

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, March 1, 1966

MR. CHAIRMAN: Resolution No. 7.

MR. TANCHAK: Mr. Chairman, I haven't taken any part in agriculture until this moment and I think it's about time that I said a few good words about our good friend the Minister of Agriculture. I'm glad that he's back; he didn't get lost. I thought for awhile that he was lost this afternoon, but I'm glad that he's back in his seat, smiling as ever, and I hope he continues smiling throughout the session - the next two hours anyway.

Listening to some of the members in the front benches during the Throne Debate and opening of this department by the Minister, one at that time could almost assume from the speeches that everything was good in agriculture, all was in top shape, but lately I've noticed the some of these front benchers have agreed with us that not everything is well with the farm people in Manitoba. I would say that in spite of this talk that everything is well, there is still a large section of agriculture languishing as pockets of depression and instability. I'm not going to say that these pockets were created by the present government, in fact some of them existed prior to the time that this government took over - these pockets of depression - but I would say that this government has not improved the lot of these people. In fact, I would say that most of these people who have been depressed in the past are worse off now than they were before.

Again, I'll give credit to this government where the credit is due. When we come to farm credit, in many instances it does a lot of good, but these depressed areas where I am speaking, in most cases farm credit does them no good because a number of them did apply for farm credit and they were told that they do not qualify for one reason or another, so farm credit doesn't seem to help them. When you talk about crop insurance, which is of great help in our grain-growing belt, it helps a lot. It stabilizes the farmer and prevents him from going completely bankrupt if there is a disaster, but again I'll say that crop insurance does not help these particular areas - depressed areas. Why? Because most of them cannot even afford the premium and some of them cannot take advantage of it because their kind of farming is completely different. It's more diversified and the crop that they do seed, they probably garnish it and use it as feed for - they're more in diversified farming - for their cattle and so on.

What about farm accounting? Some of them did go into farm accounting, but after a year trying it out, it made them more depressed than ever because it showed them that they are not making any money. They are losing money, and an improved farm accounting system would probably even make them more depressed because it would show them that they are still losing more money than they did before. I say what is needed in areas like these is some material help to these areas, better drainage, clearing of land and especially guidance, telling these people what they should be doing - and more personal guidance - and I hope that this new policy that the government intends to come forth with personal guidance would help these people.

The Minister told us yesterday that he is afraid that very many farms are doomed - family farms - that there is no help for them. Some of them he says may be saved, but many of them are doomed. Maybe they should take a second look at this. Instead of dooming some of these, why not send out people to guide them a little more? I think it would be advisable for the government to set up some kind of a group or some kind of an agency which would look into the problems of these doomed family farms. I still say we need them. Maybe there is an alternative way for them to make a living and not simply say: "You are doomed, there is nothing we can do," and throw up our hands. Where will they go? To swell the city unemployed? These people cannot easily adapt themselves to a new way of living, working for somebody else when they have been accustomed to work for themselves, and they do not know -- they do not know any other kind of occupation, and I say maybe this agency could give them guidance, maybe rehabilitate them. If it's impossible for them to make a living on their farms where they are now, don't simply tell them: "You can't make a living and do whatever you wish, we are forgetting about you, you are doomed." If that's the case, I think that there should be some appropriation provided to buy these people out and rehabilitate them elsewhere, put them back into the kind of jobs or occupation that they are suited to.

The Leader of the New Democratic Party just looked back at me here.....

MR. PAULLEY: You're getting more like a Socialist every day.

MR. TANCHAK: That's because one is in front, one at the side here.

MR. PAULLEY: You're learning.

MR. TANCHAK: He told us yesterday that increased emphasis on agricultural subjects should be placed in the high school curriculum. To a certain extent I wish that was possible, and I'm not going to disagree with him altogether, but I agree with the Minister of Agriculture that this would be difficult at the present time, very difficult, and I say that our high school curriculum is at the present time overloaded and it would be very very difficult to introduce new courses. It's so diversified when you come to farming that it's almost - I wish it could be, but I think it's almost impossible.

I would draw the attention of the House here that our agricultural representatives are doing this kind of work and a very good job they are doing, and this is through our 4-H Clubs. The young boys and girls - farmer boys and girls - in fact anybody else who wishes to start farming can learn an awful lot through the 4-H Clubs. They meet regularly and they could learn a lot, providing they are willing to put their shoulder to the wheel. I know this because we have quite a few 4-H Clubs in my area and they are doing a splendid job and the agricultural representatives are doing a wonderful job too. The only complaint I have is that they are too widely scattered, too thinly scattered all over the area. If it was possible, we should have more of them.

There are certain aspects, so much talk that I would say I object to. Maybe what the Minister has told us is true, but I don't like the publicity end of it. I think it's damaging publicity to the farmer and I'm referring to a speech made by the Minister of Agriculture on tax rebates, and I think the best thing for me to do would be to read it or else I might be misquoting the Minister. I'm not going to say that it wasn't the truth, but this kind of bad publicity coming out on top of other publicity that we have sometimes, many of our city friends believe that the farmer at the present day is rolling in wealth.

Here is one quotation that I think probably shouldn't have been used, and I'll quote the Minister of Agriculture on Page 202 of Hansard, and he says, "Maybe there's some danger in saying this, but somebody has to say it and I'm going to say it." I'll give him credit for that. He says, "A great deal, in larger proportion than half, of the monies raised by these taxes are not raised on the farms of Manitoba. The farmer is getting a good deal, a real good deal out of this tax rebate - a very good deal." He emphasizes it. It may be right. Yes, I don't disagree with that but I still say that when it comes to any little publicity like that, it seems to give the impression that the farmer is getting a good deal all the way around, even this on the tax rebate. That is damaging publicity to the farming community.

Now the Honourable the Premier on farm credit - another remark he made, which I call is damaging publicity - and that will be found on Page 137 of our Hansard, which may also be true - it's not quite true though - but here is what he has to say. He talks about - I'm not going to read the whole paragraph - about credit and about high debts of the Province of Manitoba. "And today they still" - that's the opposition - "go around talking about the debt of the Province of Manitoba and the burden that it is, and a major item of that debt burden is this very money that's lent out to the farmers of our province in farm credit" -- a major part of this debt. There's a certain part of this debt -- I would disagree with the major part of the total debt of the Province of Manitoba. I don't think that the major part is this farm credit, but that kind of publicity I object to, because it gives the impression that the farmer is getting everything and he is simply squawking as somebody said yesterday.

I have another quotation, and that's when we go picking feathers, turkeys and ostriches, and I'm not going to take too great an objection to what the Honourable Minister has to say about me the other day. I could only say that he referred to the ostrich, about the ostrich hiding its head in the sand. I would only say that this ostrich, although he hides his head in the sand sometimes, if that is right, he still doesn't make as many blunders even with his head in the sand as the government sometimes makes this year and other years.

A MEMBER: Sometimes? - All the time.

MR. TANCHAK: Well I can't say all the time because I'm not one of those who will go ahead and say that this government hasn't done anything that's worthwhile. Sometimes they go on the right track, just like the blind hen every once in awhile picks up a good kernel of grain. They can give credit, they can pat themselves on the back pretty well as I have experienced, so it's not necessary for me to do it.

Now he objects to the statement I made last year that I did not agree with the Minister when the Minister tried to urge the farmers of Manitoba to go into production of beef, because we were right - we were right - look at the prices now. The farmer is making good money on them. I'm happy he is and I hope that it continues, but that's not what I was objecting to.

