up to that point he was right, sir, he was right. But you know, sir, what happened also after that was what the Federal Prime Minister did; was he put an embargo on red meats going to that country. And about that time the price of beef was around 57 cents, for the information of those people who are consumers over there, and in six weeks it dropped to 37 cents, because of government action.

You know, sir, we have an organization, and the Member for Ste. Rose is saying well - he was talking about a meeting he attended and the disorganized situation that existed at that particular meeting, because we had different ideologies that were being portrayed there - different ideologies. You know, sir, he mentioned the Farmers Union, and I have constituents, farmers who are members of the Farmers Union, but I want to say, Mr. Speaker, for the

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(MR. EINARSON cont'd) information of the Honourable Member for Ste. Rose, that when the national President of the Farmers Union stated that everything should belong to the state, no one should have the right to own anything, or at least words to that effect. They had their annual meeting here last fall, and you know, they had to seek a drive for membership. I think they wanted to quadruple the membership because they were in difficulties. I'm not condemning the membership as such, but I am very concerned with the leadership that that organization has. And you know when you have a meeting, a group of farmers get together, you will find the odd one who might be of a radical mind and want to create trouble. You know, the Minister of Agriculture was at a meeting the other night in Glenboro. Who was at that meeting, other than people who were non-political? I suggest, Mr. Speaker, he had his cohorts that were faithful to his party and also civil servants that were at that meeting and they were dotted all through the meeting.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. ADAM: I'm just wondering if the Honourable Member for Rock Lake when he talks about a meeting that the Minister of Agriculture attended, if that's got anything to do with this resolution.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Speaker, he asked if it's got anything to do with the resolution. He was describing a meeting - I think it was in his area, I missed it, I wasn't positive, but I thought I would relate comments that were significant to what he was saying - I wanted to say to him, you know, it happens to other areas as well - whereby he's trying to convey to us on this side, you know, it doesn't work in the NDP Party. But we know better, Mr. Speaker. So I want to say, sir, that the amendment we have is a very important one, and I don't think that the Minister of Agriculture is accepting his responsibilities to the farmers of this province by bringing in amendments such as he has done.

So, Mr. Speaker, because of the very urgent importance to this resolution, all parties have spoken, I'd like to see it put to a vote.

MR. SPEAKER: Are you ready for the question on the amendment? All those in favour of the amendment . . . The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, I must say that I had no intention of speaking in this debate. However . . .

MR. GREEN: If the honourable member will be more than four and a half minutes, would it be better to call it 5:30? Are you going to finish before?

MR. JOHANNSON: I may finish.

MR. GREEN: He may finish.

MR. JOHANNSON: I may finish before. I'll be very brief.

MR. SPEAKER: The Honourable Member for St. Matthews.

MR. JOHANNSON: I was prompted to get up to speak by what was said by the Honourable Member for Gladstone. And I would like to know, Mr. Speaker, whether the Honourable Member for Gladstone is speaking for his party. I want to know if the Honourable Member for Lakeside, the Honourable Member for Morris supports what he said. He said that the Cow-Calf Producers have asked for a certain program of support from the Minister of Agriculture. He doesn't call it a subsidy, but obviously they've asked for a grant, a subsidy from the government of the Province of Manitoba, and the cost of that subsidy I understand, the cost of this grant will be over \$40 million.

The Member for Gladstone has just told us that perhaps we shouldn't give those Cow-Calf Producers all that they have asked for, perhaps we should give them half of what they asked for.--(Interjection)--Now I clearly heard him say that, perhaps . . .

MR. SPEAKER: Order please. Order please. The Honourable Member for Gladstone state his matter of privilege.

MR. FERGUSON: Yes I will, Mr. Speaker. I think he's misinterpreting what I said. I said I didn't think that the cow-calf operators expected to get \$100 a head; that they possibly were requesting it but would likely settle for less.

MR. SPEAKER: The Honourable Member for St. Matthews.

MR. JOHANNSON: Well, Mr. Speaker, I now would like to know what the honourable members opposite are asking for. Mr. Speaker, we know what the cow-calf operators are asking for. They want the province to give them, to give them \$100 per animal, a total grant

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(MR. JOHANNSON cont'd) gratis of over \$40 million. I thought that the Member for Gladstone was telling us that we should consider giving them half of that, which would be 20 million.

Now the Honourable Member for Gladstone doesn't appear to have said that, and I would frankly want to know what the Opposition is suggesting, what do they want? Do they support the Cow-Calf Producers? Mr. Speaker, I've sat in the Legislature now only for five years, going on six I guess, and I have heard the Honourable Member for Morris get up time after time and extol the virtues of the free enterprise system. I have heard him time after time tell us that the best thing that the government can do is to leave the farmers alone. Now, Mr. Speaker, we get a number of members behind the Member for Morris and beside him getting up and telling us that we should interfere in the affairs of the farmers. And I'd like to know, Mr. Speaker, what the position of the Progressive Conservative Party is on this matter. Do they want us to leave the farmers alone? Do they want us to let the farmers have the free enterprise that they say the farmers prize so much? Do they want us to give subsidies to the farmers? I would like the Member for Morris to get up and tell us what his position on this matter is, because I am very anxious to hear it.

Mr. Speaker, the Estimates of the Minister of Agriculture for this coming year are \$25 million. I thought that the Member for Gladstone was asking us to add another 20 million to that to give to the Cow-Calf Producers. The Cow-Calf Producers want to . . .

MR. SPEAKER: Order please. The hour of adjournment having arrived, the honourable member will have an opportunity the next time. The House is now adjourned and stands adjourned until 2:30 tomorrow afternoon. And I hope members will recall that I gave them an invitation tonight.