

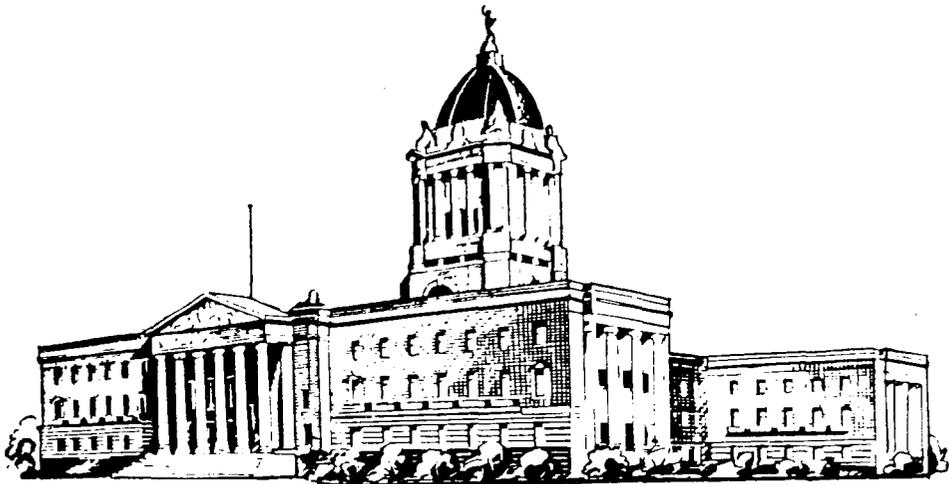


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



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THE LEGISLATIVE ASSEMBLY OF MANITOBA
8 p.m., Monday, March 8, 1976

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MR. CHAIRMAN: When we adjourned at 4:30 we were on Resolution 8(a), the Honourable Member for Rock Lake. The honourable member has 20 minutes.

MR. EINARSON: Thank you, Mr. Chairman. This is most unusual, this is the third time I rise to reply to the Minister on his salary and it sort of breaks up one's content of continuity of thinking when you have a time lapsing period on three different situations. --(Interjection)-- Well, Mr. Chairman, the Minister of Agriculture indicates to us this is sort of time planning and strategy on his part. Maybe he was working with the Minister of Labour this afternoon much closer than what we realized.

Mr. Chairman, I think when the Minister of Labour was speaking this afternoon I believe the Minister of Agriculture sort of vacated his seat for a considerable period of time, particularly there on his Grievance Motion.

However, getting back to the debate at hand, I think I was asking the Minister of Agriculture a question about the Milk Producers Marketing Board, that total composition of those members, and I think I'll have to ask him again, of those members who are on that board, are they all actively engaged in producing milk? And this I think is something that is important, Mr. Chairman, when we talk of the people who are elected or appointed by the Minister to represent the dairy industry in this Province of Manitoba, and that is something I think we should have perfectly clear so that we can base our decisions on the comments we might make.

I also would like to ask the Minister if Manco or any of the private firms that are in the production of processing our dairy products in the Province of Manitoba have made through way of resolution, by requesting through that medium the opportunity to be able to buy up the surplus milk in the province that the Minister has talked about, and the problem he has indicated to us that it's been a real problem in the past in the Province of Manitoba.

I'm also given to understand, Mr. Chairman, and here this afternoon I was going to conclude but I'm given to understand since the supper hour that in the School Division No. 1, and that was information given to us by the Minister of Education, that approximately \$212,000 was spent on the purchase of milk for youngsters, for young children in that Division during their school days, and I'm given to understand it's because some of the children were not fortunate to have parents who could assist them or look after them in the way that most parents hopefully would be able to do. And I'm wondering, Mr. Chairman, with that comment in light if the Minister is so concerned about the surplus of milk that is being thrown down the sewers or destroyed in the past year or two, that he couldn't give some thought to providing a better opportunity for that milk to be consumed in the Province of Manitoba. And rather than having it go to Saskatchewan, if we have such programs as that if it would not be expanded to assist the unfortunate youngsters who are in the City of Winnipeg, and I don't think that the farmers who are producing milk would have any objection to that.

But then getting back to what I was saying earlier and the important thing is, and this is the crux of the thing, Mr. Chairman, in the whole dairy industry and all those who are engaged in the processing of our dairy products, whether it be fluid milk, cheese products, etc., whether or not someone in that area is not prepared to purchase up the surplus that we have in the Province of Manitoba.

Now, Mr. Chairman, I'm prepared to leave those questions with the Minister and hear what he has to say and then we could probably decide whether we debate this further. Thank you.

MR. CHAIRMAN: Resolution 8(a). The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Chairman, I just take a moment here to respond to one or two points. The last point that the Member for Rock Lake mentioned had to do with how to deal with surplus production. I want to again remind him that there is no such thing as surplus production. What there is is a lack of flexibility within the plant system and lack of opportunity to process the

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(MR. USKIW cont'd)milk into a saleable commodity for which there is a market, to the extent that that market is not filled, we do not have a surplus. So we have the irony of an unfilled market simply due to the lack of flexibility within the processing sector. The plants that usually turn down milk supplies are plants that are having problems with respect to work schedules, and they are not plants that can convert that milk to another usage. And the usage that I'm referring to where there is a guaranteed market is milk powder wherein the Canadian Dairy Commission offers to purchase at a guaranteed price, and there is only limited capacity in this province to process milk powder. Secondly, the milk powder they do process is not milk powder that could be marketed here in the province but has to be sold to the Canadian Dairy Commission.

So we have a number of difficulties because of the nature of our processing industry in this province. So, it's an over simplification to say that, you know, when we are in a position where we have an indication from a particular plant that they can't use all of the milk today that somehow there is a ready facility to do something else with it, and that's the point that I made when I indicated there should be commitments on the part of a plant long in advance as to their needs, in which case you could better plan the distribution of milk and hopefully get the best value for it. But there is not a surplus in plants because we can always supply the Canadian Dairy Commission milk for powder purposes at guaranteed prices.

With respect to the membership of the Milk Producers Marketing Board, I believe the time that they were appointed they were all active producers. I believe that since that time, however, one of the Chairmen of the Board I believe has sold his interest. Now there is a family operation involved but I don't know what his particular interest in that particular operation is, but not withstanding that that does not prejudice his position on that Board. I have no problem in that respect.

With respect to a point that a member made the other day, I perhaps should tell him that he probably doesn't have all of his information. Where the Pilot Mound plant had applied for a license to process waste, I simply would draw to his attention that a communique went out to that company in October of last year, and if the member wishes I would read it for him, wherein they gave him the go ahead on whatever they wished to do, and with the observation that one other alternative might be to connect up with the consortium that might be building the Crocus Plant. But that was one option to them; but not withstanding that they were not denied the right to alter their facilities in order to process whey. So that the member for Rock Lake is completely wrong on that point.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Well Mr. Chairman, the Minister is referring to time element here in regard to the processing plant of cheese in the area that I represent. He is talking about last October, well we were debating in the last session and it goes back to long before last October when a delegation came before this Minister, and as far as I am given to understand with a solicitor with that delegation, pointing out to the Minister because of the way he has set up the whole department insofar as the milk industry is concerned, they had made application to put in equipment to take care of the whey problem and the Minister had turned them down. Now that is the understanding I have of that very thing Mr. Chairman, and that is long before last October of 1975.

MR. USKIW: Mr. Chairman, the Minister does not have the capacity to turn someone down unless it's pursuant to a recommendation of the Dairy Board, and certainly they didn't involve my consideration in advance of going to the Dairy Board, and I don't recall any incident of the nature that my honourable friend makes mention of here this evening. I do recall a meeting in my office, however, with respect to a request on the part of that company to sell its facility to the Province of Manitoba because they were then in a position of near bankruptcy, and that is the only meeting that I can recall in which case I expressed no interest whatever in purchasing that plant. But it had nothing to do with the question of changing the facilities so that it could process whey.

MR. EINARSON: Well the Minister he's debating this thing still further and what he fails to tell the dairy producers of Manitoba is the fact that the processing plants are in competition and they are on the Brockville exchange as far as cheese prices are concerned. --(Interjection)-- Oh I'm sorry, Belleville. I stand to be corrected,

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(MR. EINARSON cont'd) Mr. Chairman, thanks for the Minister's correction. The Belleville exchange in Ontario, and the fact that the delegation that went before him felt because of the conditions that were applied to them through the way the Minister has taken control of the dairy industry, they felt that unless there was some changes to be made more flexible so they could operate, they then indicated if the Minister refused to grant them those conditions, they felt they had no alternative or no choice, but say to the Minister, then if you're not prepared to grant us those changes to give us some flexible room to be able to manoeuvre our own business so that we can be flexible just the same as the farmer can be, then there is no other alternative but to say to the Minister, "all right then, are you prepared to take over the Industry?" And I think those conditions Mr. Chairman, are the conditions that were proposed to the Minister, notwithstanding the fact that there was an environmental problem back at the time in Pilot Mound, and I believe it was one of the first ones in the Province of Manitoba to encounter this, and they were prepared to do what they had to do at a cost of some \$20,000 to put in equipment to look after the whey program. But failing that, and the Minister when they were denied the opportunity to put in that equipment, they did do a considerable amount in the way of solving their environmental problem, by saying to certain farmers in the community, "Can you take the whey off our hands?" And this is what was done. They then took up the proposition of taking the whey from the plant and spreading it out on the fields for fertilizer - which is a good thing, Mr. Chairman; there's nothing wrong with that. And that, Mr. Chairman is the condition. And the point that I want to make in our whole dairy industry, that the Minister is saying, he's always sloughing off his responsibility by saying it's someone else's responsibility in his department; whether it be the Manitoba Milk Producers Marketing Board or the Dairy Board, he still, as far as I'm concerned, has got to be responsible and answerable to the dairy men of the Province of Manitoba, whether he likes it or not. I think, Mr. Chairman, this is our problem.

MR. USKIW: Mr. Chairman, no one denies that. If the Minister doesn't concur with the recommendation of the Dairy Board, he has the right to overrule, and in that respect we appreciate the significance of the Minister's role. But one would have to have a pretty good reason to challenge a recommendation of the board who are made up of people who have some expertise in this area, so that one doesn't take that particular position very lightly or that proposition very lightly. That is the purpose for which the board is set up in the first place, and maybe my friends opposite would operate a little more loosely, I don't know, but I'm not prepared to disregard the advice of expertise in this field.