(MR. TANCHAK cont'd).....My objection was - and I still think I'm right - was this, that the Minister told the people of Manitoba that beef production would be profitable, that people should go into it. That kind of publicity sometimes is damaging, and I'll just give you an example in my own area within a radius of three miles. The Minister says that we should all go - that's the way they interpret it, whether the Minister said it or not - we should all go into beef production. And what has happened? There are six farmers who had the cow-calf operation - in the business of the cow and calf operation. What did they do? Some of them were dairy people, but they said the Minister said we had better go into beef, so we'll go into beef. They sold out their cows; they went into beef; but they took it that going into beef meant that all they had to do was provide a corral and buy some feeder stock, and that's exactly what they did. So they depleted their cows, and what do we see now? We are having a shortage of feeder cattle, a shortage of calves, and that's where that hurts. I would say leave the farmer - tell them that cattle production, that the cattle industry has a good outlook, but to encourage them to go directly into beef and not to explain it properly, I think is absolutely wrong.

And here is what the Minister has to say, and again I'll quote from Hansard: "It seems to me, Madam Speaker, that when the government of this province two or three years ago stuck its neck out and said the farmers of this province should go into livestock business in a big way," -- livestock business - beef production the farmers understood, and that's the way it was said in the first place -- "that the beef industry in particular looks to have a promising future -- oh, watch it - watch it - watch it. Even last year the Honourable Member for Emerson said he didn't like that. He did not like that." He stressed that. I didn't like it; I still don't like it for the simple reason that I explained. "Well, Madam Speaker, I heard the Honourable Member for Emerson sometimes object a little bit to the reference to turkeys. I will never associate him with the turkey birds again. The ostrich - that's the bird."

Well, that was a little joke. Maybe it is a little personal and I think that I would be justified if I took as strong objection to it as my honourable colleague sitting behind me, the member from La Verendrye. I would simply say that I don't think there is any necessity in this House to get personal, absolutely not, because if one wanted to get personal, we can really get personal and we can hurt each other, and it just depends who will come out the better or the worse for it. We don't have to get personal. I don't see why any member in this House couldn't find enough words in the English dictionary to use the proper kind of words, but to resort to name calling - and the Honourable Minister is guilty; so is the Premier guilty of that - name calling. What for? That's getting personal. I don't think one should get personal. I try not to be personal. When I speak to the gentleman, I refer to the government of the day or the Roblin government, but I don't pick out any one member and attack him. I don't think it is necessary and I think that the Honourable Member for La Verendrye was justified. Of course I shouldn't be talking about this now because the Minister apologized for it.

MR. PETERS: No, you shouldn't.

MR. TANCHAK: So we'll leave that out.

I mentioned before that there are a number of farmers who have already liquidated their stock in my area, and some are in the process of that. There are three of them that have liquidated. They say I'm not going to buy any more feeder cattle this spring because the price is going to be too high - they will be hard to come by - and there are three others who are thinking of dropping out completely.

You heard a lot of talk on commissions and the government seems to be taking all the credit for the high prices of pork because there is a commission; the high prices of potatoes and even the vegetables because there are commissions taking care of this. These are commissions - they are not producer controlled entirely - they're commissions. I don't think it's due entirely - the high prices, or good prices I will say, not call them high - the good prices in these vegetables and the prices of hogs are entirely due to the commissions' efforts. No, I think it's world conditions. A lot of credit should go to the greater demand for agricultural products, not only here in Manitoba and Canada but all over the world. We've got an exploding population all over the world and they've got to eat, so that's where the credit should go. Of course there is a certain amount of credit maybe - I say maybe - that these commissions could be entitled to, especially in the hog prices. That differential between Winnipeg and the eastern markets has disappeared. That's a good thing; that is a help and there I could give credit; but we hear quite a bit of grumbling as far as other commissions are concerned. There are many many people who are very very unhappy about it.

(MR. TANCHAK cont'd).....

Now there are other problems. I mentioned drainage before, that drainage is one area where this government could improve considerably. I'm not going to talk about drainage throughout the whole province. Maybe some members, and I'm sure some of them will get up like they did in the past and say in my area the drainage is perfect. They have said that in my area the roads are perfect. Maybe a few members have perfect roads. The honourable member representing Gimli likes the roads so he's a Cabinet Minister.

Some of them might have good drainage systems, but I am pretty well acquainted with my area, my own constituency, and starting all the way from the east. I speak to some of the engineers - the civil service I'll call them, I'm not going to mention names - but I asked them about certain drainage that the people had requested for years and years, and what answer do I get? I asked him when is it going to be done? Is there any money for this area, for this particular trench? "I don't know," they say. Is it going to be done this year, next year? "I don't know." I said what do you know? And what do I get for an answer? "We don't know." They tell us there isn't any money. Well there must be some kind of a policy. The answer given to me is there is no policy, especially in the unorganized or disorganized area. There is no policy as far as drainage is concerned, and I believe him. That comes from some of the people who work for the present government, that they have no policy; it's day to day. In fact if you happen to risk a few dollars out of it you'll get a piece of drainage.

I have an example in the Sprague area. These people -- there's a petition in the Maintenance Board - they have it - they were good enough to put up some of their own money. They needed the drainage so they're willing to put up half of the money. It has been there for over a year. They were promised some action. There was no action taken last year. Why? Because there is no policy as far as drainage in that area. That's the answer that we get - not officially by letter but by word of mouth. I don't agree with that. There should be a policy and these people should be taken care of. These pockets of depression could be wiped out if there was a policy and if the government was determined to help these people.

We've got the same situation on the Rat River. For a number of years now, for seven years the Rat River - I'm sure that the Honourable Minister is acquainted with that - overflows its bank in many many areas and it drowns out considerable farm lands. Maybe they're not first rate farm lands but they're good hay lands and good pasture lands. This year I would say half of those farm lands were inundated with water because the Rat River banks have eroded. The government promised to look into it, to survey it, and it drags from year to year. The municipality asked the government to look into it. They look into it, the survey is made, but no answer is ever given and the condition is still the same along that Rat River. People are complaining. It's time that something was done.

The same thing I could mention at Arbakka. There was some work done on the Arbakka Dam - about a little over \$50,000 - but it was an old structure that had to be replaced. It was replaced and it was a perfect job and I thank the Minister for that. But there was more drainage there that was requested and it's absolutely necessary. And what is being done? It's all done piecemeal, a little bit this year and then neglected, then next year it's some other place, but it's not a planned - not a planned drainage policy. There is no policy there. --(Interjection)- No, I don't think this applies to planned economy at all. We'll leave that; we'll come to that some day yet. Well this has been unorganized area, but I get the same complaint from municipalities. Franklin Municipality is in my constituency. They have complaints. The same thing happened there. They have been promised a certain drainage. In fact a letter was written that it would be done this year, then for some reason, without an explanation, nothing is being done.

There was a road or a drainage south of Dominion City that was promised. It's on - I think you call it the Four Mile Road. A canal was supposed to be dug or constructed down to the Red River last year. Nothing has been done and these farmers suffered badly this last summer because the water lodged there all year round. There's absolutely no drainage there. There are many other areas like that. There's one area - I even have pictures. If the Minister is interested, I'll pass these pictures on to him. That's high waters of last year. You call it the flood waters; I call them high waters last spring. There was an area - one-half of Township 32 - an area about three by six miles. The Roseau River coming from across the International Boundary flows through Dominion City then it loops north for several miles. There's a sharp bend when it reaches its extreme end -- in the north there's a sharp bend then it loops back south almost to where the loop started in the first place. Now at the extreme point of this

(MR. TANCHAK cont'd), loop when the waters in the Red River are high, as they were last spring due to that flood scare, the water was high enough that the water in the Roseau River backed up, and when it does back up, the Roseau River floods out at this loop and creates a lake about 18 square miles, inundating farm lands, inundating buildings and so on. That's around in the Arnaud area.

