

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Friday, April 14, 1967

MR. LYON: Mr. Speaker, I believe ...

MR. SPEAKER: Order, please. I wonder if I might take care of the introduction of two of our visitors in the gallery. We have with us today 65 students of Grades 7 and 8 standing, from the Elkhorn School. These students are under the direction of Mr. Couchlan and Mrs. Chappell and this school is located in the constituency of the Honourable Member for Virden. There was a very interesting item related to me which I would like to share with the House, and that is that this group of students have put on a little drive to raise funds over the past eighteen months and gathered together \$800.00, hired two buses, stayed overnight and they are with us today. I think that's quite an undertaking.

Then we have 25 students of Grade 11 and 12 standing, from the Crystal City High School, under the direction of Mr. Leo McGinn. This school is located in the constituency of the Honourable Member for Rock Lake.

We also have 11 students of Grade 11 standing, from the Inglis School. These students are under the direction of Mr. John Nelson and this school is located in the constituency of the Honourable Member for Roblin.

We also have with us today 18 students of Adult Upgrading Class of the Eriksdale School. These students are under the direction of Mr. Seal and Mrs. Gibbings. This school is located in the constituency of the Honourable Member for St. George.

On behalf of all the Honourable Members of the Legislative Assembly I welcome you all here today.

MR. LYON: Mr. Speaker, I believe there is agreement on all sides of the House that you turn to Page 21 and call the Private and Public Bills on that page before we move into the resolutions.

MR. GUTTORMSON: Mr. Speaker, this meets with our approval.

MR. PAULLEY: No objection.

MR. SPEAKER: Adjourned debate on the second reading of Bills No. 51 and 61, standing in my name. ... still remain the way they are?

Second reading of Private Bill No. 101. The Honourable Member for Winnipeg Centre.

MR. JAMES COWAN, Q.C. (Winnipeg Centre) presented Bill No. 101, an Act to incorporate Atkinson Centre, for second reading.

MR. SPEAKER presented the motion.

MR. COWAN: Mr. Speaker, the petitioners are all parents of retarded children who have realized that in view of the fact that the children will outlive them it is mandatory to make realistic long-term plans for the care and the maintenance of their children. The accepted thinking in the psychiatric field in regard to this type of child is that large institutions should be avoided if possible, and that a combination in care should be provided by foster parents who live with a relatively small group of retarded children and form a retardate family. It is believed that this approach provides the best possibility for the children to lead useful and productive lives in keeping with their degree of retardation. The people involved in this particular application intend to construct a home that will accommodate approximately 12 such children - I think it's to be constructed in Selkirk. And they hope to interest other parents of retarded children together with service groups or any other well-meaning organization that might wish to participate in other similar projects. There will be no racial, religious or colour barriers. The proposed company will have the right to repurchase its own shares from people who move away and wish to remove their children from the Home. The company will have the right to assess shares when additional funds are required, and resell shares to persons whose children would benefit and would fit into the environment. The normal letters patent of incorporation do not provide for these rights, and accordingly that is why this bill is before this House this afternoon.

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

MR. SPEAKER: Bill 108. The Honourable Member for St. Matthews.

MR. ROBERT STEEN (St. Matthews): Mr. Speaker, might I beg the indulgence of the House to have this matter stand?

MR. LYON: That will conclude, then, the bills, Mr. Speaker. We revert back to the resolutions on Page - well, there's another - there's a Public Bill No. 42, Page 6 and Page 7. Page 6, Public Bills introduced by private members, if there's any disposition to have those proceed?

MR. PAULLEY: Agreed.

MR. GUTTORMSON: We have no objections, Mr. Speaker.

MR. SPEAKER: Second reading of Bill No. 42. The Honourable Member for Seven Oaks.

MR. SAUL MILLER (Seven Oaks): Thank you, Mr. Speaker. The Honourable Member for Selkirk is not in his seat today and it has been suggested that perhaps I might wait for his presence here. Nonetheless I think this matter has been stood over and I am sure that he will be able to read any of my comments that I have to make, in Hansard.

Mr. Speaker, the amendment before us is that Bill 42 should not be given second reading but should be delayed for six months. In all fairness to the Member for Selkirk, he makes no bones about how he feels about the Shops Regulation Act and about the municipal by-laws that call for uniform store hours. If he had had his way and if he'd been given the freedom to do so, he would shove the whole thing out and he pretty well has said so clearly. According to the Honourable Member, The Shops Regulation Act is an anachronism, that it was originally designed to protect employees but that today labour legislation gives the employee all the protection that he needs. That may or may not be the case, Mr. Speaker; I'm not convinced that this is so; but in any case I'm not going to argue that point at this time.

The point I would like to make, though, is that The Shops Regulation Act has served another purpose as well. The Shops Regulation Act makes it possible for municipalities to pass municipal by-laws for the sensible and orderly operation of the retail trade within their jurisdiction. The Member for Selkirk would have us believe that The Shops Regulation Act and the by-laws of the various municipalities are restrictive, that they pose a threat to free enterprise. He claims, seems to feel, that the only limitation that should be placed on any business is the limitation it imposes on itself, and that a business should be governed by their own best business judgment, that business should not be restricted in their efforts to earn money. Mr. Speaker, we have laws now which prohibit firms from the practice of selling merchandise below cost; we have laws now which prohibit price fixing. These laws impose restrictions, and such controls are recognized today as being essential in order to prevent the formation of monopolies and to prevent other unfair trade practices. If one were to follow the reasoning of the Member for Selkirk to its logical conclusion, it would appear that he would do away with the only sensible and practical method of assuring that the free market place shall continue to exist, and it always amazes me, Mr. Speaker, to see how the banner of free enterprise is waved aloft to support arguments which would kill free enterprise, because it would open the door to complete domination of the retail field by a handful of corporate giants.