MR. EINARSON: Well, then, Mr. Chairman, I would like to ask the Minister once again, have any of the processing plants in the Province of Manitoba, whether they be Manco which is a co-operative effort, or whether it be a private individual business such as Modern Dairies, the plant at Souris, the plant at Rosburn, or Arbourg, or what have you, or Grunthal, or Winkler, have they submitted by way of resolution, asking the Minister that they would like to take over or purchase up the surplus milk that may accrue, and in particular in the summer months where we have a greater amount of milk produced than we have any other time of the year.

MR. USKIW: Well, Mr. Chairman, if there had been any communication it would most likely have been with the Producers Marketing Board. I don't recall any communication from any plant addressed to my office in that connection, so I would presume that it would be with respect to the board itself, if there was such communication.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, the Minister has displayed a curious mixture of progressiveness and defeat, if you want to put it that way. He displayed a split personality on the question of the Dairy Industry as opposed to other aspects of the Agricultural Industry, and I wonder if he's going to be able to reconcile his opposing views? Within the Dairy Industry, he says that it would have to be, the way he puts it, rationalized. In his speech to this chamber on Friday, he suggested that the cream shippers have got to recognize that they're now a passing phase of the dairy industry, and that they've got to go, that the small dairy plants located out in the country have got to disappear, and everything has got to be concentrated into his monument in Selkirk,

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(MR. JORGENSON cont'd)Crocus Foods.

And yet on the other hand he talks about his stay option principle and the necessity and maintaining 168 acre farms. They talk very loudly about the necessity of making sure that farm sizes don't get too large. And yet he himself stands up in this House and brags about being the biggest rancher in this province, for one thing. Secondly, he now wants to own all the dairy industry. He has no qualms at all about concentrating the entire dairy industry into one hand, in his own. That, as far as the Minister is concerned, is perfectly all right. But if there were, if there were half a dozen farmers in this province that decided to increase their total holdings by 160 acres then he'd be prepared to rush into this House and establish legislation preventing them from doing so. And that's the tenor of the remarks that we are hearing from the Minister of Agriculture day after day in this House during the course of this debate. The Minister displays a curious lack of consistency in dealing with this whole question of the dairy industry.

In March 27th, 1975, the Minister stood up in this House in response to some statements that had been made by the Member for Rock Lake, and the Member for Lakeside, and this is what he said: "I should like to also make another observation. The Member for Lakeside and the Member for Rock Lake alluded to the possibilities of the milk industry becoming an industry of poverty. And they would be in a position of the cow-calf people." I'll go even further than that. Under the socialist government the dairy industry would probably disappear altogether. If the socialists were to take hold of the Sahara Desert and control it, in ten years there'd be no sand left. It'd be the same thing with the dairy industry.

I should like to point out, and they know full well, but Mr. Chairman, they like to mislead the people of Manitoba intentionally, they know full well that it's not possible because the milk industry is a controlled industry. It is functioned on the utility basis in its pricing. And I ask you to mark these words of the Minister of Agriculture: The Milk Producer's Marketing Board has the powers to decide the value of its producer's production. It sets the price that they deem is necessary to get a return investment," and I want the record to show, Mr. Chairman, that while I am quoting the remarks of the Minister he is nodding his head vigorously up and down in agreement. "It's not like the cattle producers who allow someone else to set the price for their production. They have that authority under legislation which is provided for them by this Assembly. So I do not look forward at all to that possibility." And then he goes on to say this: "I should like to tell my honourable friend the Member for Lakeside that the Canadian Dairy Commission, with whom we have entered into agreement, with honour I am sure its obligation and will if there's a market in Manitoba purchase all of our milk powder up to another 150 million pounds of milk production, Mr. Chairman." These are the words of the Minister of Agriculture. That is a commitment, and they have fulfilled their commitment, Mr. Chairman. There's no question about that. No question at all in the mind of the Minister. They are prepared to buy butter and milk powder to the extent of a market-share agreement. So we have a firm market already entered into by agreement. And the Minister goes on to point out what a wonderful thing that is.

"Some two or three years ago, it's not a question of not having a market for increased productivity, it's all there. And we will need additional plant capacity to meet those targets that we have already approached, Mr. Chairman that we have already signed agreement for. We will need added capacity. The question is: Where should that capacity be?" And then he goes on to point out that in his opinion, that added capacity should be a monument to himself, Crocus Foods.

What does he say on February 25, 1976? You know that's less than . . . that's in a year later. Here are the Minister's words that he spoke into the record when he introduced his estimates. Now things have changed somewhat. "I think I should recall from members opposite that the Minister of Agriculture for Canada announced what he called a long-term dairy policy about a year ago, in which he had indicated that there was a need for something like a five-year commitment so that producers in the industry would know what to expect and what to gear up for in terms of plant capacity, investment and so on, cow numbers, etc." Well what a joke that has become. What a joke! So much for supply management.

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(MR. JORGENSON cont'd)

Therefore he announced a very substantive program with respect to dairy policy last spring. And, you know, what is most disturbing here, Mr. Chairman, and this is the same Chairman that he spoke to a year ago, is the fact that it only took six months for the Government of Canada to reverse that policy. I think it should be said loud and clear and that is quite a degree and irresponsible position on the part of the Government of Canada through its Department of Agriculture to have built up the expectations based on the operations of the Dairy Commission, to build up expectations based on guaranteed prices, a target price that Mr. Whelan himself announced of \$11.02 per hundred weight on industrial milk - only a year ago - to within six months find that they have reversed their position and have decided to cut severely back on their subsidies, and indeed their suggestions that they want to cut back on production as of April 1st, next.

Mr. Chairman, I don't know why the Minister should be surprised at that. The same thing happened under the LIFT Program; the same thing happened under CEMA; the same thing will happen under the milk under the dairy policy. It's characteristic of his concept of supply management. It is what those ivory towered experts are attempting to foist on the farmers of this country, that it's not working and never will work. This is the argument that we tried to carry to the Minister ever since he has become a Minister, that it will not work, that he cannot make the decisions for whatever number of thousands, four hundred or so odd thousand farmers in this country. You can't do it. Each one will make his own decision. And if he is left to make his own decision he will probably be making the right decisions. But as long as the governments come through with their firm contracts, as the Minister says, firm contracts a year ago; less than a year later, the Minister is standing up in his seat complaining that the firm contract no longer exists. Mr. Chairman, what he doesn't realize, and what he thinks he's going to foist on the farmers of this province is a fact or the assumption that it's only because it's a Liberal Government in Ottawa that that is happening. Mr. Chairman, it wouldn't matter, no matter what government is in power they do not have the capacity to make those predictions because there are too many intangibles, there are too many factors involved in production, consumption, processing, and all these other factors that go into the whole process of agriculture production, that they cannot and will never be able to take into consideration. And because they can't do that, they're not in the position to make predictions, they're not in the position to make so-called firm contracts, which the farmers rely upon assuming that they are firm contracts only to find that less than a year later they're not contracts at all.

When will my honourable friends opposite learn that they cannot do that without destroying the entire agricultural industry in this province? Mr. Chairman, my guess is they'll never learn, because it's characteristic of them to think that they can control everything from one desk, and nobody and nothing in the world is ever going to convince them otherwise.

You know, a rather interesting speech that was made in this Legislature in 1969, and it was made by the Minister of Education - I think it was during the course of a debate on a Private Members' Resolution - and I want to quote to you the words of the Minister at that time, just to show you how badly they've misjudged the situation, and how much they've reversed their positions from those days in 1969. This was April 16; my honourable friends were over here at that time. And here's what Mr. Hanuschak had to say: "Now when we talk about human betterment, Mr. Speaker, when we talk about economic development there are many factors that we must take into consideration. A very important and significant one is the matter of the cost of living. And it is this government's attitude towards the matter of the cost of living that disturbs me most, its attitude of silence." And I can tell you right now, Mr. Chairman, that that attitude of silence in those days was a heck of a lot better than this attitude of misguided activity that is now characteristic of this government. "Its attitude of inaction, and I'm referring specifically to a matter currently facing the people of Manitoba by which they will be affected in the very near future, primarily in the price of milk." The Minister of Education was interested in the consumer in those days. "The price of milk," he went on to say, "a commodity, a very important commodity and necessary to maintain one's

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(MR. JORGENSON cont'd) livelihood, a very necessary ingredient of a balanced diet of many individuals, and the price of which affects the person least able to pay any increase, affects him the greatest." Then he goes on to say, "The sum total of their application amounts to, or may amount to four cents per quart." At that time he was quarrelling or arguing about an application before the Milk Control Board of an increase in the price of milk, four cents a quart.

Mr. Speaker, that four cents per quart is equal to the sales tax presently being paid by 50 percent of Manitoba's community. A cogent argument. The average wage in the Province of Manitoba at the present time stands somewhere in the vicinity of \$83 or \$84 - the Honourable Minister of Labour could tell us the exact figure - but somewhere within that range.

And then he goes on to say a little further, "And I suggest to you, Mr. Speaker, that the increase in the price of milk presently being sought by that family, by that type of family, a family of two to three children, will mean an additional \$40 to \$45, at least an additional \$40 to \$45, annual expenditure for the provision of this basic necessity, at the very least. Thinking in terms of two and a half or three quarts of milk per day it works out to that. That's very simple and elementary arithmetic," says the Minister of Education. That was before his Deputy Minister, of course, threw out arithmetic and brought in the calculators.

Now then, at that time, as I said, the application that was going before the Milk Control Board was for an increase of from 29 cents, which incidentally had been the price of milk since 1967, and had been increased to 32 cents a quart in 1969. Since that time milk has increased - that was since this government came to power - in 1969 increased from 32 cents a quart, I believe now it's 51 cents a quart.

I haven't heard the Minister of Education get up in righteous indignation and defend the consumers any more. Why? It's a good record, but it was a bad record when the milk price was increased before in order to provide for the producers of milk in this province an increase in their price. Yes, a very bad record. You see, there's nothing that has displayed the single-minded attitude on the part of the Minister than what he is just doing now, nodding his head and saying that the price of milk increased 16 cents a quart since 1972, three years since they've been in power. Oh, more than that, 19 cents a quart since 1972, whereas in the previous 18 years it only increased by 12 cents a quart.

Now whose side is the Minister on? Whose side is the Minister on? You know when they're on this side they're on the side of the consumer. And the Minister of Education made a very eloquent appeal on the part of his party to make sure that the price of milk did not go up by that three cents a quart. Today that doesn't seem to matter any more. It can go up 18 cents a quart in a couple of years and this government thinks that that's perfectly all right. It's an interesting revelation to the attitude on the part of honourable gentlemen opposite.