The municipality and the people of that area have asked the government to build, to construct a canal about a mile and a half in length which would drain the overflow into the Red, and it wouldn't back up there because the differential in drop is about six feet. It wouldn't back up but it would take the water up and there wouldn't be a lake created there. It's not such a costly project, at least according to some of the people. They're not experts, they're not engineers, but it couldn't be too costly. I don't think that the construction of this canal would cost more than the damages and the expenses incurred by those people in one flooding in any particular year, and it happens very often, not only in 1949 and 1950 and say like last year, 1965, but almost every second year that happens. These people asked for this drainage, this canal to be dug; the surveyors were out; they checked it back and forth and still it's not done.

Now there's a flood scare at the present time again according to the report that the Honourable Minister gave us yesterday. I'm not doubting the report. He doesn't make that report himself and I am not blaming him for it. He reads it to us. There's a scare - a flood scare - or probably there may be a flood, and it is being predicted at least two or three feet higher than last year. Well these people will be drowned out again. Even if Winnipeg isn't flooded, these people will be drowned out because the waters would back up, so they will have a flood even though there is high water. I cannot see for the world of it why a few thousand dollars could not be spent in that area to protect these people from these high waters. When the Province of Manitoba can spend close to \$100 million in constructing the floodway to protect the City of Winnipeg, why couldn't the province spend 20 or 30 thousand dollars to protect this large area from flooding so that they wouldn't undergo these floods.

Of course the Honourable Member from Morris - and I'm sure he'll get up, he usually does after I mention his name - the Honourable Member for Morris told us a few years ago, "Oh, this government will take care of that area." This floodway doesn't help us any, the Winnipeg Floodway doesn't help the people upstream - Emerson, Morris, St. Jean, Letellier. It doesn't help them at all. But the honourable member told us two years ago that we were going to look into the possibility of some kind of insurance for those people. Where is that insurance? It was promised. I don't know where the honourable member got his authority to promise or mention it - no insurance.

MR. HARRY P. SHEWMAN (Morris): just away off base. I never promised anything. I think I said there was a possibility of looking into a form of insurance. Now I think he should withdraw these words.

MR. TANCHAK: Well, there is a possibility - if he didn't promise. I know he hasn't the right to promise because he is not a Minister. If he thinks he didn't promise, we'll let it go at that. But I still think

MR. SHEWMAN: Mr. Chairman, I think I am entitled to that privilege in this House, to have that member withdraw those words.

MR. TANCHAK: I don't think I have anything to withdraw. I'll reword if for the honourable member, and I said "possibility."

MR. SHEWMAN: Not in the first instance.

MR. TANCHAK: But I mentioned possibility the first time. If the honourable member wants to speak, to take the floor, he is welcome to after I am through. He comes out with this, that there is a possibility of some insurance. Where is that insurance? What insurance have those people got in the upstream, up to Emerson? No insurance whatsoever. Maybe - and I don't know - maybe by this insurance the honourable member means that the government will take care of these people's losses, damages and expenses after the flood. Maybe - I know that the former government did it. After the flood of 1950, the former government compensated the people and most of them were happy with what they received as compensation for the damages. Most of them were happy. Some never are happy with anything, but I can say that in my area most of the people thought that this compensation was adequate and the help was promptly given after the flood.

But last year, these people that I referred to around Arnaud, this 18 square miles, they sustained damage. There were expenses and there was damage there. Sure you had some evaluators going out there and asking the people what damage there was, and there were

(MR. TANCHAK cont'd).....expenses connected with that, huge expenses. The cattle had to be moved; the grain had to be moved out - very high expenses. In fact this year, some of these people had to move their complete herds, and even now they are thinking of moving. They have to move them. One farmer tells me, "I've got a herd of 60 cows. I moved them last year. This year is the last time I am moving them. I'll move them but they go straight to Winnipeg. I am sick of it." It wouldn't cost so much to build that canal and protect them. They wouldn't be protected against a flood say of the proportions of 1950, but every second year almost this same flooding occurs, as I say, and there is no help forth coming.

But let's go back to the compensation for losses in that area last year. Sure the evaluators came there. With the exception of one who got a substantial amount for his damages, the rest got practically nothing - from zero dollars to about \$30 - and I think myself that that was an insult, to offer anybody \$30 for damages sustained through flooding. It was just an insult. For \$30 you can't even get anybody to come and make an estimate on the repairs. That was not paying compensation for any damage. I think it's an insult to those farmers and some of them refused it. In fact, some of them told this fellow, "If that's all you can offer us, don't come here. Get out."

And there was damage. I know myself - I have seen it. Water flowed through the buildings - some only basements, some up to the floor - and when the water flows through one window in a basement and out through the other and touches the floor, the floor is warped; there are foundation cracks. And not only that, I know one instance where it cost one farmer \$75 just to clean out the basement, the silt that filled the basement from water flowing through it, and here the government offered \$30 compensation for that. I say that's an insult. If I lived there, I wouldn't accept it. That's no help. If these people, if they are flooded this year -- I hope there is no flood, I hope that these forecasts are wrong and I am sure that the Honourable Minister hopes that too. Nobody wants a flood. He doesn't want a flood. But what assurance have these people in the eventuality that they are flooded? Are they going to be treated like these people were treated around the Arnaud area? Will they be offered an insult instead of compensation? I think it isn't fair. I think there should be fair evaluations because the government is offering them no protection against the flood, so at least after the flood these people should be well taken care of.

I have some other statements here that I would make but I know that I'll get a chance at the appropriate time when we come to the different items. I'm not saying this to hurt the Honourable Minister of Agriculture; I feel that way about it. It's my own feeling and I want to bring it up in the House. I hope that the Minister, after listening to me, does something about this and shows some improvement in these areas as far as drainage is concerned and these pockets of depression. I really and truly believe that a lot of them could be helped. If we here, the Minister and his staff and all of us, put our shoulder to the wheel, I'm sure we could help them.

MR. FROESE: Mr. Chairman, it's rather late that I get into the debate on the agricultural estimates. Last night I was unable to be present but I'm happy to make my contribution tonight.

The agricultural estimates now before us are rather low in my estimation, in fact lower than they were last year, and considerably lower. When you take a look at the various departments, what they are spending compared to Agriculture, I think it's wrong the way we're treating this aspect of our economy. There are, for instance, the Attorney-General's Department of \$8.7 million, which is almost as much as we spend on agriculture if you deduct the amount that was being spent on the floodway. Then we have Education with \$69 million; we have Health with \$28 million - and I'm just reading the Manitoba figures, not the federal figures inclusive; Highways, \$40 million; and Mines and Natural Resources, \$8.4 million - that's almost as much as we spend on agriculture.

When we look at the agricultural estimates, we find that there is an item in here of \$4,977,000 which is being spent on the Red River Valley, Assiniboine River, Seine River and Lake Manitoba flood protection, soil erosion, water control and drainage projects, transferrable to capital division. So if you deduct this amount from the estimates, what you've got left is a budget of \$9,734,000 compared to last year where we had \$15 million. I think this is a shame because we are now spending less on agriculture than the Federal Government is spending in Manitoba on agriculture. They are spending more than we are and I certainly think this is wrong because we **should** be spending more on agriculture, especially when we note that the economy in our province, especially the rural parts that are dealing in agriculture,

(MR. FROESE cont'd).....are at a very low ebb and that the net income of farmers is progressively getting lower compared to the gross revenue that they receive.