Perhaps, Mr. Speaker, there is nothing that can be done in the final analysis to prevent vertical intergration from taking over completely in the field of retail trade. If the claim of the large chain department stores and discount stores are valid that they can and will supply better service, better quality goods at lower prices, then in the long run the small independent merchant will no longer have a place in our economy. He will disappear. If this is to happen, though, let it happen as a result of natural market forces and as a result of the giants of the retail industry making good on their claim of better service, better quality and lower prices, but what we are faced with today in Manitoba, Mr. Speaker, is an attempt by the national and international retail firms to eliminate the small independent operator by other means. They employ a very clever technique, especially since it can be carried on under the guise and the cloak of free enterprise, but in fact it is nothing of the kind. You know, we would all object if the local Pee Wee hockey team had to play off against the Seniors for the playground hockey championship. We would all be shocked at that. But the Honourable Member for Selkirk is trying to tell us that in the field of retail business this should be allowed, that this would be fair, that this would be healthy competition. Nonsense. This is like tossing a fox into the hen-house and saying to the chickens, "Go ahead, fight it out. There are more of you and there's only one fox." Well Mr. Speaker, should we protect our smaller merchant?

Now, I'd like to dwell perhaps a minute on this technique I mentioned. The new technique employed by the larger corporations really boils down to this: If you can't beat your opponent in normal competition, then force him to his knees by other means. Stay open 12, 14, 16 hours a day; do this for five days, six days, seven days a week, and keep this up as long as is necessary to drive him out of business. It may take a half a year, it may take a year or even as high as three years, but given unrestricted and unlimited hours they will succeed, because the giants of the retail trade have the finances to hire employees on an around-the-clock basis if necessary. They know that a small owner-operated business can't keep this pace up, but this, Mr. Speaker, is not the normal concept of competition or of free enterprise. It's a war

(MR. MILLER cont'd) of attrition and a war that the small independent businessman can't hope to buck.

Most smaller businesses are owner-operated. They range from a man working by himself or perhaps with his wife or maybe one employee, to firms with half a dozen employees, but it is financially impossible, and more important it is physically impossible, for small businessmen to match this marathon of working hours. Mr. Speaker, should we protect our smaller merchants? Is there any value in protecting them? In my opinion the answer is "yes," not only for their sake but for the protection of the consumer and for the public good. A small merchant is an integral part of the community in which he does business. In every city, town and village in Manitoba your small businessman is an active contributor to the life of his community. He is a man to whom everyone looks when seeking support for the local hockey team, or the curling team, or the school year book, or the church bazaar, or the building fund, the local county fair. He's the first one they turn to. The small businessman has been and still is in the forefront of every community project. It isn't the branch office of the national mail order house or the local manager of the major chain store, who may be transferred next month, who rolls up his sleeves and pitches in both financially and physically, to help launch a community project. It's the local independent small businessman. Certainly he is in business to make money - there is nothing unreasonable about that; but as a resident he is interested in the community in which he lives, in which he brings up his family, and in which he has his roots. If we still have any trace at all of a free enterprise system today, Mr. Speaker, it's because small independent businessmen are still in existence. They are the ones promoting a healthy and aggressive competition. The small businessmen of Manitoba, including Greater Winnipeg, are not asking for special legislation or concessions. They are not the ones to use restrictive trade practices. They are asking for fair play and a chance to compete in the only way that competition makes sense and that it is possible in which to have competition, and which will benefit the consumer, that is to service, quality and price.

If we eliminate the Shops Regulation Act or fail to update it, we will be selling out these businessmen and the retail merchandising field would then be completely controlled by a handful of giants. After all, the total dollars spent are fixed by the size of the community and the size of the population served by that community. In other words, the size of the pie is determined by these factors. So it boils down to a fight for the domination of this pie. I would suggest, Mr. Speaker, that this fight for domination has no benefit of a lasting nature to either the consumer or to the community. It will destroy the independent retailer and leave the consumer and the community poorer for their passing and at the mercy of a small powerful group who will then call the shots.

Of course I imagine that the facade of competition would continue, but once the small independent businessmen are eliminated the control really passes completely to the handful that are left. They will determine the form that competition would take. Competition would then not be based on service, price and quality but would consist of larger advertising campaigns, perhaps more gimmicks, more tuneful radio and TV jingles, but these are factors which will not give better service, they don't give better quality necessarily, nor are they translated in lower prices. The consumer will certainly be the loser.

We have already had an example of how this works. After the last war, I guess it would be the early Fifties, the big food chains moved into Greater Winnipeg. Prices on groceries were cut drastically. The small independent grocers were knocked out by the hundreds, but now the picture has changed. Those small grocers who were able to ride out that battle, find they no longer have any problem meeting prices because the price war, Mr. Speaker, was an artificial war. It was designed for only one purpose - to eliminate the smaller competitor. Mr. Speaker, the Member for Selkirk argues that a small group is trying to impose restrictions to protect themselves at the expense of the consumer and the public. The facts are the opposite. In Greater Winnipeg over 1,335 merchants, small and large, have asked their municipalities for uniform hours and to limit night shopping to two days a week. They are not asking that there be no night shopping at all; two nights a week. Those opposing uniform hours are only a handful, and almost all are national or international chains.

Mr. Speaker, there is another aspect of this matter which I feel has very important ramifications and goes beyond the question of just the retailer. What would happen to the secondary manufacturing industries and the wholesale industries of Manitoba if their traditional outlets, the retail outlets, the small retail outlets, were forced out of business. This is an aspect that we can't ignore and which affects Manitoba very greatly. Let's just consider this

(MR. MILLER cont'd)....aspect. The growth of national and international retail chains has resulted in centralized operation. The buying offices of these firms are not in Manitoba but mainly in Eastern Canada. The merchandising of these firms is planned on a national basis. Their buying is centralized, through a central buying office. Let us not forget, too, that freight rates work against Manitoba industries. Commodity freight rates on prefabricated, or on fabricated products rather, that are shipped from Manitoba are so high as to make it difficult for Manitoba to ship to the large and populated markets of Eastern Canada or the West Coast. The freight rates mitigate against us. It's a sad fact that it is cheaper to ship goods from Toronto to Vancouver, even from Montreal to Vancouver, than it is from Winnipeg to Vancouver although it's half the distance. Now these two factors, Mr. Speaker, the high transportation cost and the centralization of buying practices, are making it more and more difficult for Manitoba's secondary manufacturing industries and the wholesale industries to compete against Eastern based industries.