It's rather amusing to have watched the Minister during the course of his debate on Crocus Foods. He started out by saying that Crocus Foods was brought into being simply because of an environmental problem, nothing else. It was the Environmental Commission that created that problem for the Minister. But who set up that Environmental Commission? In order to alleviate that problem, and I want to simply read into the record, Sir, the statement that was issued from the Minister's Department in the news service, in order to set the stage for the building of the Minister's monument in Selkirk. He says, "A serious pollution problem may be transformed into a source of 10 million pounds of food annually as a result of the creation of a new corporation under the authority of the Milk Control Board. The project will depend upon a substantial federal financing. The establishment of the company will enable the province to proceed with negotiation with federal authorities."

During the course of this debate the Minister's attitude has shifted somewhat. It's now not all that important as an environmental problem; now it's the rationalization of the dairy industry. Now it becomes the elimination of the cream shipper and the small cheese factories and the processing plants in the rural areas. They've got to go now, because the Minister has discovered, and has been convinced by his departmental

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(MR. JORGENSON cont'd)officials and the so-called experts that he has surrounding him, that the only way to save the dairy industry is to concentrate its processing facilities into his own hands.

And, Sir, he even goes so far as to say that the plant is not going to make any money. And I shudder to think what's going to happen, because, when Saunders was conceived and when Flyer Coach Industry was brought into being, the optimistic and enthusiastic prognostications that came from honourable gentlemen opposite would lead us to believe that this was going to remove the national debt. The moneys and the fortunes that were going to be made by those two enterprises, along with Autopac of course. And what has happened? Even the most enthusiastic estimations that were pronounced in this House couldn't even come close to the disaster that has befallen those two industries. And now the Minister has the audacity to try to place before his Cabinet colleagues a proposal, which he admits at the outset, and which his feasibility studies have suggested will come nowhere towards even making a profit. He admits in almost every release and every statement he makes that the project is going to lose money. But to heck with that. It doesn't really matter whether the project loses money a purpose will be achieved and that simple purpose is to concentrate into the hands of one industry, under one desk, the processing of milk for the entire province. Mr. Chairman, can you imagine anything more ridiculous than to have to haul milk from Swan River to Selkirk for processing and then ship it back again? Can you imagine anything more ridiculous than shipping milk from Brandon to Crocus into Selkirk, and then shipping it back again for the consumers? The transportation costs alone would preclude anybody with a rational mind - and I suggest that the Minister of Agriculture should join the Minister of Labour and see the same psychiatrist that he did to make sure that he can get a proclamation of sanity - in even proposing such a ridiculous scheme for the dairy farmers of this province.

Mr. Chairman, it's inconceivable that in the light of the evidence that has been presented by the Minister's own feasibility study, by the arguments that have been presented on this side of the House, and I find it rather curious, that the Minister of Labour would make that impassioned, although somewhat irrational appeal today, to invite us to tell the government what to do on the labour question. And yet, day after day in this Chamber we're trying to advise them of the mistake that they're entering into in this Crocus agreement, and they will not listen to it. They continue to follow their single-minded objective without any regard to economics, without any regard to the problems that they're going to create in the dairy industry, the possibility they could ruin the dairy industry forever in this province, and the destruction that they're going to wrought in the rural communities insofar as the processing plants there are concerned. That appears to be of no concern to the Minister whatsoever, and it's very difficult to follow the rationale of a government that on the one hand pleads for advice and now on the other hand when they've indicated the course of action and are warned about its consequences, completely ignore that advice. Not necessarily that it comes from the opposition, but it comes from almost every sector of the dairy industry, the very people themselves that are concerned.

The Minister has displayed a callous disregard for the opinions of those people whose lives and livelihood are going to be affected by his adamant decision to proceed with this plant, notwithstanding the fact, Mr. Chairman, that just last Friday the Manitoba Dairy and Poultry Co-Op voted by resolution to turn down his offer to proceed with Crocus Foods. Now that, I suppose, represents something of a blow to the Minister. But, I can tell you, Mr. Chairman, it's not going to stop him. The fact that the Manitoba Dairy and Poultry Co-Ops are not going to participate in this program is simply another one of those obstacles that the Minister is going to have to overcome, and he will, he will proceed. It will simply mean that the taxpayer is going to pick up a bigger load. And perhaps, as the Honourable Member for Brandon West suggests, he'll just simply buy Manco and put in his own board of directors and then he'll be able to get the kind of decision that he wants. And I wouldn't put it beyond him, I wouldn't put it past him at all, because the Minister has demonstrated when he embarks on a course of action that he will not be deterred.

But I want to now leave the question of the dairy industry because I don't

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(MR. JORGENSEN cont'd) suppose there's any point in discussing it with the Minister, he's made up his mind, he's made up his head which way he's going to go, and there's not very much that's going to be said to change his mind.

But the dairy farmers are concerned, and particularly the dairy farmers in the area represented by my honourable friend from Emerson. And I would suggest that the Member for Emerson should be on his feet almost daily, and in caucus daily, like the Member for Ste. Rose who is trying to squeeze out of the Minister of Education some information regarding the President of the University of Manitoba, and with very little success. I urge my honourable friend the Member for Ste. Rose to continue in his efforts because obviously he has the backing of the people of this province judging from the letters that are coming into the editors of the magazines and the calls that are coming into the by-line shows. He has opened up a subject that is of great interest.

And the Member for Emerson should be cognizant of the fact that it is the Minister's intention to destroy a very vital industry in his constituency; he should be aware of that. And one would have thought that he would be on his feet almost daily defending those people that he represents, but one has not heard very much from him.

Mr. Chairman, I conclude simply by making one brief reference to the report that has been recently submitted by the Commission that was set up to study the question of meat prices. It's perhaps a little bit premature to be speaking on behalf of anybody else on this question. I speak for myself, and I am entitled to do that since I'm in the Opposition; I don't have to worry about Cabinet solidarity, which apparently doesn't bother my honourable friends opposite either, that's never been a problem with my honourable friends. Their displays of animosity towards one another is a remarkable thing to watch, and I often wonder why it is that in the Conservative Party if there are two people that disagree like the Member for River Heights and myself on a policy issue, that becomes headline news, but you can see honourable gentlemen opposite in a Cabinet that is supposed to have solidarity disagree violently on the floor of the House, and you never hear anything about it in the press, you know. Well that should be a matter of news, that really should, because one of --(Interjection)--. Yes. My honourable friend from Fort Rouge said it's good press relations, and he must have something with the press because if that ever happened in the Conservative Party that would be headline news for three weeks in a row. And these are Cabinet Ministers that are disagreeing on the floor of this House, and if Cabinet solidarity and if a responsible government means anything at all, then they should come in this House in one accord; they should agree on a policy and follow that policy. But very rarely do they ever do that, and it is never mentioned. And I always find that somewhat of an oddity insofar as the press is concerned --(Interjection)-- Oh, yes, of course, it'll give me an opportunity for another 30 minutes.

MR. USKIW: I was wondering whether the Member for Morris would cite an example where there was an open dispute as between Cabinet colleagues on government policy?

MR. JORGENSEN: You had one this afternoon. The Minister of Agriculture, sits there all afternoon with a dour look on his face, seeing what was going on, turning his back to the Minister of Labour and wouldn't even look at him, and then when the Minister of Labour got up to speak on his grievance, there wasn't a single Cabinet Minister in the House. Not a single one. Not one of them would stick around to listen to the Minister of Labour. On the Private School question, was another example. You had Cabinet Ministers standing up on either side of the Legislative Chamber, arguing right in front of this House. Not a word in the Press about it. --(Interjection)-- Yes, of course.

MR. USKIW: Was he either not in the House or was he not listening when the Minister of Labour indicated that he was presenting his personal position on a given issue, that it had not been caucused with Cabinet.

MR. JORGENSEN: I'm very glad that the Minister mentioned this, because our rules very specifically state that when a Minister gets up to make a policy statement, it has to be a statement of the government. My God, the Minister of Agriculture, how dense can anybody get. How absolutely obtuse can any person in the light of the rule that we have in our own Rule Book, and I'm going to read it again for the benefit of the

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(MR. JORGENSEN cont'd) Minister of Agriculture. It says, "A Minister of the Crown may make an announcement or statement of government policy, of government policy", it says. --(Interjection)--

MR. CHAIRMAN: Order, Order, please.

MR. JORGENSEN: Obviously my honourable friends don't want to hear it.

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

MR. G. JOHNSTON: Well, Mr. Chairman, I haven't had a great deal to say on either the departmental estimates or the Minister's salary, but I rise at this time to make a few comments, and I hope to be brief, but on the matter that the Member for Morris has raised, I can support the government's position somewhat, because many times on the opposite side Ministers have risen in their place and spoke policy, but it's fairly obvious from the startled looks from other Ministers and backbenchers, that the policy hasn't really been caucused all that much. We have of course, this afternoon, an example of it happening one more time and perhaps if it's not reported in the Press, it's because it's rather commonplace in the last three or four years. This has happened many times, and I guess it's become to be a way of life in this House, but I can recall when Mr. Duff Roblin was the Premier that this happened very seldom, and if it did happen, it was an event. I must remind my friend the Member for Morris of that. It was an event when someone on that side, never a Minister, but occasionally a backbencher would rebel and stand up and vent his feelings and you could tell that corporal discipline was going to be applied as soon as possible after, after the session.

Mr. Chairman, I apologize if I wasn't in the House when this was discussed, but in the past two years there has been a question before the people of the province, especially people who are interested in the agricultural community, and that is the question of, what is the government going to do; what are their intentions, if any, especially this session, with regard to bringing in any legislation about foreign ownership or absentee ownership. Now the Land Use Committee has been holding hearings for two years now. I'm sure the government has a feeling of what is happening throughout the province. I would guess that there has been a softening of positions by both the members of the committee who are New Democratic and members of the committee who are Conservative, and I, myself as the lone Liberal member. I know myself I have changed my feelings somewhat, but I still think that the problem is here and the problem has to be faced.

Now we know because of certain events that have happened in Ottawa when anyone takes any position of leadership whatsoever, where you are offending powerful groups, that you are going to get a lot of flack, and it's not going to be very popular amongst the powerful groups. And I wonder, and I ask the Minister, is he going to bring in any legislation this session to deal with absentee ownership or foreign ownership? We only have to --(Interjection)-- I'll tell you what my position is in a moment. We only have to pick up the newspaper today to see how the currencies of major governments are changing drastically. The English pound has sunk to an all time low of a \$1.94. I can recall in the short time that I've been around when the English pound was over \$5.00.