This matter of having the floodway included under the agricultural estimates, this is completely out of order in my estimation, because what does it have to do with agriculture? The floodway around the City of Winnipeg doesn't help the farmer one iota, not one bit. The farmers upstream on the Red from Winnipeg to the U.S. border aren't getting a bit of protection - nothing - and yet we have it in the estimates of the Agricultural Department. This should go into Public Works where it properly belongs. When we think of the Assiniboine where you get the Portage Diversion, I think it's a little different because there you're doing something that affects the people in the agricultural community out there, but as far as the floodway, this should not be a part of agricultural estimates. We are told that the city stands to gain, so let it go to Public Works, although here I even think that the city doesn't stand to gain too much - probably once in 50 years, or was it 150 years. We have money to spend for floodways - and millions of it - but we have not got the money when it comes for agriculture.

Then when we take a look at the outlook for agriculture, what we can expect, we heard the Honourable Member for Lakeside speaking on wheat yesterday, the outlook as far as wheat is concerned according to the report that we received; we also heard the Honourable Member for La Verendrye speaking on the outlook as far as the dairy herd and cattle is concerned; but when we look at some of the other items contained in this report, for instance durum wheat - and we still have durum growers in Manitoba - it says here on Page 25; "The Outlook. Manitoba seeded 40,000 acres to durum wheat in 1965 which produced 900,000 bushels, but with the depressed price for durum wheat and the prospects of a slow export market, it is expected that Manitoba farmers will probably continue their durum production at about the same level as last year." It doesn't sound very encouraging, and when you take note of the price of durum, the way it's gone down the last number of years, it's only about half the value that it used to be. So this is certainly not an encouraging aspect of agricultural outlook.

We move a little further on, we take a look at the situation of flax. And what do they say here? On Page 29, and I quote, "The 1965 Canadian flax crop is placed at 28 million bushels, which is a 38 percent increase over last year. Canada can expect to use about 5 million bushels of flax at home and we export as much as 15 million bushels, therefore, a substantial carry-over of 15.1 million bushels is expected. While increased Canadian exports are expected, flax prices are likely to be weaker due to U.S. and Argentine competition." So we certainly cannot expect too much in the way of a flax market that would be encouraging in any way. We can expect lower prices according to this report.

We continue on the following page and here we have the outlook as far as rye is concerned. This is what they are saying on Page 30, and I quote, "The high carry-over, coupled with the depressed price, would indicate rather poor market prospects for rye in Manitoba, therefore, a caution regarding any increase over the present acreage is extended." This certainly isn't encouraging by any means. So our farmers that are growing these crops certainly haven't got too much to look forward to in the coming year. The bright spot naturally today is livestock, including cattle and hogs.

When we consider prices - I already touched on this matter in the Throne Speech debate and I don't intend to go into this at great length - but it seems to me that we here in the Manitoba Legislature sit helplessly by as though we can't do a thing about it. The Federal Government, through the Canadian Wheat Board Agency, sets the prices and we have to take it or leave it. We have to take it. There's no way out, and yet it seems as though we won't do a thing - we won't even record any objection or any protest to the Federal Government that the prices are too low. I have yet to hear a report in the paper to this effect. We just sit smugly at home and do nothing.

I took note of the First Minister's statement that was contained in the press reports about the farmers \$5,000 program, and here I certainly would like to get some information from the Minister just what is meant by this \$5,000 income that he proposes for the farmers of this province. Is it to be another welfare program? Is it to subsidize in some way or how does he propose going about it to increase the revenue or the income to the farmer? We note from the 1965 budget report on Page 42, where we have the agricultural statistics as far as borrowings is concerned by the farmers of this province, and we find that they are going deeper and deeper into debt. Since the credit corporation was set up, the fund has now loaned some \$27,104,000 as of 1965. This is money that the farmers borrowed and will have to repay.

Then we turn to the Canada Year Book and take note of what the Farm Credit Act, the

(MR. FROESE cont'd). Federal Act says, and here too you note that Manitoba farmers borrowed another \$7,460,000 to provide credit for their farm purchases and farm loans. So our farmers are going into debt and certainly some way will have to be found whereby they will get the necessary margins so that these loans can be repaid. I note from the federal statistics here that 625 loans were made for \$7,460,000 - that is in Manitoba. I also note that the other provinces exceeded Manitoba. For instance, Saskatchewan made 2,322 loans for a total of \$25,200,000 and the Alberta people made 2,043 loans for a total of \$27,157,000; but if we add our total from the Manitoba Agricultural Credit Corporation to the figure of the federal farm credit loans, we find that we are in debt to the total of \$34,560,000. So our farmers are getting deeper and deeper into debt and this is also a serious thing.

For the last number of years we have had good crops, but what will happen if these crops will not come, if we should have a period where we have poor crops? I think our Credit Corporation would find itself in serious trouble should this come about, and the farmers more so because they at the same time have to live off whatever the farm will bring them, and if there is no crop, there's nothing to live off. So this can be a very serious problem should the crops not be as they have been in this last number of years.

I would also briefly like to refer to the Budget Statement and Economic Review of 1965. On page 48 we find the graphs and the figures of Manitoba's Provincial Sector Activity, the gross value in millions of dollars, and we find that retail trade and manufacturing show a steady rise, yet when we take a look at the agricultural income, it is remaining very much the same. There is hardly any rise, not a very significant one at any rate, because in 1950 we have a total of \$321 million and in 1964 agriculture showed a total of \$430 million, so that over those number of years the increase is very slight. Actually, it amounts to roughly 33%, whereas manufacturing had an increase of 50% during that same period and construction had an increase of 175%, so that agriculture is lagging behind and is not keeping pace with the other sectors.

We also note that according to press reports - and as the Wheat Board cheques have now been mailed - that the payments made by the Wheat Board will be lower this year, quite a bit lower than they were last year, and this means that this is less income. This is less gain because whatever the payment was higher, this means that this is profit and that the profit will be that much lower. So here again the farmer is taking a beating, and I for one would certainly like to see that we try and do something about it. Certainly there must be a way of getting the Federal Government to realize the situation and that something is being done. I had hoped that the three Premiers of the western prairie provinces when they met, that this would be a subject that they should consider, because eventually we will just stifle our economy as far as agriculture is concerned in Western Canada if nothing is done.

I would also like to refer to another aspect pertaining to agriculture and that is the farm help. We have an item here in the budget of \$6,695. This is the portion that will be devoted to farm labor services. Out of a budget of \$298 million, we are going to spend \$6,000 for farm help when we are in serious trouble as far as farm help is concerned. I think this is ridiculous to have that little amount for that purpose, and as the report states - the other agricultural report - they had over 3,000 placements made here in Manitoba. And we will find ourselves in more serious situations as we go along, especially during the winter months with these retraining programs - Program V for one - which I think is going to catch fire and will sweep this province before long because here the farm labor people will be able to get more through their retraining program through unemployment insurance than they get for working on the farm. So who wouldn't rather improve his qualifications, get extra training and not have to work on the farm as a farm laborer? This I think is going to give us some serious problems, not that I don't -- I certainly don't want to deny the farm helper from this or from improving his position, but it will certainly cause problems for the farmer in Manitoba.