A former chairman of the Manitoba Industrial Development Board this January, being interviewed in the press, had this to say: "Today, purchasing is done on a national basis," he said, "The flow of markets seems to be removing itself from regional areas and buying is becoming a centralized practice. The general economic patterns are working against Winnipeg and against Manitoba."

Mr. Speaker, the secondary industries and the wholesalers of Manitoba depend to a great extent - on too great an extent unfortunately - on their sales to small independent retailers. It follows that if Manitoba is to achieve diversification of its economy we must do everything possible and everything in our power to support these independent retail outlets.

To get back to the question before us though, Mr. Speaker, uniform store hours in a municipality simply lay down the ground rules, and they preserve the vital role of the independent businessman. Uniform store hours promote healthy competition; they avoid the disastrous results of monopolies. Uniform store hours makes possible for independent proprietors a reasonable opportunity to compete in the areas of service, price and quality. A decision handed down a couple of years ago by the Supreme Court of the United States, indicates that in the United States too they are becoming very concerned that competition is being eroded and is being eliminated. I recently read a report of a Supreme Court ruling which said, "Some of the results of large integration or chain operation are beneficial to consumers. Their expansion is not rendered unlawful by the mere fact that small independent stores may be adversely affected. It is competition, not competitors, which the Act protects," and I am now dealing with the American Act, "but we cannot fail to recognize Congress' desire to promote competition through the protection of viable, small, locally-owned businesses. Congress resolved these competing considerations in favour of decentralization."

Now this is from a country which proclaims free enterprise. Obviously they do feel that one has to protect the smaller organizations, the smaller levels of competition, in order to make sure that competition does exist, because in order to have competition, Mr. Speaker, there must be also potential competitors, because if you permit a condition to develop where competition cannot exist, then the end result must be monopoly control by a few to the detriment of the community.

Mr. Speaker, the Member for Selkirk has indicated that he is opposing the bill on the ground that it is unworkable and retrogressive. May I point out that Bill 42 if enacted will simply place The Shops Regulation Act on a par with the Municipal Act and its provisions in the Province of Ontario, a province that one would think has much less reason than Manitoba to worry about centralized and national buying practices because most of the head offices are in Ontario. The fact is that closing-by-laws exist in cities right across the country; Hamilton, Ottawa, Sault Ste. Marie, Dartmouth N.S. at the east end, Vancouver, Saskatoon, Regina, Edmonton; also in Manitoba, as we know, there are many communities where the Shops Regulation Act is enforced. Dauphin is an example of one that I know of. Now this is certainly evidence of the fact that legislation such as the Shops Regulation Act, and Bill 42 which I brought into the House, not regressive legislation but living legislation that enables businessmen to render service to the consumer and to the community which they serve.

The Member for Selkirk suggested that a referendum should be held in the various municipalities to see whether or not they wished to have enabling legislation as that provided under the Shops Regulation Act. I suppose, Mr. Speaker, he must believe that if a referendum were held, public opinion would side with his point of view and vote for unrestricted, wide open hours. Well, I have news for him. In the city of Regina a referendum supported the uniform

(MR. MILLER cont'd). . . . closing by-law, and in Hamilton, Ontario last fall it became one of the hottest civic issues in years. Some candidates favoured the by-law, others indicated their support for unlimited night shopping, and what happened? Every candidate who had campaigned in favour of unrestricted hours was defeated, Mr. Speaker, people are not fools. People do understand in the long run what is good for them, and they do recognize that there is sense to these things.

I feel, Mr. Speaker, that the problem facing this Legislature is a very clear one. Today many municipalities outside Greater Winnipeg do have uniform closing by-laws. They have no problem with them. The people in the community are satisfied; the merchants are satisfied. Bill No. 42 - and I would like to emphasize this - would not in any way affect any existing by-law anywhere. Bill 42 is simply necessary to update the statute to make it possible for the municipalities, both in Winnipeg or in Greater Winnipeg and in Manitoba generally, to have by-laws which, when challenged, can be upheld and properly enforced, and the key word there is "when challenged". In some areas they may never be challenged because there will be no pressure brought to bear, but the Act as it stands now can be and has been successfully challenged and cannot be properly enforced.

I won't go into details of the Bill itself because I trust that when the amendment is defeated I will be given an opportunity at that time to close the debate and actually talk about the amendments that I have brought in. So in conclusion, Mr. Speaker, I urge members of this House to reject the amendment introduced by the Member for Selkirk. I urge Members to give Bill 42 second reading and allow the bill to go to Law Amendments so that thousands of retailers who want, and I feel are entitled to, an opportunity to be heard, because this is all they are asking when we go to Law Amendments. Mr. Speaker, this House would be doing an injustice, in my opinion, if it supported the amendment brought in by the Member for Selkirk, and certainly it would be an injustice to ignore the request of the thousands of retailers in Manitoba who merit and deserve the support of this House and of Manitoba generally.

MR. GORDON W. BEARD(Churchill): Mr. Speaker, I am getting somewhat confused when I listen to members debating this type of free enterprise, because I definitely feel that free enterprise in most respects was born of the independence and the independent thinking of men who wanted to get out on their own and do these things as they saw fit. I think that the key word in many respects is "independence", and what is independence? Independence is ability to get in and do these things that you wish to do as you feel free and able to do. The Honourable Member mentioned selling below cost legislation as supporting free enterprise. I think it does, but then I don't think this is any reason why private enterprise should be dominated by government legislation. Just because something can help free enterprise doesn't mean then that government should step in, either on municipal or provincial or federal level, and take this independence away from those small merchants. Certainly, some would have it and some would ask for it, and you may say a thousand ask for it, but has a thousand the right to take independent thinking away from a number who don't want, who don't want to have their business run by government legislation.