Now we have a balance of economic power operating in the world today like it has never happened before in history where the petrol dollar countries are exerting their economic pressures on all parts of the world. There is no part of the world that can say it doesn't affect us, and I know, and we have seen enough evidence, that if not now in a very short time farm land in Canada is going to become a very desirable commodity and we know that financial people who have great resources know no boundaries. Up until now, or up until a very short time ago, countries welcomed people who had financial resources to invest in their country, and I'm suggesting to you that any country that has the agricultural resources that Canada has should take a look at this, and say, "Is this going to apply forever and a day from now?" Because my feeling is that if we allow it to happen, if we stand still and allow this to happen, that our children and our grand-children, and those who come after us will say, "Why did you not recognize the problem, and why did you not try to do something about it?"

I was asked a moment ago, where do I stand on this? Well I know it's very unpopular with some Liberals and many many Conservatives to say it, but I'm saying it, that we have to take a stand in this province and in this country, to say that our farm

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(MR. G. JOHNSTON cont'd)land and our recreational land belongs to us first. If we're going to allow, if we are going to allow certain other interests, foreign or otherwise, to interfere in the marketplace because they happen to have more financial resources than we do, then I say it's time that we changed the laws. That we change the laws of the country and the province to accommodate the people who live here.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: I was wondering if the Member would clarify what he means by us and we.

MR. JOHNSTON: I say, we the legislators. I say, us the people, the Canadians and the Manitobans. I mean that the elected people have to show some leadership. They have to show it even though it may be unpopular with some people. This is what I mean. Now if I either posed the two phrases, well, I will say, basically it's the desire of people that we know, our relatives and our ancestors and people in Canada, that it's the natural urge for private ownership, to be owned by the people who work the land.

I know that this legislation has to be carefully drawn. I would make a further suggestion, that if the government sees fit to bring it in, allow it to go through second reading, and then put it out for the public to have a say on it. Before this the public has spoken to the Land Use Committee, sometimes based on straight information, other times based on misinformation, so if the government would bring in a form of legislation that seems reasonable, then let the public have their say between sessions for up to a year, so that there can be no misunderstanding, no clouding of the issues, or no political attempt to try and make the issues appear differently than they are. This is why I feel that the government should present legislation. Now, they have to exercise a judgment, they have to be responsible for it, and if they've gone too far and have been too tough or made some glaring errors, they must live with that. But I'm sure that reasonable people would take a look at reasonable legislation and study it, have hearings on it, and then the third and final reading to be proceeded a year later, and then by that time the government would have a true feeling of how the people felt about the legislation, and I would expect that they would exercise common sense, and pass it with a large majority of public feeling and favour. There will never be a hundred percent acceptance of any so-called radical change, and this is a radical change to say that we must look after our people first, we must make the law fair, reasonable, but we must set up certain standards.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I really did not intend to enter the debate, but I would like to follow the Honourable Member from Portage by making a few other comments along the general theme of what he has just said. Ah, and we're not aware yet whether any legislation will be introduced and I will look with interest to hear from the Minister whether that will occur, but I think it's important in this context to recognize that the debate that really is started now and it really has been ongoing over the last period of time with respect to land use, is just part of a much more fundamental problem with respect to Canada, Canadian economy, Canadian independence. I think that it's well that a Canadian has to be registered to . . . on the remarks of the Honourable Member from Portage, because I think one has to view this in the perspective of where we are in Canada, and in the world today. The economic system is under great stress. The Western world has its problems. The very foundation upon which the economy, our economy in this country has been based, has been shaken. We are in a period where we are desperately trying through one technique or another to control forces that are beyond our control, that are affecting the ability of our people to be able to keep ahead of the game. We have a sincere desire on our part to repatriate our constitution now, and to be able to gain control of our own destiny.

It's far more fundamental than just the piece of legislation that could be introduced by a government dealing with the question of Land Ownership. It's important and I'm not suggesting it's something that you do not deal with, but to suggest that it is isolated from the very much more fundamental problem would be wrong. And the problem is the retention by Canadians of the heritage which is Canada, which is our land which are our resources, and which are our basic businesses and entrepreneurial skills,

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(MR. SPIVAK cont'd)small and large. And until we arrive at a consensus in this country as to the direction we really are going, and until we arrive at a consensus as to the kind of industrial strategy that we are going to apply to, in our country over the next period of time, it would seem to me that we will have great difficulty in trying to set certain rules in isolation of a much greater, greater number of rules that have to be applied so that we know where we're going and what will take place in the next period of time.

What I'm saying, Mr. Speaker, is that the period in the last few years on the national scene has been years in which the basic fundamental debate about ownership by Canadians, of Canadian resources and of their business enterprises have not been resolved, and as a matter of fact it's been lost. And the kind of legislation we have in the Federal arena today I do not believe is sufficient to meet our needs, but I accept as well that there is no consensus in this country, really as to the kind of direction we should go. And the failure for that consensus is really a failure of leadership. The failure is because those who have the power have not attempted to try and guide the people into a resolution on this matter which would have more than a majority of opinion, but would have a consensus throughout the country, and I think very difficult to deal in the question of land use alone, because I think the rules that have to be set are rules that have to apply for many things other than just land use, and farm land use. We have to talk in terms of where we are going, how we expect people to conduct themselves in this country who are not residents of this country, how we expect corporations to conduct themselves in this country who are not resident corporations of this country, how investors are to view us, and to create a degree of stability so that in effect we will not penalize ourselves by some arbitrary action which is really an isolation of the total picture that we face in this country.

So I would suggest that the Honourable Member from Portage is correct when he suggests that there is a problem that we recognize, and that legislation should be forthcoming, but it would seem to me the legislation that has to be forthcoming is that of the Federal Government's as well. And the consensus that has to be arrived at is one which is far more fundamental than a simple decision with respect to land ownership which can be decided on the mood of the public at the moment, and which will not really reflect the needs of this country, the need for continued investment, and the need to create a period of stability in which those who are conducting themselves in this country who are not resident or domiciled here, whether they control businesses or the businesses themselves, will at least know our direction is set, that our strategy is known, that there is an agreement, and that the rules that they have to play are at least rules in which they know that there will be at least a reasonable period of time before it will be changed in such a way that they would be deprived of their rights. Because unless we do that then we're going to also affect in the very short term way the people who are employed, and the people who work, and the people who are affected directly by the actions of many outside this country, and I think that it would be unfair for us to penalize a number of people who also have predicated their security over a period of time on circumstances which we know are changing but nevertheless which have to be clarified in the total picture that must be discussed.

So I close by simply saying with respect to the Honourable Member for Portage, I agree with much of what he said, not necessarily with the solution, but I also say that it cannot be isolated from the total problem that we face in Canada and the need for decisions in many areas in order to arrive at a position which will legitimately protect all the people in all of the various enterprises in this country.

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MR. CHAIRMAN: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Chairman, I've been wrestling with something all evening and I've finally come to the conclusion that I would be remiss if I didn't put on the record a problem which confronts me in my constituency with regard to a farmer that entered into an agreement with the government. I was infused by the words by the Honourable Member for Portage in which he is calling for legislation that must be foolproof in the sort of transference of land. Mr. Chairman, the man in question applied for a loan, or at least for the sale of two quarters of land, in 1974. In his negotiations with the individual that interviewed him he had the feeling or he had the attitude of, having sold this land to the government he would have the option of leasing the land back again. As a consequence he signed the document. It's true, Mr. Chairman, that he had a debt with the Agricultural Credit Corporation of some long standing. However it transpired that he was to sell to the government two quarters of land for \$30,000, transpired later that an individual offered him \$25,000 for one quarter. In the meantime the application went through the department and was approved for the \$30,000 sale. But in no way, it was made abundantly clear, Mr. Chairman, in no way would that man be allowed to lease that land back again. He became quite perturbed and he went to the Ombudsman.

The Ombudsman listened to his story and asked him to put it in writing which he did and the Ombudsman in turn came down in favour of the government to this extent, Mr. Chairman - I wouldn't want you to get the wrong impression, that the government had done no wrong. I believe this to be true. The next thing I know he was summoned to appear in court in Dauphin and the government did retain a lawyer to see to it that this deal was finished once and for all in accordance with what he had signed. The judge in his wisdom said, no, this man requires and needs legal aid and I am going to adjourn this case for a month, which he did. The man in turn said I can't afford legal aid and he said, oh yes you can, go right across the street there's free legal aid provided by the government. He talked to them; they looked over the material and suggested that he should possibly sign off.

He's the kind of an individual, Mr. Chairman, that was quite confused on the whole matter. It was at this stage, Mr. Chairman, that I was brought into the picture and listened to his story. On October 21st, I wrote a letter to the Minister and I appealed to him to look on the human side of the picture and to possibly discard with the application. This was my thinking. I went into a great deal of detail, a two-page letter. Somehow or other I got a three-page letter back from the Minister and his last paragraph to me, Mr. Chairman, was, "Finally, I find little comfort in receiving a letter from a member of the Legislative Assembly appealing to me to review a case that has been decided by the court on the ground that in his opinion it would appear that an injustice had been meted out to this man." Mr. Chairman, this man, I said a few moments ago, had an offer for \$25,000 for one quarter. He came down to the Agricultural Corporation and I believe him; he owed them something in the neighborhood of around 20 odd thousand dollars and they practically threw him out of the office. They wouldn't listen to him. His signature was there and he was going to have to live with that signature.

I regret having to bring it up tonight but I feel that on his behalf, Mr. Chairman, that I should get it on the record. Having received this letter on December 15th from the Minister in which he knocked me around a bit, which is quite all right, that's what I'm used to. I sat down and I wrote him back a two-page letter and I knocked him around a bit too. I knocked him around to this extent, Mr. Chairman, that I have a copy of the letter from the Legal Aid Office in Dauphin and in part it reads this way: "We would appreciate" - I'll read the whole thing.--(Interjection)--I said to the Minister, and the Minister has this letter, but this is what I said to the Minister, "Obviously your researchers have failed to acquaint you with a copy of the letter from the Provincial Legal Aid Office, addressed to Mr. Fescue, MACC dated October 20th, long before the final hearing which reads in part" - and here is the mustard. Here is the mustard. "This is written by the Legal Aid Officer or lawyer in Dauphin in the employ of this government in the case in hand that Mr. Polechuk stands substantially to lose his farming operation in which he has been engaged for many years. This would effect a deep

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(MR. BILTON cont'd) personal loss to Mr. Polechuk, a loss which he very much wishes to avoid. In effect the failure of the leaseback to Mr. Polechuk will mean that the Manitoba farmer will involuntarily quit farming. In any event we would appreciate full particulars respecting your current position of unwillingness to lease back the above land to Mr. Polechuk in order," - Mr. Chairman, and listen to this - "in order that we may prepare an argument in rebuttal to present to the Executive Council." Mr. Chairman, I challenge the Minister to get up tonight and tell me that he replied to that letter and gave them the particulars in order that those people could put up a rebuttal on behalf of this farmer. I don't think it was done. If he can tell me it was done, I'll take it back.