When we speak of farm help, I would like to refer to Page 28 of the Manitoba Economic Consultative Board's report, the Second Annual Report of March, 1965, and we see on Table 1 on Page 28 the Manitoba labor force by industry and division from 1951 to 1961, and we find in 1951 there were 73,490 people employed in agriculture. This was 24.7% of all industry. Then we go to 1961, ten years later, and we find that the figure has decreased to 59,301 and the percentage of all industry too is down from 24.7 to 17.4, a difference of 14,189 people and a decline - a total decline of 19.3%; and surely these figures are not up-to-date, that certainly we have much less in the way of farm workers than what is stated here in the 1961 figure of 59,000, probably around 40,000 would be closer. Maybe the Minister can supply us with the

(MR. FROESE cont'd)..... correct figures in connection with this matter. So we have fewer people working in agriculture, and certainly we should be doing our utmost to keep these people on the farms so that we have help available.

We have had requests, and I have made requests every year that I have been in the House since I came in, that unemployment insurance be provided for farm workers. Last year we passed a resolution in this House and I think it was unanimous. I would just like to know what happened to this resolution. Was it presented to the Federal Government? Have they replied? There is talk now of legislation coming up in the Federal House amending the legislation so that insurance would be provided for farm help, but there has also been talk that this could only apply to certain sections. What is the score on this? Will it only be applied to the few or will all the farm help be able to be covered by this legislation? If the Minister has any information on this I would certainly appreciate hearing from him on this very matter, because the way it sits now, they have been waiting and waiting and waiting and nothing has happened. Certainly it is much easier to do something for these people at the present time while they are still on the farm than to try and create new jobs for them. We find we are lacking in this; we are failing; we are not coming up to par; we are falling behind rather than moving ahead. I think this would be the cheapest way of maintaining our jobs, or at least not going further back and having to try to create new jobs when this can be done with so little funds.

I intended to speak on the Auditor-General resolution this afternoon but it was stood over so I will bring out one point that I was going to make when speaking on that resolution, and this has to do with The Horned Cattle Purchases Act. We find that under this Act we received last year, \$69,087.25 - this is according to Public Accounts. During that same period we disbursed \$56,389.77. This is according to Page 312 of Public Accounts. We find these figures on the Government Summary of Trust Division receipts and payments for the year ended the 31st of March 1965, and we find the figures that I have just quoted to you as \$69,087 in receipts and we disbursed \$56,389.00, so that if anyone wants to check, they may do so.

Then I would briefly like to refer to the Agricultural Department Report, and we find on Page 50 that the report states that cattle marketings were up by almost 35,000 head and the total marketed reached 289,891 head, an increase of 13.61 percent over 1963. Then we find a graph on the following page which states that livestock marketed through commercial channels, and the number in thousands, and it's almost 400,000, so the two separate figures certainly don't jive.

I checked a little further, and on Page 54 we find a statement to the effect on The Horned Cattle Purchases Act, which says that under this Act the penalty of \$2.00 per head is levied on horned cattle 400 pounds or over marketed at specified stock yards. This means when we have an income of \$69,000, and \$2.00 per head, this means that we have 34,543 head of cattle that were horned out of a total of almost 400,000. Certainly this cannot be the case because we do not only have eight percent of our cattle that has horns. I feel something is very incorrect. Either the government is being gypped or something, and I certainly would request this government to check in on this. Maybe they are short of carbon paper, so that the carbons might be old or worn out and do not work, and as a result that the government is getting that much less money. I think an inquest - or whatever they call it - the matter should definitely be looked into and find out what is happening in this matter because we certainly know more than eight percent of our cattle that comes to market has horns.

Then on Page 91 of the Department's Report we find a table that says, and this is headed, "Livestock, 1964 - Cattle for Commercial Marketing, 399,000," so this is more closely to the graph that we saw which stated somewhere of 400,000 as the number of cattle marketed, and I would agree that this figure would be more correct. So that out of 399,000 cattle marketed, some 34,000 apparently had horns and for which we received a \$2.00 payment. I for one feel that this Act should be repealed and should be abolished, because this is just taking away some money that the farmers should rightfully have. I don't think that the Act is accomplishing too much and I for one would like to see it abolished and done away with and let the farmer keep that extra money.

Then coming to another aspect of the Agricultural Report, I find very little is being said about the new marketing boards that were set up - the Potato Marketing Board for one - although according to the report on Page 7, it says that, and I would like to read and quote, "The revision of The Natural Products Marketing Act of a year ago made possible the establishment of marketing commissions. The new Potato Marketing Commission which was given responsibility for marketing table and seed potatoes grown in the province was established effective

(MR. FROESE cont'd).....January 4, 1965. The commission proves its ability to achieve an orderly flow of potatoes through the market in its first few months of operation."

I would like to hear from the Minister a little more about this because this commission has now been in operation for a year, and what are the results. Have we had complaints? I think I recall seeing an article in the papers last summer where the people in Portage were up in arms about certain things going on, that they could not purchase home-grown vegetables, that they had to go through a central agency. How many complaints were there and how is it functioning? Is it doing the job that it ought to do?

We find on Page 96 a short paragraph on the marketing boards as well. It also refers to the new marketing commission and it states the people that have been appointed to this board. Now if I recall correctly, we in the past have made contributions in the way of grants and I think also in the way of assisting organizations - I don't know, was it to share capital to the Gardeners' Co-op and the like - and what has happened to these organizations since, now that they have been abandoned or taken into this other organization. What has happened to the Province's investment? I would like to hear from the Minister in this connection. What is being done and what has happened to it?

There are other things that I could mention from the report, however, I hope to touch on some more when we will be dealing with the specific items. However, there are these matters of drainage and the Honourable Member for Emerson already mentioned a few problems in his area. We certainly are not without problems in my area. The Hespeler for one is a serious problem. I know the government has done work on it and they're proceeding with it so that a good deal of the work will be completed, I hope, within the next year. However, further upstream we have a very serious problem and this has existed for at least 20 years, where we continually have washouts, where the water leaves the channel at a point and where the banks are no longer high enough to contain the flow. Once it gets to this point the water spreads in different directions and then will take a course probably one way one year and take another course a different year and as a result you get washouts at various places on very good agricultural land, and we find we have gullies of four or five feet deep and as much as 15 to 20 feet wide, and this is ruining some of our most fertile farms that we have in the area. I think we should do all in our power to speed up this program so that we do not have unnecessary damage take place in this manner. I am grateful for what has been done in the past on the Hespeler and I hope the government sees fit to speed up this program so that we'll get results faster.

I hope the Minister, if he has any further remarks to make in connection with the Pembilier than what the First Minister answered me the other day when I asked him about it, that he provides information to the House on this. Thank you.

.....continued on next page

MR. GUTTORMSON: Mr. Chairman, a great deal has been said on the subject of agriculture and I'm going to confine my remarks to the topic of ARDA. In the booklet issued by the Minister of Forestry in Ottawa, it shows that 59 projects have been approved for Manitoba at the shareable cost of \$6,833,494, and approximately half of that, a little better than half of that is the federal contribution. Looking through the description of the different projects, a great number of them are shown for the Interlake area. I would be very interested to know from the Minister what projects have been gone ahead with, particularly in the Interlake area. There are a number of them showing substantial amounts of money and what concerns me is the fact that virtually nothing has been done in ARDA in the Interlake portion that I represent. There may have been some studies but we have yet, to my knowledge, to know of any capital projects that have been started in my portion. I understand that in some parts of the Interlake represented by government members that there has been some capital money spent. But I'd be interested in knowing from the Minister what money has been spent of the projects that have been approved by the two governments.