We talk about the large organizations dominating the field of free enterprise. I don't believe that. I've never believed it. We hear that they came in at one time and undercut prices; but they didn't get away with it. They didn't get away with it. Free enterprise is still here. These big organizations grew from the very fact that free enterprise was able to grow and expand. Free enterprise represents the thinking of free men, able to do what they wish, able to open and close as they wish, because we much remember that far too often laws that are brought into this House that are brought in in hopes of helping, often become restrictive, and if you say you want laws restricting hours, then you restrict the ability of free-thinking men to carry on their business as they see fit.

We have to think of people working on shift work. There are many of these businesses that cater to people who are on shift work. Even if we went to restaurants, which I know are not included in this bill, but restaurants in industrial areas where they close at 6:00 o'clock at night, where four or five blocks down the street a restaurant has its business, does its business between six o'clock and midnight, and this is so with many of the small merchandizing businesses throughout Manitoba. Some of them carry on their business in the daytime; some of them wish to carry on at night. I think that you would find that in many many cases these laws which we've got to bound businesses to definite hours were broken by small, free enterprise businesses which wanted the freedom to do what they wished when they wished in their particular business, and if I'm not wrong and I recall correctly, there was a very small

(MR. BEARD cont'd). . . . business that broke this law in the Town of Dauphin. The man wished to carry on business as he saw fit, not as how people in that council decided that this was to be. When they went to businessmen and asked for uniformity of thinking, they can't get it; they can't get it for the simple reason that free enterprise wants to consider these hours as it affects their own particular business.

We often hear many cases that the small merchant has located close to the large, we'll call them industries, such as the Hudson's Bay Company and Eaton's, because that is where the flow of traffic is. They have created the flow of traffic to their door and the free enterpriser wishes to locate in that area. In fact, in many cases you find them advertising that they are a block away from these large firms, or across the street from them. This is the area where the traffic flows and they create this flow of traffic. Now the large businesses such as these are quite able and capable of looking after themselves; they don't need an MLA to stick up for them; and I'm not concerned about them. But I am concerned that in many cases small businesses require to stay open longer hours to keep up with the costs of operation. We often hear that longer hours create greater costs, but if this is the case then they can close their doors. If the traffic isn't going by, then they're silly to try and stay open, so they can adjust their hours as they see fit.

If we, on the other hand, say the large business takes the bulk of this trade, as it used to be said when chain stores first came, we must think of how they consider it today, and it is altogether different because the larger chains find that in many cases they can create within their own organization small corner stores that can show a better profit than their own large organization. So we find the larger organizations going to the smaller stores because they realize they have to have both, a little bit of both.

It is often said today that where it used to be at one time that the corner grocery store was the expensive place to buy a commodity, in many cases today we find people telling us, particularly in the city here, that it's much cheaper, it's much cheaper to do the shopping in their own little corner grocery store. The prices are better.

So there are two thoughts when we think of these types of bills, and I wonder just where we can strike the happy medium. The large organizations are capable of looking after themselves. We have no need to really be concerned about them; they can adjust as necessary. But it's the small man that I think one should be concerned about, the man that has to adjust his hours to be sure of earning a good living; not necessarily 17 hours a day. Maybe he only wants to conduct his business eight or ten hours a day, but let's let him decide what hours they should be. It is my great fear today that government is getting too large; that we are getting into the many phases of independent thinking, probably, of people that we should be staying away from; that we shouldn't be setting up rules and regulations for people to live by and to work by that are not assisting them or protecting them, but restricting them, and I think this restriction is a bad thing. It's certainly opposite to the independent thinking that started free enterprise in the first place.

So I would turn to Members and ask them to consider these bills well before they vote for them, and decide which side of the fence they want to sit on. They can't be on both sides, but if you're going to give independence to your merchant, then are you going to give it to him as you see fit or as he wants it to be? And I don't think it would be fair to say that there's a thousand merchants in Winnipeg that are going to determine this; we've got to consider the whole of Manitoba, and I think the independent businessman, in the long run, is quite capable of deciding this on his own, just as he has in the past; and they have prospered in the past, they've competed with the chain stores, and I would hope that they can carry on as they have in the past and give us the personalized service that only small free enterprise merchants can.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, would the last speaker permit a question? In the Town of Thompson, where my honourable friend resides, are there regulations regarding store hours?

MR. BEARD: No.

MR. JOHNSTON: Is there agreement whereby stores open and close at the same time?

MR. BEARD: No.

MR. SIDNEY GREEN (Inkster): Would the honourable member tell us how many stores there are in Thompson? Aside from the shopping centre, I'm talking about.

MR. BEARD: I believe there's about 150 businesses associated with the Chamber of Commerce. Now that doesn't indicate 150 shops, but I would have to sit down and think about that for a few minutes. I would say roughly maybe 30 or 40, but I could be wrong.

MR. GREEN: Thirty to 40 shops aside from the shopping centre? Or do you say 30 to 40 shops including those shops that are in the centre? How many stores would there be aside from the shopping centre? --(Interjection)-- I know of Mr. Borowski's store, yes. Apparently he can't get into the shopping centre. There must be some sort of regulations there. But aside from the shopping centre.

MR. BEARD: Twenty or 25 - minimum.

MR. LEONARD A. BARKMAN (Carillon): Mr. Speaker, I do not wish to add very much. I think there is some confusion in the minds of some of the Members of this Legislature as to possibly some of the rules and regulations that may be set down by certain by-laws that might come under some of the municipalities of Metro Winnipeg and some of the rules or laws that are set down by the Municipal Act as far as the urban municipalities, or even more so the rural municipalities, are concerned. I think this bill has some good points and I am inclined to think that possibly there are quite a few advantages as far as the city is concerned, more so than in the country. But where in the urban or the rural parts of Manitoba, where a municipality is supposed to undertake to police or administrate a situation that may arise when you wish to define as to just who and what kind of goods may be involved when you take the 70 percent figure that is given in the Bill. I think this can create quite a bit of a problem in a lot of the stores, especially in rural Manitoba where our municipalities have not the setup for a, call it policing if you like, or administrating, to make sure that the people that are judged and say, come up with their petitions and say that we wish to have the store closed or open, whatever the situation might be, I don't think it is quite as simple as some of us think it is.