But in the meantime this is on the record and I say to you, Mr. Chairman, that this is a steal, a steal of farm land from an individual at bargain base prices and the Minister, if he had shown some compassion, could have brought this thing to a head and tore up that document that that man signed. Because it wasn't worth the paper it was written on. I said in a letter to the Minister, one of these letters to the Minister, that the health of that man is being injured by this attitude of the government. He doesn't know which way to turn. The Minister knows as well as I do the condition of the health of that man. I say in his defence that this government and no government has any right to take any advantage of any individual. I've only covered the partial setup of this problem and if this is the way the government is going to take over land, I've got a word for it and I won't use it, Mr. Chairman.

MR. CHAIRMAN: Order please. Would the honourable member table those letters that he was referring to please.

MR. BILTON: The Minister has them all but you can have them.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Chairman, this seems to be the evening when the downtown farmers get their opportunity to comment to some degree upon the Estimates of the Minister of Agriculture. I should explain, Mr. Chairman, that my new found interest in matters dealing with the land come from my transfer of life from being a converted apartment dweller to now being one that at least if I don't own land I have a very big mortgage and having to sort of replace myself on the fifth floor where the closest we came to a greenery was a garden box down to having to rake leaves in the fall. I've all of a sudden a new found and very vested interest in the matters in how we deal with some of our natural resources.--(Interjection)--That's right. I share many things in common. Not only do I share the love now of property but also that of having to pay the bank every month on a mortgage bill. Fortunately the MACC hasn't found a way of buying up land in Fort Rouge yet to turn back but I'm sure they're going to be looking for one.

Mr. Chairman, I've had the opportunity over the past, I guess it's now two weeks to reflect upon the variety of discussions dealing with this department as to how a Minister of Agriculture goes about earning a salary and whether in fact we can in all conscience support or justify the vote of endorsement at this time. It seems to me that in addition to the normal requirement to fight a number of fires of a variety of sorts which I guess all ministers of the Crown must face, but one of the small aspects of a Minister's responsibility is a thing called foresight. I know it's not a word that's used with much frequency in this government but I would suppose that if you put a dollar value on that 15th hour or so you might put a couple of hundred dollars on the requirement from time to time to look ahead on the immediate problem or where you're going to build a new whey plant or whatever. While I'm not in any way trying to limit the importance of those other issues it would seem to me, Mr. Chairman, that one of the things that is necessary for a Minister of Agriculture is to be concerned about the use of land in the Province of Manitoba. While I can't claim to have large acreage, I can say, I suppose, being of both several generations of family in this province, somewhat concerned about how we use what is probably our most precious natural resource and that is our land.

I have to reflect, Mr. Chairman, on that short exchange that the Minister and I had I guess about a week or so ago about the question of the use of agricultural land on

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(MR. AXWORTHY cont'd) the urban fringes of our province at which side the Minister seemed to indicate that it really wasn't a problem at all, it could be discounted, that after all what did someone from Fort Rouge know about the problems and that after all everything was well in control. Well that somewhat peaked my interest, Mr. Chairman, so I decided to talk to a few people who presumably would have a competence equal, perhaps even more equal than the Minister, to decide what in fact was going on in these areas and to what degree was the Province of Manitoba experiencing what is happening elsewhere in Canada and that is a continual transfer of very valuable agricultural land into urban development purposes on its fringe. To my surprise, Mr. Speaker, because I've always trusted the veracity of the Minister's statements, I found out that in fact he was wrong and perhaps some of the questions I was asking were the right ones.

Because in fact what is beginning to take place with a great deal of repetition in a number of municipalities surrounding the City of Winnipeg is a gradual - the word "gradual" is certainly the wrong one - the rapid expansion of scatter development and the total elimination of large amounts of very important agricultural land into a variety of urban development purposes. Not just in the Red River Valley per se but in the Municipality of Springfield, Richot, Rosser, St. Andrews and the areas even around Steinbach. It now amounts, Mr. Chairman, to hundreds, closer to thousands of acres that over the past several years have been taken out of some form of agricultural production and have been turned not into even high density, highly best-used urban land, but to scattered land; a little bit of development here, a little plot there and really it's becoming a zone of misuse and abuse.

What is even more important, Mr. Chairman, speaking to some agrologists, members of the Agricultural Institute who gave me lots of interesting material, they pointed out that what is happening now is really only the introduction to the problem; that what we are going to experience in the next five years is a major transfer of use from agricultural to scatter, semi urban use on the fringe of the city and what really plagues me, Mr. Chairman, is that Minister doesn't care. He just dismissed the problem as if it didn't exist. So it seemed to me those several hundreds of dollars that are supposed to be applied to foresight, anticipation, some sense of concern and stewardship of valuable resource simply should not be voted to that Minister, because frankly by his own admission he doesn't see it to be a problem.

Frankly, Mr. Chairman, I really think that it goes along with the concerns raised by the Member from Portage la Prairie and alluded to by the Member from River Heights. It does mean unless we're careful that is land that can never be returned back into any kind of agriculture purpose. Once you turn it into those kind of developments it's lost forever, never to be returned. While it may be that in his terms, in the terms of the most efficient, high stroke producing market gardening land - it's better to do it around Portage - the fact of the matter is much of that valuable agricultural land is being lost to this province never to be regained. Mr. Chairman, this Minister says he doesn't care. Well it seems to me, Mr. Chairman, that that doesn't really give much confidence in supporting a Minister of Agriculture that doesn't seem to care about one of the most important acts of stewardship that any Minister of Agriculture should undertake. That is to at least show some concern, to show concern.

In going into it even a little bit further, Mr. Chairman - it's amazing what happens once you start investigating a problem a little bit further because you begin to discover all these heroes of by-gone ages, this valued Minister of Agriculture who's been fighting the interests of agriculture according to his own press releases so valiantly over the years, find out that as you begin to look even further into the problem you find out that his errors of omission are even worse than I would have originally suggested or concluded. Because in fact what's also occurring that not only is the land in the fringe, the 30-40 miles around the City of Winnipeg being badly eroded or being transferred out, but in fact large amounts of agricultural land, if you look at those regional land use plans that the University of Manitoba under his research grants did for him, show that a lot of agricultural land in Manitoba is in danger of being overworked. The only way that we're able to maintain a higher level of productivity is by continually stoking in a higher content of chemical fertilizers. In other words we're artificializing, we're mainlining a lot of

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(MR. AXWORTHY cont'd) agricultural land just to keep it in some form of high production.

The Province of Manitoba doesn't have a particularly active or good program for the conservation of large parts of agricultural land, particularly the southwest corners which are always in danger of dryness and erosion. I gather, just through some initial conversations with some of these gentlemen who have looked at the problem, that as the climate is changing in the prairies, as it's getting a little bit colder by a degree or two every decade or so, in fact, that danger becomes even more apparent and that any kind of corrective measures, reforestations and other forms of measures that I'm sure members to the right of me would have greater knowledge than I about, that again that the activity in the Province of Manitoba is really on the back burner. It's not really something that much priority is placed on, that much concern is given to, that what we seem to be in there is to get as much as we can for the short term while the prices are high and if we wear the land out so that five or ten or fifteen years from now that it simply becomes sort of tired out, then that's something for another government or another set of administrators to worry about.

Mr. Chairman, it again comes back to the fact that increasingly this government is showing, I suppose, a lack of appreciation of the responsibility of government which is not only to protect its own flanks from its immediate attacks but to also provide some basic preservation and protection of whatever basic elements that we have in our community to provide for our livelihood. It would seem to me that there would be no area that would be of more concern and of more critical importance than in the area of the use of agricultural land and again it seems that the evidence is beginning to pile up that this Minister frankly just doesn't care very much. So, Mr. Chairman, I speak from perhaps a vantage point where not being involved directly as other members are in terms of the direct importunity of many of the direct agricultural organizations that are concerned about the day to day operations, but speaking really as someone from the province who is concerned ultimately about how we use our resources and how we provide some preservation and conservation, I would simply say that I don't think this Minister is earning his salary.

MR. DEPUTY CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. I just want to put in a plug for my constituency after the few things that the Member from Fort Rouge just mentioned about the 30-40 mile radius of the agricultural land around the City of Winnipeg. I'd like to point out to the member that we've got some areas in my constituency, only 25 miles on a beautiful commuter route, namely a four lane highway running east of here, and unlike Horace Greeley who said, Go west young man, I would say when it comes to this type of development maybe we should be going east.

The land around the Richer - Anola area is not of any great value to agriculture. As a matter of fact I think a lot of the area is basically land which is very very marginal and I would suggest that if there is any development or satellite cities proposed by this government, that that might be the possible area to go. We're just off the Greater Winnipeg Water District line and I think that maybe something could be worked out with regard to that. As I mentioned the four lane highway runs right through it, it's a direct route right into Winnipeg. We don't have to build any additional roads or anything and that the natural setting for the whole thing is maybe ideal to what the member was saying. So there is an area within near proximity of Winnipeg where future development could take place and would not take up any valuable agricultural land at all. I just want to throw that in at this time, Mr. Chairman. Thank you.

MR. DEPUTY CHAIRMAN: Resolution 8 - the Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, I want to take a moment to deal with the question of the matter that was raised by the Member for Swan River. The reason I think I should do so, Mr. Chairman, is to indicate to the Assembly and to the people of Manitoba the incredible position of some members of the opposition. Because this particular matter was drawn to my attention by the Member for Swan River and I had had an opportunity to peruse the file and indeed to discuss the matter with people involved, that is at the

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(MR. USKIW cont'd) corporation, the Credit Corporation, and had reviewed the Ombudsman's Report and found that there was no action taken by government that was unwarranted.

And of course, the Member for Swan River sits in his chair and he says he didn't say that there was anything wrong. Well then I want to know what motivates him to raise the question here with respect to a constituent and his relations with the credit corporations during foreclosure proceedings, when he himself admits that there was nothing wrong. What is the motivation, Mr. Chairman, other than to somehow cast some slanted opinion on the government or on the corporation. Mr. Chairman, it's incredible that members lack integrity to that extent, simply incredible.

MR. DEPUTY CHAIRMAN: The Honourable Member for Swan River on a point of privilege.

MR. BILTON: I don't think I can sit here and allow the Minister to question my integrity.

MR. USKIW: I'm questioning it.