I can assure the Minister there is a great deal of dissatisfaction in my section of the Interlake because they have seen no concrete results from the ARDA program. And when they read and learned the government had approved of nearly a million dollars of ARDA funds for the park outside Winnipeg, they didn't feel any better. They're not objecting to the park being built but they certainly think it's wrong that a government should give this priority for the ARDA funds when the Interlake area, an area which the two governments had designated as an area that requires assistance such as ARDA is supposed to provide, and they're not getting any money. As we all know that the people that gave up their land in the Birds Hill area, they did so very reluctantly. And this is the area that the money, that ARDA funds are being spent on, while the Interlake are going begging for these funds. It seems wrong to me that the allocation of these funds go to a park in preference to the agricultural areas which require them.

When the Minister replies I'd like him to tell me how much money has been spent, of these 59 projects that are listed in this booklet, which was released last year, and what the prospects are of us getting money in the area that requires them. It seems to me that some of these projects, some of the ARDA funds are being spent on projects which could quite easily -- the funds could be taken from other departments -- and it seems that the ARDA funds are being used to supplement projects which could easily be allocated to different departments of the government. It seems to me that this is not utilizing the funds in the manner that it should be.

The Minister will recall that a few years ago when this ARDA program was announced I asked him to define what the ARDA program would do for the Interlake area, and if he recalls his answer he will tell me he was not sure just what it would do at that time. Well those of us from the west side of the Interlake are still wondering because there has been no evidence that ARDA funds are going to be spent. I think it is just about time that the government did take action and utilize these funds for the benefit of the Interlake people and my section so they will see that some benefit is to come from the ARDA program.

MR. HUTTON: Mr. Chairman, at this time I would like to speak because in addition to matters raised by the members who have spoken tonight, I would like to deal with the appropriation 7 (1) (c) which is funds that will be used in the ARDA program. (Interjection) Yes. That's under General Administration - 1 (c) actually. (Interjection) Yes.

Before I do that however I must comment on the attitude or the approach taken by the Member for Rhineland. I think that Bob Hope has several millions of dollars to prove that when you laugh the world laughs with you and when you cry, you cry alone, and I couldn't help but think of that when I watched him look, with great trouble, to find the few products, farm products, which do not enjoy for the year 1966 a favourable market outlook, because rye, durum wheat, flax -- if he'd gone to almost any other product -- I think probably sweet clover seed, the outlook there wasn't too bright - but if he'd gone to anything else, there was nothing but encouragement for the producers. So I would advise the farmers who read Hansard to discount what they read of the member's speech and have a look at our booklet that we have pointing up the market outlook for agricultural products in this year.

Now to get to the \$297,200 that was shown in the Estimates and to the general theme that was dealt with with great brevity by the Honourable Member for St. George, and he says that there have been no projects in St. George and that there are no concrete results from ARDA in the Interlake, especially in the constituency of St. George. I am going to take issue with

(MR. HUTTON, cont'd) . . . him there. There may not be any great monuments to ARDA but I think - I want to say something I have said before in this House on the subject of ARDA - and I think the Honourable Member for St. George, you know, put his finger on it. He said is it true that we are using ARDA funds to supplement existing programs. Absolutely true. Absolutely true. Long before ARDA legislation was passed in Canada, Manitoba had development programs, before this government was sitting here, I must admit, Manitoba had development programs in government. Maybe they weren't as great or as ambitious as some of us wanted them to be but nevertheless we had development programs. We had investment being made by the government in works and in programming of different kinds which the government of the day believed would give incentive and momentum to the over-all growth of the province.

ARDA was designed to add momentum to development programs across Canada to effect changes in resource utilization. We've made some mistakes in the past. We have to correct some of these. Also we want to use these funds to allocate, or orient resources to use which will form a very sound basis for future development. What could be sounder than to take the Birds Hill area, an area which no one could suggest with any seriousness had any great future as a farming area -- yes, there are some tree farms on it, at least one that I know of -- but to take this resource area and to orient it to recreation, right on the threshold, right on the doorstep of our great metropolitan centre here, seems to me that that is laying the foundation for the future of Manitoba.

You say what has this got to do with ARDA; what has this got to do with agriculture? Well, I don't think that the ARDA program was developed as a - I like to use this term, *deus ex machina* - as a God coming to the rescue of the farmer. It's a philosophy, it's an approach in resource use, natural resources on the one hand, human resources on the other hand; and the benefits of this kind of an approach are supposed to mitigate to everybody in society, not just the farmer. We use ARDA funds to set aside wildlife areas, why? Well, we expect the people will find a use for wildlife, and have a greater use for wildlife in the future. I've heard the Honourable Member for St. George during the debates on Mines and Resources, waxed very eloquent about preserving the game birds and the game of the Interlake area. Why? Not for the farmers, no; for society; for those people who find recreation in hunting, in fishing and this sort of thing. Well, we use ARDA funds for those purposes, and it is on those grounds that ARDA funds were used to preserve this Birds Hill area in what we think it to be its highest land use potential, that of offering the people of this great metropolitan centre an adequate, spacious recreation area, park area, on the doorstep of the city.

I can't tell my honourable friend that, yet, ARDA funds went into a drainage project in St. George. That may be so. But there have been government funds, provincial government have gone into drainage work and in my Estimates here I have provision for construction of 10-1/2 miles of the Pioneer Drain. I think that's in your constituency. It doesn't really matter whether we use, we get this a designated project under ARDA or whether we use provincial funds. The fact that Canada is going to give us some help on one project frees up some money that I can use in a project in your constituency. And the same goes for other constituencies. But long before ARDA was talked of, we went ahead and we put in the Fairford control on Lake Manitoba which was a water conservation project. Now if we were going to do that sort of a thing today it's very possible that that kind of a project might qualify for ARDA help. We are looking at Lake St. Martin, for instance. We have a problem there. Either there's too much water in Lake St. Martin, or else there's not enough water in Lake St. Martin. I would anticipate that when we know just what we want to do there in order to achieve a management of water there, that'll serve our needs, that we will apply for assistance from ARDA funds to carry out that project.

What have we done in the Interlake? -- Taking it as a whole? Well, we've pretty well completed the Fish Lake project which had been in a sorry state for a long time; and we got assistance towards the Grassmere Drain. We are getting further assistance from the Grassmere Drain as it runs up into Rockwood. We're getting assistance on the Long Lake Drain which is the ARDA area - it's out here - it starts at Sayer's Creek and it runs back towards the City of Portage. We are getting assistance on Sturgeon Creek, Dennis Lake. We are going to get assistance on the Fisher River. I think these are the drains in the Interlake that are in the program for this year, but we have received assistance on other drains such as the Dumoulin and some others that I just can't think of off the top of my head.

But I think something far more important than some drains has happened in the Interlake. We have been talking here in the last couple of evenings about extension work, adult education,

(MR. HUTTON, cont'd) . . . getting to the people who need help, and I think that this is what has happened in the Interlake. I think that as a result of ARDA the Resource Conferences that were held in the Interlake, and subsequently the local committees, development committees that were established, in five or six localities - Ashern has one, St. Laurent has one - these are both in your constituency, I think that a wonderful thing has happened in the Interlake. The people in the Interlake are beginning to think, you know, there's something in this, that they can really make a lot more out of that interlake country than probably even they thought they could do. And you know that I have been embarrassed on occasions when somebody has referred to the Interlake area as a depressed area. I don't like to have it referred to as a depressed area because I live in the southern interlake and I represent a good chunk of the southern interlake area. It's not a depressed area; it just hasn't developed to the extent that other areas have developed.