We had a little experience in the Town of Steinbach not too long ago, about four or five years ago. At that time I believe the law still called for a 75 percent petition instead of the two-thirds as is now, has been for some years, and it's surprising the number of difficulties you run into. First of all, there's this big scramble of some of them saying they're selling less page wire, more hardware, and less groceries, and before you can define this thing it becomes a problem if the municipality is supposed to be in charge of this situation, and by the time we knew it, the grocers, in this case, decided that they wished different closing hours. Well, it took less than two weeks and the customers around the whole community started to boycott; said, "We are not going to go with this kind of proposition," and I think part of it was explained by some of the principles the Honourable Member for Churchill tried to explain, you have to keep out of certain rules when it comes to free enterprising situations, but I don't think this was the basic point. I believe the basic point that a municipality would be concerned with, is just how can we police the situation.

Now I must admit that the one element of a year time limit in the bill concerns me because take, for example, in some smaller towns where these people, as in the example I just gave where the stores were boycotted, let's say there were only three stores, and I am sure that many of you members can think of situations where you have a store with a stock of possibly ten or fifteen or twenty thousand dollars, and you can think of one larger store with a stock of \$150,000 or \$200,000, and here with a two-thirds majority these two smaller stores can come right back and say that "we wish to close in this town," or wish to open, whatever the situation might be, and I'm afraid that this is not necessary. I wish that this time limit could be changed if the bill goes through, although I don't hope it will under the condition that it's in, but I think this is something that we should be concerned with, and I believe that the problem is quite a bit different in rural Manitoba in a lot of areas than it is in the city, and I have my feelings toward the situations that have developed in some of these so-called giant corporations - I certainly have my sympathetic feeling towards them and towards the people that are engaged in working for these outfits. This is one aspect but I think we should also look at the municipal aspect.

MR. SPEAKER: Are you ready for the question?

MR. WALLY MCKENZIE (Roblin): Mr. Speaker, I move, seconded by the Honourable Member from St. Matthews, that the debate be adjourned.

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

MR. JOHNSTON presented Bill No. 99, an Act validating By-Law No. 3916 of The City of Portage la Prairie and other matters, for second reading.

MR. SPEAKER presented the motion.

MR. JOHNSTON: Mr. Speaker, if I may give a brief explanation. The purpose of the bill is to approve an omission advertising of one item in By-Law No. 3916 of The City of Portage la Prairie. It was stated in the preamble of the by-law that all projects were advertised

(MR. JOHNSTON cont'd). . . . in the Daily Graphic and in fact there was one item, Saskatchewan Avenue, which had not been advertised at the time that it was submitted to the board. The board order was received on August 27th and Saskatchewan Avenue was subsequently advertised on August 28th. In defence of this omission the City did not receive approval from the Department of Public Works to proceed with the work until August 16, 1965. In the approval it was stated that the work should not commence until after Labour Day of 1965, and the City then advertised the work to commence as a local improvement. However, the advertising was not done at the time of submission of the by-law to the board and it is now necessary to have it validated.

The total amount of work authorized by the by-law is \$547,264.53, of which government grants were anticipated in the amount of \$186,648 leaving a balance of cost of \$360,616.53. Of this total amount the Saskatchewan Avenue project was estimated to cost \$8,054.00. The work has been done and the authorization is requested in this Bill. There are three different amounts being charged in the Bill as frontage charges. They are as follows: Saskatchewan Avenue; the total actual cost amounted to \$80,148.23 and the government grant amounted to \$77,070.19, leaving an amount of \$3,078.04 as the expense to the city. The normal frontage charge in the City of Portage is \$5.09 a foot, but when this is applied to the frontage involved it recovers more than the \$3,078.04. In fact, it recovers \$9,521.86. In order to recover only that amount it has spent, an amount of \$1.65 has been inserted as frontage on Saskatchewan Avenue. On Tupper Street, the Lorne to the overpass section, the residents had previously paid as a local improvement the sum of \$2.20 for paving. The city widened the paving, installed storm sewers and curbs, and it is felt that the amount previously paid should be applied against the standard charge of \$5.09 and they should be liable for only the difference. In order to do this, the figure of \$5.09 less \$2.20 previously paid, or \$2.89, has been inserted as the frontage payable on Tupper Street between Lorne and the overpass.

The third charge is a normal charge of \$5.09 per front foot that is charged against all normal paving projects in the city. Also, I might mention in the Bill, there's two streets named Roe and Radisson with a frontage charge of \$6.50 per foot. This is in a new housing development and the policy established by the council was to charge the full cost to any new development.

Now on Saskatchewan Avenue, the work was advertised on August 28, 1965. The government advised work was not to proceed until after Labour Day. The city started the work on September 2nd, the day after Labour Day. The residents did not have the necessary 30 days in which to bring in a petition, if they so wished, before work commenced. However, this did not stop them from bringing in a petition which would have been valid and work would have had to be stopped, and the expense charged the city at large in the current year's budget. The residents state that press reports stated that the government were paying 100 percent of the cost and they were led to believe that no charge would be made on them so a petition was not necessary. It was a fact, however, that the city had to provide drainage, curbs and boulevards, although they state that they, the residents, were unaware of this. Tupper Street is the main road to Delta and the residents had previously petitioned the city to blacktop Tupper in order to overcome the dust, etc. They paid the sum of \$2.20 about 1949 for each front foot and the normal charge in this case was felt by council not to be warranted, hence the \$2.89 that I mentioned previously. Now because of an omission in the advertising of a small part of a full year's paving project, the validity of the whole bill, amounting to over a half a million dollars, is endangered. So I would ask the House to accept the explanation and allow the Bill to go through second reading, and at Municipal Affairs Committee I am told that members of council will be present to answer questions or make a submission.

MR. SPEAKER: Are you ready for the question?

MR. LYON: . . . ask the honourable member a question. Would he be agreeable to this Bill going to Law Amendments rather than Municipal Affairs, having regard to the time of the sitting?

MR. JOHNSTON: Yes, that would be suitable for me. I would ask the Clerk of the House if he would notify Portage Council so that they would have time to appear.