MR. BILTON: Well, you are in no position to question the integrity of myself. I have laid the facts as briefly and to the point, and the Minister has all the correspondence in front of him. I said in my remarks, I asked him for compassionate consideration for this man who had been misinformed by one of your "hirelings" if you like. And I don't need any prompting by the Minister of Education either.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. USKIW: Well in any event, Mr. Chairman, I want to read into the record my response. First of all I want to read into the record the history of this particular case because it's worth noting. The Member for Swan River knows full well that this particular individual may have problems other than with the credit corporation; he may have problems of a personal nature which really we should not be involved in. He knows full well what those are but he chooses to use the weaknesses of an individual who happens to be a constituent as an effort and as a vehicle to portray some sort of misuse or mis-handling on the part of the government of this province or one of its agencies. He abuses his own constituent in that way, Mr. Chairman. That in my opinion is an absolute abuse of people and it's a denial in my opinion of due consideration on the part of the Member for Swan River for the feelings of the people which he claims to represent.--(Interjection)--Well, simply because he's drawing into the public arena, Mr. Chairman, the sad state of affairs and the sad record with respect to this individual. The Member for Swan River now suggests that I am doing it. He expects to make some sort of an allegation, vague as it may be, and then he expects the government not to respond.--(Interjection)--Well I don't know the individual, only my friend the Member for Swan River may know the individual.

The man is a single man, aged approximately 43 or 44, I'm told, Mr. Chairman. His first loan of \$10,000 was approved June 14, 1962, June 14 of 1962. I don't know what connection there was with that date and the fact that members opposite were in government but in any event that is the date on which the loan was approved.

A supplementary loan was approved on October 29, 1965 for \$7,000. All payments, interest and principal paid from 1962 to '68 including taxes. From 1969 to the date, borrower in financial trouble. He left the farm and it was unable to locate the borrower. Some land rented for cash rental but no payment. Paid \$1,050 on July 16, 1970 on his account. In 1971 the corporation was unable to locate the borrower. In April, 1972, the account was two years in arrears, the borrower was not on the farm. On August 23, 1972, he signed a commitment of \$2,194.30 by October 15, 1972 but was never received. Other liabilities: \$6,122.17 including two years of taxes. Fieldman reports indicate farm operations leave a lot to be desired, land in a bad state of cultivation. With November 1st payment of 1972 arrears now \$3,425.77. 1972 current taxes owing now \$1,130.08.--(Interjection)--A member alleged the man's a scoundrel. I don't believe that, Mr. Chairman. I believe the man may have problems of a personal nature that led him into this situation. What those are only the Member for Swan River might be able to advise us, Mr. Chairman. But certainly this is not the methodology that I would use

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(MR. USKIW cont'd) to illuminate to the people of Manitoba the problems of one particular individual.

The account is now three years in arrears. Management recommended foreclosure action. December 6, 1972, Board directed management to start foreclosure proceedings, if this account was not in good standing by November 1st of 1973, they gave him a year. The Royal Bank registered the second mortgage. November 2, 1973 borrower forwarded \$1,000 on account. January 2, 1974, Board directed that foreclosure action be delayed until Spring of 1974. This action was a result of the borrower once again promising to make payment and/or sell one quarter to MACC. Board again delayed foreclosure giving borrower until August 5, 1974 to correct arrears. Foreclosure action started on August 9 of 1974. August 28, 1974, borrower called at Head Office; no commitment from him as to his payment. Inquiry from borrower re land lease and of his own volition requested resolution of his financial difficulty by using land lease. Given necessary applications with no assurance of commitment except that application would be processed and considered, application received at Field Office on September 3, 1974. Fieldman proposed MACC purchase half section from borrower and apply the funds to his account leaving him with a quarter section to farm and to reside upon. Amount needed to clear title was \$26,500 more or less, first and second mortgages. Designated lessee by vendor rejected as he did not qualify under land lease. Corporation temporarily withdrew foreclosure September 30, 1974. Signed offer of \$30,000 with no conditions October 4, 1974. Date of possession January 1, 1975. Corporation accepted offer December 2, 1974 and advised vendor. Corporation leased land to a local resident under the Land Lease Program. Vendor refused to sign transfer on grounds that someone had assured him that he would be given the opportunity to lease back all his land in spite of the fact that the vendor never designated himself as a lessee and had designated as unacceptable lessee in application Schedule A and legal offer of October 4, 1974 had no conditions whatsoever attached.

R.M. of Swan River sold land for taxes July 13, 1973. The Corporation redeemed tax certificates on the land and paid all other subsequent taxes in full to December 31, 1975. Total land tax paid out \$2,969.70. Subject to legal offers to sell, the Corporation registered a caveat in Dauphin Land Titles Office, March 19, 1975. April 19, 1975, vendor registered complaint with the Provincial Ombudsman. April 25, 1975, due to failure on vendor's part on specific performance related to legal offer to sell and refusal to provide the Corporation with a signed transfer the Corporation instructed the solicitor to (1) Recomence foreclosure as per August 9, 1974 letter, (2) Request from the R. M. of Swan River an assignment of the tax sale certificates, (3) Legal action re vendor's performance on the legal offer to sell. August 20, 1975, legal action finalized for September 15th. September 15th, 1975: vendor appeared in court September 15 without legal counsel. Corporation lawyer agreed to postponement of hearing to enable vendor to acquire legal counsel although Corporation lawyer could have insisted on finalizing hearing on that date. New date for the court October 14th. Account at this date now owing \$21,031.42 plus all taxes. October 14, 1975 vendor appeared again without legal counsel. The court ruled that a vesting order re land in question in favour of MACC.

Mr. Chairman, I now want to read the letter that I wrote to the Member for Swan River in response to his letter to me where he alleged that the province was involved in a land grab, Mr. Chairman, a land grab from someone who didn't pay his arrears for three or four years; who didn't pay his taxes and which land was being sold on a tax sale on which the Corporation had security. That is the kind of proposition members opposite are bringing to this Legislature at least once every session, Mr. Chairman. We had another one of these kinds of allegations a year or so ago.

Well, Mr. Chairman, I reply to the Member for Swan River in a letter dated December 15 of this year.

"Mr. James H. Bilton, MLA, Box 184, Swan River, Manitoba. Dear Mr. Bilton: Re: Polechuk, Emile, Swan River, Manitoba NE $\frac{1}{4}$ and West $\frac{1}{2}$ 29-36-28 W 1st.

"I have received your letter of October 21, 1975, regarding Mr. Polechuk. I

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(MR. USKIW cont'd) must admit that you have indeed succeeded in transforming a sad but simple event into an Alice in Wonderland story. The sequence of events is sad but straightforward. The borrower has been in financial difficulties since 1969.

"By the fall of 1972 he was three years in arrears on payments to Manitoba Agricultural Credit Corporation owing \$3,425.77 and owed \$1,130.08 in taxes. Manitoba Agricultural Credit Corporation management recommended that foreclosure action be started. The Board of Directors of the Corporation delayed such action for 12 months in order to give Mr. Polechuk one more opportunity to pay his debts. Further delays in foreclosure were ordered by the Board on two subsequent occasions giving the borrower till August 5, 1974 to bring his account up-to-date. Finally on August 9, 1974, the Board ordered that foreclosure action be launched.

"You will further note that only after foreclosure action had been started did Mr. Polechuk apply to sell part of the land to MACC presumably realizing that if foreclosure were proceeded with he would lose it all. You will note that the owner did not apply to have the land leased back to him, a fact which is clearly documented and verified by the office of the Ombudsman. You will further note that on October 4th, 1974, Mr. Polechuk signed an offer to sell without any conditions respecting leaseback and that his subsequent refusal to sign a legal transfer eventually resulted in a court decision to vest title of the land in MACC. The above facts completely refute the statements made in the second paragraph of your letter.

"With respect to paragraph three of your letter, I am sure that Mr. Polechuk is not alone in believing that the price at which he offered the land to the Corporation is too low. There is not a seller of anything who sometimes later thinks he sold too low and if he had held on he would have recovered more money for his product. As to the price being accepted by the Corporation this price has to be fair market value based on comparable sales for comparable land in the area. If Mr. Polechuk's offer had not been acceptable to the Manitoba Agricultural Credit Corporation, it would have been amended and Mr. Polechuk would have had the opportunity to accept or decline the amended offer.

"In paragraph four, your letter says that Mr. Polechuk received a sympathetic hearing by the Provincial Ombudsman. I would hope everybody receives a sympathetic hearing from the Ombudsman. Mr. Polechuk also received more than a sympathetic hearing from the MACC. He received loans; he received consideration when he was unable to pay on time; he received three delays of foreclosure after the situation had become hopeless; he received compassionate purchase of some of his land rather than eviction. I should also add that the Ombudsman after sympathetic investigation concluded in his letter to Mr. Polechuk that the Ombudsman is satisfied that there is no administrative act, omission, decision or recommendation relative to this matter whereby you have been aggrieved.

"In reference to your paragraph five where you state as I understand it, after an endless and stirring appeal by the Corporation lawyer the Corporation lawyer and fieldman without hesitation agreed to the adjournment of the court to enable Mr. Polechuk to obtain legal advice although I am advised that the Corporation lawyer could have insisted that the case be proceeded with and finalized at that time. Mr. Polechuk did not heed the judge's advice to obtain legal assistance through the Manitoba Legal Society created by this government as he appeared in court the second time with no legal assistance.

"In reference to your paragraph six, it is agreed that his property is in a depressed condition. This to me is a personal matter and of no concern to anyone. It's certainly not consistent with your paragraph seven. How can one relate that it is of no concern and in the very next paragraph state: I am at a loss to understand why the department and municipal people have not moved in long ago with advice, possible guidance and encouragement which obviously this individual so sorely needed. If it is of no concern to anyone as you state, why do you state that it is the concern of the department and the municipal people to make his problem their concern. I wish to state that it has been a long standing policy of my department to not force management advice on farmers but to respond to their needs upon request. Should a farmer client desire and request management and production advisory service my departmental staff are ready to provide

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(MR. USKIW cont'd) assistance to him. In this connection I wish to observe that the Corporation staff was unable to locate the farmer in 1969, '71 and '72.

"In paragraph eight you ask the question; why did the department take so many years before taking action to arrest the situation? In paragraph 11 you find now that the power of the state is being used against an individual with lightning speed. It's rather intriguing, Mr. Chairman Your Alice in Wonderland letter is getting more and more curious. The speed of lightning has been reduced to a snail's pace.