We've been talking about cattle here and I'm happy to tell you that while the cattle population of Manitoba in the past year lost the momentum in the rate of increase, the interlake area and the West lake area of Manitoba were showing both increases in the size of herds and in the numbers of breeding cattle. Now these people are making something of their resources. I think they are doing it because, No. 1, the outlook for beef in the future looks good. But I think too that, without being quite sure as a lot of us are not quite sure about ARDA and the direction it's going to take, that they felt that they did have a partner who was going to help them, and I think that they found a sense of purpose and a sense of security in working together. You are very much aware I am sure, the Member for St. George, that there has been some criticism about our program of brush clearing, because we wouldn't allow them to do it on an individual basis; we insisted that it be a group that worked together. And for a very good reason; because we believe that these people will, as they are doing, undertake to do things together as a community that they wouldn't necessarily undertake by themselves. You probably are aware that we changed the policy in respect to brush clearing just a few weeks ago, and we extended the assistance on piling as well as knocking down the . . . and we did this, because we felt that the initiative that had been shown by the local people and their desire - and very frankly, the arguments they put to us, as to the benefits of such a change - convinced us that we should make this change.

I have an article here from the -- it's the weekly letter of the ag rep at Stonewall, Mr. Harold Ross who -- at least I did have it -- who has been working with the local committee at St. Laurent. They are hoping to get a factory up there and most of the initiative on this project has come from the local people. And I just want to read this to you. "The big activity in St. Laurent and district" -- this is from the Stonewall Argos, Feb. 23rd - it's the weekly column by Mr. Harold Ross the Extension Agrologist. "The big activity in St. Laurent and district for the next couple of weeks will be operation garment factory. This whirlwind operation carried out by a committee of local people will attempt to find out how many women would like to accept employment in a garment factory planning to locate in St. Laurent, and the canvass is being made in St. Laurent, Lake Francis and St. Ambroise community. So far the exact details have not been ironed out. However the final objective is to give every woman in the communities mentioned above, an opportunity to make application. Last week a meeting was held in St. Laurent by the Area Development Board to advise a group of local people about the planned factory and the survey to be undertaken, Mr. H. Ritchot a member of the Board informed the meeting a sportswear manufacturer from Winnipeg had said that he can have a factory operating in St. Laurent within the next two months providing there are enough women from the area interested in this type of work. This manufacturer has already been to St. Laurent to make a firsthand investigation and he has indicated that he is ready to go ahead if enough help can be obtained. To be eligible for employment no experience is necessary. Those applicants who are accepted will be paid by the government. After this training period they will start production for the company and go on company rates of pay." And then he goes on to talk about the survey.

Well now here we have activity going on in this community with the ag rep working with this group of people, locally, in surveying and mobilizing the local interest, the local initiative, to do everything possible to have this come to fruition.

One of the most interesting things I think about the program in the Interlake is that when all of these Area Development Boards had been formed, and it sat down and studied their problems, almost without exception they came to the conclusion that their number one problem in the Interlake was education. And a year ago last fall when the Minister of Education, the

(MR. HUTTON, cont'd) . . . Minister of Mines and Resources and myself along with staff took a tour of the Interlake -- yes, and the Premier was there on part of the tour -- we visited these local boards and almost without exception their first priority was on education.

MR. GUTTORMSON: They mention No. 6?

MR. HUTTON: Well yes, No. 6 too, they never forget that. But I think they put education even ahead of No. 6 highway -- maybe not very far below, just maybe like that. But anyway this is very interesting. This \$297,000 that's in the estimates, in a sense is the result of government, the staff and the people of the Interlake working together, because as a result of these Resource Conferences and the studies that the local boards have done themselves, working in conjunction with field personnel from the various departments, and having had a conference with the Department of Education on education, we have -- and as a result of all these studies that have been made in the area, well it's a big mix, and out of it has come a program that we believe will be in the best interests of the Interlake.

We came to the conclusion, together with the local people, that one of our great resources in the Interlake are the people, and that as has been pointed out here in this debate, that just because people may find themselves in difficult conditions, in agriculture, or maybe in some other pursuit, does not mean that there isn't any hope, that there isn't any alternative. The \$297,000 is an estimate because it includes Federal money. It provides for field staff and it provides for programming. The amount of funds in that \$297,000 that are allowed for -- I sometimes forget these new fangled terms they have -- Enabling Fund, Enabling Fund -- that's right. There is \$75,000 provincial money in there for an Enabling Fund, \$75,000, (Interjection) that's right -- that's provincial funds. This \$297,000 that you have there is an estimate, half of it is provincial money -- that's firm, eh? The other is that we know that we'll get at least a 50-50 share.

I have told you about the processes that we have gone through in the Interlake and with the Interlake people in developing our end of the program, but you are very well aware I'm sure that the Government of Canada has been doing a little shuffling around down in Ottawa and they've had a poverty conference -- a conference, a staff conference of Federal and Provincial people -- this was in December I believe, at least it was in 1965. (Interjection) Yes Tom came -- to consider the nature of poverty and what might be done about it -- and you have in your possession a paper that was presented by the representative from Manitoba, a provocative type of paper, deliberately so, because this was a study group, it was a working paper; and it was a profile of poverty.

Canada has indicated an interest in fighting poverty. They have established some new departments. We know that some of the programming that they have had in the past, such as the subsistence allowance for people in training -- here they share up to 90% of the cost. Now we believe that at least in respect to the Enabling Fund we might very well get 100% of the cost paid by Canada, because we are talking here about a pilot project in the Interlake -- and right here I want to stop and emphasize and explain what I mean when I say a pilot project. Because it is very important to the people in the Interlake that they don't get the idea that this is an experiment in the Interlake and if it doesn't work it's going to be thrown out. It's a pilot project in the sense that the Interlake relates to Canada. It's a pilot project in the sense that we're going to initiate a new kind of programming in the Interlake. We're going to try and perfect the techniques, etcetera of this kind of programming. It's going to include guidance and assistance and job placement, and we're going to learn some lessons in this exercise in the Interlake, and we may find out that you don't do a certain thing a given way, you have to do it another way. And in that sense it is a pilot project. But it is extremely important that the people in the Interlake know that this program is here to stay. They can rely on it. They're not going to be put in the position of a man who gets in a boat and gets out in the deep water and finds that he's left there to sink or swim. We have to carry through or we better not start. So when we talk about a pilot project in the Interlake, let it be understood that we're blazing a trail here in the Interlake that can be used over the rest of Manitoba, and indeed can be copied in other parts of Canada.

I think I would not be bragging if I said that Manitoba probably is ahead of any province in developing such a proposal. We are almost ready to move on this. We have been assured by Canada that they are willing to participate, but we don't know to what extent yet, that they are willing to participate.

The Minister of Education will be telling you later when he deals with his Estimates, what he is going to do in this program with respect to elementary education in the Interlake,

(MR. HUTTON, cont'd) . . . because we've got to have more than just a program to deal with people who find that they have come to a dead end and they'd like to start over again. Why are these people in trouble? They are in trouble because they didn't have the opportunities when they were kids that other kids had, in terms of education, etcetera. So if you're going to treat the patient, you better use your experience gained in knowing that there is something wrong here, to make sure that it doesn't recur again in the generation coming up. We've got 230-some one-room schools left in the Interlake. The ARDA program in the Interlake, this pilot project, is a comprehensive project and it includes upgrading the elementary education. I think I'll just stick to the text here about the other aspects of this program.