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

MR. SPEAKER: Bill No. 103. The Honourable Member for St. James.

MR. FRED T. KLYM (Springfield): In the absence of the honourable member may I ask the indulgence of the House to have this matter stand? (Agreed).

MR. RUSSELL DOERN (Elmwood) presented Bill No. 106, an Act to amend The

(MR. DOERN cont'd).... Legislative Assembly Act (2), for second reading.

MR. SPEAKER presented the motion.

MR. DOERN: Mr. Speaker, this is a question that has interested me for a number of years. It first arose in the government courses and history courses that are taught in our high schools when we were discussing the question of members of the Legislature and members of Parliament and what I would refer to as the artificial restrictions on them to run at the various levels. For example, at the present time a member of Parliament is unable to run for the Legislative Assembly unless he first resigns his seat. A member of the Legislature is unable to run for Metro unless he resigns his seat; and soon and so on. In other words, there are restrictions in particular against members of the Legislature for running for what might be described as higher levels of office, and what might loosely be described as running for lower levels of office.

I think there is a need for a greater mobility and a greater flexibility in some of the statutes that are now restricting these moves. I don't see the point of tying somebody's hands who wishes to run at a different level. I don't see the point of restricting it. I will deal with what I suppose is the major argument that now stands in the way. I think that too few men and women are presently interested in politics and running at any level. I think too few people are interested in standing, and I don't see why the small number who do put themselves forward as candidates are now artificially restricted. I do not propose this measure for the benefit of the Conservative Government and some of their Ministers who are reputed to be interested in running for the Federal Government, and I do not propose it for myself since I have no interest at the present time in moving around.

I think this is a Bill that can be looked upon as a matter of principle. I don't think the details are that important; I think it's simply a general question on principle. There are several proposals that I am letting stand in my name. For instance, this is a bill that would remove the prohibition of a person who is a member of the Senate or House of Commons, or a member of the Legislature of another province, from being nominated for or elected as a member of the Assembly. In other words, there are now restrictions allowing - in particular the people I'm thinking of are members of parliament - from running for this Legislature. However, it is also pointed out in this Bill, that an MP or a Senator or an MLA of another province, would be unable to sit and vote in the Assembly until he had resigned his seat in the House of Commons, the Senate or the other Legislature, because right now, to be eligible for this Assembly, those people would have to resign first, go to the polls, and then if they were defeated, either stay out of politics or go back and take another crack at the seat they just gave up.

I think that there's also a bill that I have on Metro allowing Metro councillors to run for other offices and allowing people from other offices to ... for Metro council. There's also a resolution that I will be bringing in later on, to ask Ottawa to take off the restrictions from allowing members of the Legislature to run for the House of Commons. I think that this Bill to begin with, and the other ones, can be supported by members of every Party. I see nothing in this proposal which is peculiar to this Party or to my own beliefs. I think it's one that any member may support or that any Party may support.

In regard to the present restrictions, as I said, where a man must first give up a seat and then seek election at another level, I think that this is a discriminatory and wasteful restriction. For example, as a result of this, I think certain levels of government are losing the invaluable experience of certain men. I think if one were to ask someone what is the best training, for example, for the House of Commons, I think that a logical answer would be to serve as a Member of a Legislature, any Legislature, because I think it is somewhat difficult to learn the rules of procedure and to learn the parliamentary process. I think it'll take me several years to master it. I think that anyone coming in for the first time is sort of hung up on the rules; he has to learn the procedures which are quite different from the normal rules of order or the rules of a council. So I think that by having this particular kind of restriction you are blocking people with experience from running for another level of office, which to me is sheer folly; it just doesn't make sense.

You're also blocking people who are willing to sacrifice themselves in the sense of put themselves forward, sometimes at considerable cost, from running for another level. I think the right to stand for political office should be available to everyone. I think we assume that anyone can run for any level. Now there are some restrictions; for instance, there are some property qualifications in some areas; but basically, people believe that anyone should be able to run for office, for elected office, and too few do. And I think that this is deceptive because there are restrictions on allowing some people to run for higher office, and this is one of the

(MR. DOERN cont'd). . . . provisions that I am mentioning right now.

I also think it's unfair to say, since you are experienced, and since you have so many years in political office, you are not eligible for running unless you now resign your seat.

--(Interjection)-- Yes, you can do that. Of course. That's one of the points I'm dealing with. In other words, you could, for example, say, resign your seat and then run for the House of Commons, but then what happens? Let's say in the case where you are elected, naturally there's going to be an election, but in case you're defeated. This is what concerns me. A man then has the following choices: he may decide that since he's somewhat embarrassed by his defeat that he will not then go and stand in the seat which he just gave up.

MR. RODNEY S. CLEMENT (Birtle-Russell): What's wrong with that?

MR. DOERN: You're losing an experienced man. Wouldn't it be a better idea to have a member, say, of the Legislature, stand for the House of Commons, and if defeated he retains his present seat, and then you in that way eradicate the election.

Now, let's take the other case, the more common case. A man is a Member of the Legislature, runs for the House of Commons, is defeated, goes back and wins his old seat. In other words, you are forcing needless, in my opinion, elections on that constituency; needless costs and so on. Because, let's face it, an MLA who gives up a seat to run for the House of Commons, you know, if he has a fairly good reputation, if he goes back a few weeks later and takes a crack at his old seat, he should have a pretty good chance of winning, like about nine out of ten.

So that is one of the points I am saying, that it causes needless elections in the sense that if you give up your seat first, and then you find out the results, and the results are that you are rejected, you then will, in many cases, go back and run in the old seat and win the old seat, which in my opinion is a wasted exercise for the public and for the public purse.

Now, of course, I think what would probably be the biggest argument, the only argument that I can anticipate against this suggestion is that if you wipe out these restrictions, when an election comes up everybody's going to be running at another level. In other words, if there's a Federal election, and you knock out the provision which is in another bill - I'm not discussing this one at the very moment but giving an example - if you knocked it out, then all the MLAs are going to run for MP. I don't think that'll occur because, first of all, there are candidates who -- in other words, the suggestion is that these will be insincere MLAs who will run for MP. I think first of all it's unlikely; I think a person who fools around and runs for other levels of office that he's not intent on winning, is damaging himself. You know, if you're not serious about what you're doing and you just run for every single office that comes up, you get a bad reputation. People won't take you seriously.