"While I take comfort from the fact that you believe that the municipality behaved well, your question: why is the government foreclosing and not the municipality, takes us to the looking glass again. The government or rather MACC did not foreclose. In order to avoid foreclosure, the Corporation agreed to buy two quarter sections of land that the farmer offered to sell to the Corporation for \$30,000. The municipality on the other hand put Mr. Polechuk's land on tax sale on July 13th, 1973. If your constituent told you that he was prepared to borrow the \$17,000 and pay off the Corporation and the municipality, he simply provided evidence that his shortcoming in mathematics and business know-how was among the reasons for his difficulty. As of October 14th, 1975, Mr. Polechuk owed the Corporation \$21,031.42 on a first mortgage; he owed the Royal Bank \$5,000 plus interest on a second mortgage and he owed \$2,969.70 including 1975 taxes to the municipality. How was \$17,000 going to pay for all of this? Moreover, any person may at any time pay off any debt or loan owed to the Corporation. Had Mr. Polechuk been able to find the money elsewhere he could have rid himself of his obligation to the Corporation long ago.

"Your second last paragraph is incredulous even in an Alice in Wonderland letter. There was no sudden action against the individual. His troubles began in 1969 and by letter of December 6th, 1972, he was warned that foreclosure would follow if he failed to meet his obligation. In the following three years he was given every opportunity to put his financial affairs in order. Hence for six years the Corporation has been dealing with this difficult client and to say that the man finds himself suddenly fighting the Crown and that the case had its beginnings early this year is unbelievable.

"To suggest further that the Crown has not come to a face to face conclusion with Mr. Polechuk ignores the fact that a conclusion was reached when Mr. Polechuk signed a legal offer to sell. Only when Mr. Polechuk wanted to repudiate that agreement did the matter go to court. I may further remind you that in dispensing the Queen's justice the court also is an institution of the Crown.

"Finally I find little comfort in receiving a member of the Legislative Assembly appealing to me to review a case that has been decided by the court on the ground that in his opinion it would appear that an injustice has - is being meted out to this man."

Mr. Chairman, that is the . . .

MR. DEPUTY CHAIRMAN: The Honourable Member for Swan River on a point of privilege.

MR. BILTON: The Minister has had the privilege of reading that letter. I wonder if I can be given the privilege of reading my reply.

MR. DEPUTY CHAIRMAN: That is not a point of privilege. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, I don't care what reply or what other matters the Member for Swan River has. I have no problem with that. All I want to tell the Member for Swan River is that he has a responsibility in this Assembly.

MR. DEPUTY CHAIRMAN: The honourable member did not have a point of privilege, neither a point of order. He will have the opportunity of speaking when the Minister has finished. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, I'm prepared to stay here till tomorrow morning. Mr. Chairman, I think I know what the problem is of my friends opposite - and when I say opposite I don't include the Liberal Party. The problem of my friends, the Conservative Party, on the other side is that we have had roughly two weeks of debate of the Agricultural Estimates and they didn't receive a headline. That is the dilemma of my friends opposite. So in desperation, in desperation, Mr. Chairman, in desperation

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(MR. USKIW cont'd) they're relying now on the Member for Swan River to bring into this House, Mr. Chairman, what we often refer to as a tear jerker.

You know, Mr. Chairman, there are very few people in society that don't have compassion for one's fellow man. But, Mr. Chairman, I could not have much compassion for the nonsense that was presented to this Assembly this evening on the part of the Member for Swan River because the Member for Swan River, Mr. Chairman, knows that there has been a court action. He knows that the matter has been at the Ombudsman. All of these things have taken place, Mr. Chairman. Then somehow the MLA for Swan River thought that he was above the courts; the Member for Swan River thought that he was above the courts, that he could circumvent a decision already having been made simply by drawing the problem to my attention and that somehow I should intercede after all of those transactions have taken place; after the Ombudsman had taken a look at the matter and had indicated that there was nothing wrong in the procedures. The Member for Swan River simply because a lack of an issue wants now to gain a headline for himself and for his party in the course of the deliberations of the Estimates of the Department of Agriculture.

Well, Mr. Chairman, I told them last week that that is their style of politics and I understood it a long time ago. That is not surprising to me; that is only a repetition of what has already taken place many times before. But my friends opposite will suffer by their own image. Eventually that has to catch up with themselves. You know, even when we were in kindergarten, Mr. Chairman, there was the story of yelling wolf once too often and that is the story of the Conservative opposition. They probably haven't been to kindergarten or whatever, Mr. Chairman, I don't know but it would have been good had at least one of them remembered that story. Because you cannot fool the people of the province all of the time, you can some of the time, but you certainly cannot all of the time.

Mr. Chairman, the Member for Portage la Prairie who is not here now had indicated, and indeed the Member for River Heights had indicated, some desire to know where we are going to be proceeding with respect to the question of land ownership rights in this province. I think it's fair to say that we have had a good number of meetings throughout the province, that is the Land Committee of the Legislature, and that there has been a report presented to this Assembly and accepted and that it is a matter of policy yet to be announced that at this point in time I'm not prepared to indicate upon. I don't think that we have arrived at a position as government on that question at this point in time, I'm not sure that anyone has that was on that committee. I simply want to indicate to the Member for River Heights that he is probably right, there is a much larger question involved than just land ownership. We've had the Kieran's Report on resource ownership; there are many other considerations of a national nature with respect to the oil question and the energy question and so on.

A MEMBER: Potash.

MR. USKIW: Yes, potash in Saskatchewan, that requires a great deal of public discussion and public debate and some policy that should be clear to the people of the country and to be fair to the investors of the world. I think it's only fair that people should know the rules of the game whatever they are. In that context I agree with the Member for River Heights. We may not agree on the recommendations or on policy but whatever the policy is it's important that people know it so that investment decisions are made on the basis of facts and that we don't deter investments by being somewhat unclear as to what our position is, whether it's at the provincial level or the national level.

The Member for Portage la Prairie however suggested that this was a time for a degree of leadership and that even though it may not be popular to move on that question that we really have to stick our necks out for the moment and sell the idea that there is a need, that there is a need for some public control. You know he may be right. He suggested in that context that what we could do because we are uncertain ourselves, I think he expressed some degree of uncertainty on his own part, on the part of the Liberal Party, and he at least sensed that there was some degree of uncertainty on the side of the government, but he notwithstanding that, suggested that we could move

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(MR. USKIW cont'd) by way of second reading after which we could refer it back to the public intersessionally and then finalize our deliberations at the next session one way or the other. I suppose that's not a bad suggestion once one is committed that legislation is indeed necessary.

It's my opinion that that would probably be a desirable approach with respect to that kind of legislation if we were to bring in a bill at this session. I am not in a position to indicate that I myself would be prepared to bring an Act into its final position, that is proclamation, before there's a great deal more of public debate and public discussion because that is a matter of very deep interest on the part of Manitobans as a whole both in the agricultural area, the urban area and certainly as was evidenced in northern Manitoba by citizens of the north with respect to recreational land and with respect to agricultural land.

MR. DEPUTY CHAIRMAN: The Honourable Minister's time has expired. The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, I don't intend to read the letter that provoked the letter but I do intend to put on the record the letter that I wrote on January 8th in reply that that epistle that we listened to tonight.

"Perusal of your letter dated December 15th, leaves little to the imagination in the case of a land grab from the above mentioned who lacks the ability to fend for himself in the government arena in retaining his land possessions. It follows however that it must be replied to in part.

"If my memory serves me well, my letter of October 21st was dispatched to you direct by government courier because of the postal strike. From this point it took your researchers some six weeks to prepare a three-page letter" - which was read tonight - "which offers absolutely nothing in relief of this man in his dilemma. Surely you do not deny me as your letter abundantly suggests, the right to put forward what appeared to this man a grievance that he had no other means of endeavour to correct. Thus my appeal was developed in the sincere effort to assist him with his problem. The facts as I outlined them were in accordance with the extensive conversation between Mr. Polechuk and me. If there were certain developments which he did not relate to me to which you have privy, probably that could have been the reason for the iron bound attitude of your reply and if so it is regrettable.

". . . in mentioning the proposed borrowing of \$17,000, this should have read \$25,000. With the transaction complete and his debts for the most part paid with this money, it was his intention to sell the quarter section of land for \$25,000 and repay the private loan. This as opposed to the \$30,000 for two quarter sections as offered by MACC. In light of the foregoing does he not have the right to take a second look at the whole development? The terminology of your letter gives the appearance of taking the entire opposite attitude to that which was intended in my letter, else how could the MACC report to you give Mr. Polechuk a sympathetic hearing when he in his words was practically thrown out of their office. Mr. Minister he still holds to that statement.

"Paragraph 5 of your letter speaks of the attitude of the Ombudsman. Mr. Polechuk followed his advice through the assistance of the Judge at the first court hearing in October and availed himself of the government-sponsored free Legal Aid in Dauphin. Obviously your researchers have failed to acquaint you" - and I read you that part. I won't go over it again.

But the next paragraph is: "I suggest to you that nothing has been done in order to develop the rebuttal as initiated by Legal Aid in this man's interests. If so, why has not an appeal been entered by them on his behalf? You didn't answer that question. All you were worrying about was my letter. It interests me very much when you say that Mr. Polechuk ignores the fact that a conclusion was reached when Mr. Polechuk signed the legal offer to sell. Only when Mr. Polechuk wanted to repudiate the agreement did the matter go to court. That is the very point I tried to make with the thought that the Crown would re-examine the situation to satisfy this man rather than using the signature of an individual in desperate circumstances to take his land from him.

Mr. Polechuk has a copy of your letter to me and I hesitate to relate his

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(MR. BILTON cont'd) observations and contradictions of some of your remarks. He did however leave with me the thought that the matter is far from closed insofar as he is concerned and I regret very much that my sincere effort on his behalf has fallen on barren ground. Thank you for reminding me, and this is a quote, 'That in dispensing the Queen's Justice the court also is an institution of the Crown.' My only comment to this is that you as a Minister of Agriculture represent the Crown on whose authority the proceedings were instituted thus setting into motion the court machinery. Need I say more. Yours very truly."

MR. DEPUTY CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, the Member for Fort Garry wants to know whether this is the answer to the postal strike. Well it certainly was during the postal strike that this occurred and communications were not that rapid. But in any event I don't intend to spend any more time on that. I think we have read the correspondence for the benefit of all concerned and I would simply remind the Member for Swan River that his responsibilities are responsibilities which would require at least a shade of credibility and I leave it at that.

MR. DEPUTY CHAIRMAN: Resolution 8 - the Honourable Minister.

MR. USKIW: Mr. Chairman, I want to deal with the number of issues that were raised by the Member for Morris earlier on this evening. I don't know, the member either was not here in the course of our discussions the other day, the question of dairy policy, or he wasn't paying much attention. But he tried to sort of paint a picture of contradiction with respect to this government's policy, dairy policy, in this province.