In the upgrading project in the Interlake area you must start with the recognition that a sound basic education is the starting point for any further advances whether they can be educational, economic or social. We'll be bringing forward legislation to make possible such an upgrading, and the money is in the Estimates of the Department of Education to do it. But it is part of the ARDA program; it's a total package. Some of it's being handled in Education; some in Agriculture; other parts in Labour, wherever a department has programming that can be used.

In elementary schools, the goal is the establishment of single district divisions where this is possible; the establishment of consolidated school districts which will operate elementary schools of hopefully not less than eight classrooms. In secondary schools, fewer and larger academic schools with adequate transportation systems. At least one regional vocational high school to take students whose bent is towards vocational rather than academic subjects. Basic training programs wherever they are necessary, to provide the starting point for those who dropped out before acquiring the education necessary to embark on trade training. Trade and technical training in institutes of trades and technologies now established or being planned; at evening classes in such places in the area as regional vocational high schools. Professional training at the university schools of nursing, etcetera. Trade upgrading. Intensive courses of longer duration at established schools like MIT. By shorter courses of a week or two weeks duration at some suitable local points. Retraining services for the purposes of updating a tradesman, fisherman, farmer in new methods and techniques which has come in since he was originally trained. These can take place at either established schools or at local points. For retraining in a completely new trade; training fishermen whose livelihood is uncertain, to be a carpenter where employment is steady and productive. Provision of living allowances to permit a man to provide for himself and his family while he is training or retraining. Provision of bursaries, loans, etcetera, for students who to pursue forms of post-secondary for which living allowances are not normally available. Provisions of grants to make it possible for areas with limited assessments. And you'll be interested in this one: to offer the new school services now considered essential in a modern school system and provision of guidance services for students at various levels to enable them to intelligently select courses and goals.

This is the kind of an educational system that is required in the Interlake. What you are seeing in that \$297,000 is a manpower mobility - funds for a manpower mobility program which provides for staff, field staff to work with people, to give them an opportunity to re-discover life and themselves, and to have the tools to make it practical and possible for these people - a practical possibility for them to rediscover themselves. And as I say, when you look at that \$297,000 remember that it is our hope that the Government of Canada places enough importance on this program and that they are really sincere about their concern, about poverty and new opportunities for Canadians and that that amount is closer to a million dollars, really, and maybe more than that. Because all we have from Ottawa is an understanding that they will contribute up to 100 percent out of it. We believe that we have a real good program outlined.

Now I have dealt only with the educational aspects or for the most part with educational aspects of ARDA, but I think that I am putting the priority in our ARDA programming where the local people have indicated that they place their own priority, and it is our hope that between the people in the Interlake and the various responsible departments of the Government of Manitoba and the responsible departments of the Government of Canada, that we can blaze a new trail in education, in opportunity, for the people in the Interlake area of Manitoba, and by doing that blaze a trail for all the people in Manitoba and this nation of ours.

MR. MOLGAT: Mr. Chairman, we've just had a very interesting statement from the Minister but I would like to bring him back down to the immediate problems and those that have been facing agriculture in the Province of Manitoba for some years now. The Minister is telling us about the great programs for the future. I'd like to remind him that he and his government have been in office in this province for almost eight years now, almost eight years, and the statements that were being made when my honourable friends came in to office were certainly not indicating that they were going to wait eight years to start programs that he is now talking about. This is why we are faced now with the sort of statement that my honourable friend I presume takes the responsibility for, that is the statement made at the Ottawa Conference on Profile on Poverty. Is it correct to say that this is a statement that he subscribes to?

MR. HUTTON: Mr. Chairman, if the Honourable Leader of the Opposition uses that paper, he is not only insulting my intelligence, he is insulting his own.

MR. MOLGAT: I don't really know what the honourable gentleman is talking about, Mr. Chairman. I asked him whether or not this is his paper and this is the correct statement. This is the paper that was presented, I understand, by the Government of Manitoba to this conference. Now this paper

MR. HUTTON: Mr. Chairman, it is a working paper; it is a provocative paper. There are all kinds of figures in there that are unqualified. I hope the Honourable Leader of the Opposition is not going to make an issue of this because I would have to take some time in Estimates to explain to the Honourable Leader of the Opposition the meaning of those figures.

MR. MOLGAT: Mr. Chairman, it is certainly quite obvious that it's a provocative statement. I haven't seen my honourable friend as provoked for some time. And he ought to be provoked. I quite agree, he ought to be provoked, because the statements in this reveal a failure on the part of this government to reach the real problems of agriculture in the Province of Manitoba. And I repeat, I presume that this is the statement of policy by the government of this province presented to this conference. And this statement of policy is certainly a shocking one; one that not only should provoke my honourable friends but should provoke every Manitoban, because the statement - and I won't read all of it, there's been some discussion on it in the past - indicates that the Province of Manitoba has a very particular problem in the field of agriculture. Amongst other things, the statement says that at least 20 percent of the people in Canada live at or below the poverty line - speaking now of the people in Canada as a whole. It goes on to say that this cannot be located completely by areas but that insofar as the Province of Manitoba - first of all taking the Canadian picture - that there are a total of some 480,000 farms in Canada. Over two-fifths of the operators are statistics in the records of national poverty - and I am reading now directly from the statement on Page 5. A statement presented - well it was deposited in the library of Parliament on the 10th of January -- it was at the conference in early January. So the average across Canada then is over two-fifths of the farm operators are in the records of national poverty. In Manitoba the proportion is slightly higher. In other words, somewhere between two-fifths and one-half of the farmers of Manitoba, according to my honourable friend's statement, are living in poverty.

The statement goes on to say "The larger proportion of people on farms in Manitoba results in a larger proportion of the deprived residing on farms. In this province close to 30 percent of the poor are on farms; almost 35 percent are rural non-farms; and then a little over 35 percent live in Metropolitan Winnipeg, Brandon and Flin Flou." The statement goes on to say that "This farm situation is really not completely accurate, it is really worse than this because the total number of the farm poor have moved out of the farm areas into the cities." It goes on to say that this percentage, that is over two-fifths of the poor "have been achieved in spite of the fact that many of the hard core poverty cases, mentally retarded, or disturbed, widows, deserted mothers and others, originate on the farm, but drift toward the towns and appear not as a farm statistic but as a record in the neighbouring towns or cities."

These then are the statements that the government makes after eight years in office. Now the Minister is talking to us about great programs; talking to us about everything he is going to do in the future. My question of the Minister is what's he been doing? What's his government been doing for the past eight years that that should be the situation in Manitoba at this stage?

MR. ROBLIN: You opposed everything we tried.

MR. MOLGAT: Well as I said, Mr. Chairman, it certainly is a provocative statement this one here. My honourable friends obviously didn't expect that one to get out. Well now

(MR. MOLGAT, cont'd) the Minister tells us that the ARDA program is going to change all this, and when you look at the ARDA program the design is undoubtedly in that line. We are told that when this was proclaimed in 1961 it was designed - and I'm reading now from the first page of the report, the ARDA catalogue -

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

Madam Speaker, The Committee has instructed me to report progress and ask leave to sit again.

IN SESSION

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for St. Vital, that the Report of the Committee be received.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Member of Agriculture and Conservation that the House do now adjourn.

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