And then there's another danger. The danger is that you may get elected. What if you don't want to get elected and you let yourself stand for the House of Commons and it's the worst thing, in your mind? You'd have to sell your house and pull up stakes and go to Ottawa which you wouldn't like, disrupt your family life; well you might get elected, so there's a danger involved there.

Now there are some levels at present; for example, Winnipeg aldermen and trustees are allowed in most instances to run at different levels, except Metro and I intend to cover that later on.

Mr. Speaker, to sum up I would like to read the explanatory note which goes with the Bill, because the Bill is in technical jargon and if you read it it doesn't especially make sense on its own unless you study The Legislative Assembly Act and check it with the proposed amendment and so on. So the explanatory note, I think, clears the problem and it says this: "That this would remove" -- "Bill 106, an Act to amend The Legislative Assembly Act. This would remove the prohibition of a person who is a member of the Senate or House of Commons of Canada, or a member of the Legislature of another province, from being nominated for, or elected as a member of the Assembly." This is, in other words, allowing someone from another province to run here or from a so-called higher level, the members of Parliament or the Senate, who wish to run for the Manitoba Legislature. It would allow them to run. "However, an MP or Senator or MLA of another province would be unable to sit and vote in the Assembly until he had resigned his seat in the House of Commons, the Senate or the other Legislature." In other words, it's preventing you from holding two positions at once. When you get involved in Ottawa you can't very well sit in the Manitoba Legislature while the -- you'd have to, you know, be at the same time about a thousand miles away in Ottawa. It's simply not possible.

(MR. DOERN cont'd).....

So to sum up, I think it's logical to allow people, and I think it's a natural tendency on the part of some to wish to seek higher office, or in some cases people wish to seek - and I'm using these words, not in a bad sense - the so-called lower office in the sense of a so-called lower level of government; I don't wish to suggest that one is more worthy and one is less. I'm using it in the popular or ordinary language sense. Secondly, I think that this would remove the restrictions I think which are now causing us to lose or discriminate against experienced men. I think that it's an unnecessary restriction to block, say, an MP from running for an MLA, an MLA's job; or to block an MLA who wishes to run for the House of Commons, and I also think that it causes unnecessary elections in the sense that a man must first resign, then face the electors, and if he is defeated he will frequently go back and win his old seat.

So I urge the members of the House to give serious consideration to this Bill and to support it.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)(Cypress):
Would the Honourable Member submit to a question?

MR. DOERN: Yes.

MRS. FORBES: If you had your seat as an MLA here and you ran for a seat in the Federal House and you were elected, then, as you said, you might think then: do I really want to become an MP or do I want to stay as an MLA? If you decide you don't want to become an MP and stay as an MLA, then wouldn't you say that this was creating an unnecessary by-election to elect another MP in the place you're vacating?

MR. DOERN: Yes. Well, if a man is a member of the Legislature and he runs for MP and is elected, and then says, "I don't want it," well he's going to look mighty foolish, isn't he? And that's all that I can say. To run for a higher level of office and to be elected and then to turn around and say to your electors, "I just don't want it," I think that's very damaging and will hurt you in the next election.

MR. LYON: Mr. Speaker, I will be extremely brief. The government is opposed to this legislation in principle and does not intend to support the Bill. In addition to that, I would point out to my honourable friend that the Bill, even if passed, would be a nullity, because by Section 20 of the Canada Elections Act the following words are used: "Candidates, respective persons hereunder mentioned are not for the time specified as to each person eligible as candidates at an election, namely: " --(a), (b), (c), (d) -- "Clause (d). Every person who is a member of the Legislature of any province during the time he is such a member." So the disqualification is not only provincial, it is federal. The Bill, even if passed, would be a nullity.

MR. SPEAKER: Are you ready for the question?

MR. DOERN: Mr. Speaker, if no one else wishes to speak, I'll close the debate. Well, Mr. Speaker, the Attorney-General of course points out something that is a fact but if he was listening to my presentation he'll realize that I said that I had another resolution on the Order Paper that would deal with that. Now you can't bring things in simultaneously, I assume, but you can bring them in in sequence, and I have a resolution which is on the Order Paper, which asks the Federal Government to consider the advisability of amending the House of Commons Act so that a member of the Legislative Council or a Legislative Assembly of a province is to be permitted to be nominated for and elected as a member of the House of Commons but not eligible to sit or vote as a member of the House of Commons until he has resigned his seat as a member of the Legislative Council or the Legislative Assembly of the province. In other words, yes it's true that the federal statute must be amended, but I guess it's a case of the chicken and the egg, or what do you want first? We could bring in this first and then pass that, or bring in that and then pass this. I mean, what's the difference? I can't cover both in the same resolution. They must be separate.

So this is a bill which frees this Assembly and then a resolution which asks the Federal House to make that change, and I'm not an expert on parliamentary procedure and I wouldn't dare to tangle with the Attorney-General on these points, but the question is that I have that covered and if you would care to adjust the Order Papers to pass this and then follow it up by bringing in this resolution, we can simply solve that matter right here and now. So I do not -- (Interjection)-- Well, okay, you're still opposed to it. Then you're not giving your true reasoning. --(Interjection)-- I see. Fine. Fine. Well then if it's a matter of policy, that's your policy, but in the event of a technical difficulty I say that can be solved and is dealt with in a resolution. All I can say is, to the members, I won't repeat myself; I'll only say that I feel

(MR. DOERN cont'd)..... that these provisions are discriminatory. I think we're losing good men; we're causing unnecessary elections; and I ask the members not to tie their own hand.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. DOERN: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

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

YEAS: Messrs: Doern, Fox, Green, Hanuschak, Harris, Miller, Paulley and Uskiw.