He referred to a position that the Minister of Education who was, a few years back, an opposition member of the House who had taken issue with the government when the government was the Conservative Government back in 1967 or 1968 on the question of a rise in the milk price and the question of the responsibility to protect the consumers of this province. I recall that incident as well, Mr. Chairman. I didn't have to do any research to remember that indeed there was such an occurrence where the Member for Burrows took issue with the government for not being completely responsible with respect to milk pricing in this province at that time; that the evidence that was presented to the Milk Board was not properly challenged, that was his point; that we didn't do enough research to determine whether the margins that were built into the system were realistic margins or whether they were excessive. Those are all valid points of consideration to which the Minister of the day had no reply, Mr. Chairman. He wasn't able to substantiate the position of the government of that time. That's why when the Member for Morris spoke earlier this evening I was agreeing to the comments where the member was referring to and quoting from Hansard, comments of the then Member for Burrows, when he said that the government was not responsible. Even though at that time we were moving the price of milk from 29 to 32 cents it may have been excessive in that the government didn't go through the necessary stages of research to determine whether or not that increase was justified contrary to the position of the government through the Milk Control Board during the last five or six years, contrary.

I say "contrary" because the Member for Morris will again appreciate a repetition, the fact that the consumer price of milk is the lowest, Manitoba, of all provinces in Canada. We're at the bottom from a consumer point of view. When the Member for Morris raises a question "Where is the concern of this government re the consumers on the question of milk prices?" Well I simply repeat for him, "We have a record to be very proud of in that connection".

Now it's true that the Milk Control Board has been much more aggressive in its fact finding in order to bring this position about and the margins that the processors have to work under in this province are much narrower than they are in any of the other provinces in this country. That is how that is brought about. So I say to the Member for Morris that we have nothing to be ashamed of from the point of view of protecting the interests of both the producers and the consuming public of this province with respect to utility pricing of milk.

Well, you know, the Member for Rock Lake says, "up to this point." The fact

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(MR. USKIW cont'd) is that it is now several years since this government has been brought into office and the record is I would say long standing. Seven years is pretty good to maintain that kind of a position. So let the member not say, "up to this point," because if we've been able to manage this industry fairly well for seven years my hope is that we will be able to do equally well in the next seven. Certainly the record should give us some degree of confidence as to the future.

Now with respect to the arguments of the Member for Morris on Canadian Dairy Commission policy and the fact that one really can't hang one's hat on a controlled dairy industry. He seems to still advocate that we have some sort of free market system again for the milk producers of Canada which they themselves have rejected many many decades ago. It is not an interference at the federal level, Mr. Chairman, in terms of the quantum of production; it is merely the question of how many millions of dollars are allocated by way of subsidy. Therein lies the level of governmental direction and control. But if anyone has been prepared to work outside the context of Government of Canada subsidies then of course there has never been a limit on milk production in this country.

So the free market was there. But, Mr. Chairman, the history is that the producers don't want to produce milk at \$3.50 a hundredweight. They want to produce milk that will give them their cost of production and to get that on the industrial milk they have to rely on national subsidization. Or perhaps the Member for Morris is advocating that we scale down the dairy industry of this country very dramatically and that we probably could resort more to imported products, industrial milk products. Perhaps that is what he is suggesting but he hasn't quite said that, Mr. Chairman.

Now with respect to dairy policy in this province we have at this point in our history the most secure position that we have ever had for the dairy producers. It is the most airtight position from the point of view of price stability and security to the producers. We have never had it as good in the history of this province. So the members opposite should not ponder that the future is something that they should be extremely concerned about. We have been able to improve the lot of the dairy industry very dramatically in the last three or four years. The industrial milk producers of three years ago were receiving, well a little more than a quarter of the price that they are now receiving in terms of the blend price for a hundred pounds of milk. And if you talk to any one of them they will agree that there's been a dramatic turn upward on return on their investment and labour.

But they will always tell you, "But you know we have a problem in transportation and we don't like certain things that are done." Whenever you have regulations you always have people that would hope that the regulation be somewhat amended to reflect their particular desire rather than the needs of the whole, rather than the needs of the 1,700 milk producers. Of course if one is operating in a global system one can't always hope that a particular interest of the individual can be attended to as well. But in the aggregate all of those in the industry are doing far better than they have ever done before.

So I have no apologies to make and the Member for Morris is not able to convince me, Mr. Chairman, that somehow if we got back to the free market in milk that that would be the salvation of the dairy industry. He will not convince his own constituents who are dairymen to go that route. Nor has any member from that side suggested once - I've yet to hear it and I tried to get an indication a few days ago whether they are prepared to suggest here today that we scrap all of the legislation with respect to production and marketing: the Natural Products' Marketing Act, to repeal that; The Milk Control Act, we could repeal that.

I mean why should we have those things if members opposite really believe that the free market is the best way to proceed. I challenge them to introduce a resolution that we abolish the Natural Products' Marketing Act; that we abolish the Milk Control Board and we deregulate the milk industry in this province. I challenge them to present that resolution and if they are not able to do so, Mr. Chairman, then to me that demonstrates the weakness and shallowness of their argument because they are posturing in an area which they themselves are not prepared to proceed. Not prepared to proceed, Mr. Chairman, and have not been prepared to proceed during the 11 years or 10 years

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(MR. USKIW cont'd) of Conservative Government in this province. They were not able to proceed.

Now they may have had internal argument and debate as to whether the free market was the thing to do in milk, but whatever their arguments were their administration not once in those years indicated a desire, at least to the general public or in any statement in this Assembly, indicated a desire that they would like to go back to the free market system in milk. Because they wouldn't find one milk producer to support that concept, not one.

So when the Member from Morris speaks in this House I have to conclude that he is speaking as the Member for Morris but is not speaking on behalf of the Conservative Party. Because even on his comments with respect to the Beef Income Assurance Program he was somewhat at variance with his colleagues on the other side and when the vote came he dodged the vote, Mr. Chairman. So I suspect there is a problem on the other side; there is a division of opinion, that the Member for Morris would like us to scrap every regulatory body that we have with respect to agricultural production and marketing of those commodities. There is a division in that connection. But they are never able to get to a point where their caucus can arrive at a position which they would enunciate as their policy. They just prefer to chirp away in the wilderness, Mr. Chairman, hoping that they can make some impression on the media, in the headlines, but never really to have to carry the responsibility of endorsing that position.

That is totally irresponsible on the part of members in the opposition in the political debate. That is an incredible position, Mr. Chairman, because at least if they would portray to the people of Manitoba the alternative position that they would want to employ then I could argue with them that that's a matter of policy and they have their right to take their position, whatever it is. But they have not done so, Mr. Chairman. Therefore that demonstrates to me the weakness in their argument, and I suppose should demonstrate to me that I shouldn't respond perhaps at any greater length than I have already on this subject.

Now with respect to the question of the plant. As I indicated a few days ago that is still a matter yet to be decided but in terms of the DREE offer it's a decision that will likely have to be made this week if we are to accommodate ourselves within the time frame, which is a million and one-third, the question of \$1,300,000 that we have to be concerned about. That will be announced in due course, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Resolution 8(a) - the Honourable Member for Roblin.

MR. MCKENZIE: I just have one brief question. I was hoping I could have got it in earlier. It's regarding the problems of the farmers that have leases on Crown land and the gates are left open and especially as it relates to park land. I could maybe pass the letter over to the Minister and he could deal with it. Maybe the whole matter should be reviewed sometime in the near future because gates can be left open and nobody can be prosecuted the way the Act and the Regulations stand now. Maybe the Minister is familiar with it but it comes under The Crown Lands Act and the area that I was especially concerned about is in the LGD of Mountain where the right of public access over the roads on Crown lands, as the Minister well knows, is one that can't be disputed and if anybody leaves a gate open you can't do a thing about it, or if night hunters come in the area and leave these gates open the farmer whose cattle is out if the gates are left open, he's not able to do anything about it. So I would hope that maybe sometime the Minister and staff would take a look at the Act and the regulations to see if it couldn't be changed around somehow to give them better protection than they're having at the present time. They're having a most difficult time to control themselves and the . . .

MR. DEPUTY CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Chairman, let me correct the Member for Roblin. He indicated that he should pass on to me a letter or some information in that connection. I simply want to remind him that I think he already did. I recall receiving some mail from him in this connection, specifically in this connection.

I simply want to point out to him that with respect to trespassing on Crown lands the regulations provide for free access on existing roads and trails to anyone that wants

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(MR. USKITW cont'd) to move across these lands. That is a long standing policy. It was there when we became government and continues to be there.

With respect to people who are trespassing, who happen to unlock gates and leave them open that is a violation; that is a legal question and one can sue for that. That's a damage claim that can be proceeded with through the courts. It is no different than that having happened on private property. So the law applies equally in that respect whether it's leased land or whether it's privately owned land. You must not alter the position of property without the consent of the owner or the occupier. So that's simply a legal liability question that one is dealing with and I don't know that there is any simple solution to that.

MR. DEPUTY CHAIRMAN: The Member for Roblin.

MR. McKENZIE: Mr. Chairman, very briefly, the specific area that I'm dealing with where there's trails running all over the place, whereas generally if you get into the area where it's mostly cultivated land, you don't run into that problem. The lessees are expressing their concern to me say that they can't in any way interfere with the public right-of-way or passage over these trails and therefore they have no protection there. You know if someone wants to come and open their gates because there is a trail or an access road well they have, under the rights of hunters and fishermen, they seem to have an avenue there that's open to them.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKITW: Mr. Chairman, there's nothing in the Regulation that deals with the question of one's own responsibility with respect to trespassing. While in the Crown lands lease arrangement, hunters and fishermen cannot be barred from using existing roads and trails, however, they mustn't hamper the infrastructure, whatever it is, whether it's buildings or gates, fences, or whatever. That is common law that provides for that protection where that situation arises, and I appreciate the difficulty of catching up with these people, but if it can be proven in any court of law, then of course that's the penalty that goes with it in the same way as if it happened on privately owned property.

MR. DEPUTY CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: It has been brought to my attention in some of these cases they've tried to lock their gates and protect their property and the livestock. But at the same time the lease holder cannot block access to that road or trail in any shape or form so he's violating the law while he's trying to protect his own property.

MR. DEPUTY CHAIRMAN: Resolution 8(a)--pass. Resolved that there be granted to Her Majesty a sum not exceeding \$16,865,200 for Agriculture--pass. That concludes the Estimates of the Department of Agriculture.

Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has considered certain items in the Department of Agriculture, has instructed me to report progress and asks leave to sit again.

IN SESSION

MR. DEPUTY SPEAKER: The Honourable Member for St. Vital.

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I move, seconded by the Honourable Member for Ste. Rose, that the Report of the Committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The hour of adjournment having arrived, the House is now adjourned and will stand adjourned until 2:30 p.m. tomorrow afternoon. (Tuesday)