NAYS: Messrs: Baizley, Barkman, Beard, Bjornson, Campbell, Carroll, Clement, Cowan, Craik, Dawson, Desjardins, Einarson, Enns, Evans, Froese, Guttormson, Hamilton, Hillhouse, Jeannotte, Johnson, Johnston, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Molgat, Roblin, Shewman, Shoemaker, Spivak, Steen, Tanchak, Vielfaure, Weir, Witney and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 8; nays, 41.

MR. SPEAKER: I declare the motion lost.

MR. SPEAKER: I wonder if I may take a moment and introduce to the House some students we have in the gallery. There are 36 students from the adult upgrading class of Stonewall and St. Laurent schools. These students are under the direction of Mrs. Riddell and Mrs. K..... and the students are in the constituencies of the Honourable Member for St. George and the Honourable the Minister of Agriculture. On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

... continued on next page

MR. SPEAKER: Bill 107. The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I ask leave of the House to have this matter stand.

MR. SPEAKER: The adjourned debate - the Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, in closing debate on this resolution, there are just two or three points that I wish to draw to the attention of the members of this House. It had been mentioned in previous debate that there's a matter of financing involved, that funds are more readily available south of the border than they are in Canada. However, Mr. Speaker, I would like to point out to you that within the confines of our own country funds had been found for the development of industry, and I am referring in particular to the coal mining industry in Nova Scotia where it was found necessary to invest \$22 million to keep the industry alive. That was done and that was a situation quite different from what we are faced with here, because in Nova Scotia we are faced with a problem of an industry that was finding it difficult to survive whereas here in the case of the pipeline the situation is quite the opposite.

Now let us just for a moment take a look at the present situation as it stands, apart from the philosophical aspects of the merits and demerits of constructing the pipeline through the United States. Last October an article appearing in the Financial Post written in Washington read as follows: "Prime Minister Pearson stunned official Washington with what was inferred by many here as his feeling that he could not allow the interests of Canadian gas consumers to be under the control of a foreign regulating agency, the Federal Power Commission being an American authority. Many authorities argue here that if this is so, why should the interests of U. S. gas consumers be entrusted to a Canadian Agency?"

Now I think, Mr. Speaker, that this illustrates what could easily happen to the relationship of two countries if we were to allow the Dominion Government to continue - or rather not putting a stop to allowing Trans Canada Pipe Lines in seeking a route for its pipeline beyond the boundaries of Canada. Rather than bring the relationship between the two countries closer, it will set the spark to this type of animosity as was apparent in this story.

Now, apart from that, Mr. Speaker, there is a need for a greater quantity of natural gas in northern Ontario and in other parts of Ontario and Canada right today. There is a need for the pipeline to run through Canadian territory right at this very moment. The Atlantic Advocate of the February issue states, "We expect a growth rate in the demand for gas of 11 to 12 percent annually at least until 1970, with a possible annual growth rate of 8 to 9 percent for the next twenty-year period." In other words, Mr. Speaker, as I have mentioned the previous day in my closing remarks, that it's not a question of providing for some eventuality that may or may not come about in the future but the need for it is with us right today, and at the present rate of negotiations, if that pipeline is not commenced within the next year or so we will be several years behind in our gas servicing facilities.

This same article in the Atlantic Advocate goes on to say, "These delays" - referring to the delays that have transpired in the negotiations with the American authorities - "These delays will be serious since current gas supplies in Eastern Canada are already running short, and this problem has now been intensified."

Then somewhat more recently - less than a week ago - April 8th in one of our own daily newspapers, the Winnipeg Free Press, an article appeared headed, "Pipeline Construction Lag Delays. It delays \$200 million of work." And just quoting briefly from this story, the story was written by one of the Press correspondents from Toronto who states, "Now the pipeline project is almost a year behind schedule. Some officials predict that unless added supplies from Trans Canada are forthcoming soon, expansion of major northern Ontario industries will be delayed and new industries worth about \$200 million won't get off the drawing board." This is the situation that we in Canada are faced with right today, Mr. Speaker. "The present Trans Canada line from Alberta through northern Ontario to Toronto and Montreal is bursting at the joints and normal demand is growing by 10 to 15 percent annually."

Now the President of Northern and Central Gas Company in Ontario says the following, that they can't negotiate for alternative supplies because they are not near any other source, and he also goes on to state that if there were an added supply of gas, or natural gas coming into Ontario, his company would be able to dispose of 80 million cubic feet daily next winter if it's available. This same article goes on and quotes the officials of Trans Canada Pipe Lines in stating that, "If the Great Lakes Line is vetoed or a start delayed beyond this fall, its long-term contracts will have to be re-negotiated and the new prices would probably be higher than those now paid, which of course may have a similar effect on the price of gas that the Ontario consumers hope to pay at the eastern end of the line." The construction costs are

(MR. HANUSCHAK cont'd)...spiraling. In a few years time the northern Ontario route may cost double what it would cost today to build, and the closing sentence says, "unless the Great Lakes scheme gets an early go-ahead the Company may be into the project far sooner than it expects" - meaning into the project of building a line through northern Ontario where it should have been built in the first place, Mr. Speaker - "or" - and here is the alternative - "or face losing part of its potential gas market in Eastern Canada perhaps permanently."

Now three days later - three days later another article appeared in the Winnipeg Tribune originating from Ottawa headed, "Pipe Plan Deadline Set," and the deadline is set for the end of this month. The Trans Canada Pipe Lines has this time to make another application to - as the article reads - "the government has given Trans Canada until the end of April to prepare another all-Canadian line application for Canada's National Energy Board." This sounded all very nice, but the story goes on to say that the Minister, the Federal Minister of Mines and Resources, still hopes that sometime between now and early spring the Federal Power Commission, which is the American authority, will make a decision on this matter and would see fit to allow Trans Canada Pipe Lines to proceed with the plans to build the line through American territory.

In other words, the Federal Government, even in the light of the situation as it is today, still has not said to Trans Canada Pipe Lines that we need natural gas here in our country and not in some foreign country and do proceed with the construction of the second line here. They're still wishing and hoping that for some reason or another that this line could still be allowed to go through American territory, and then if we do need more gas than the Great Lakes Transmission Company will be able to supply under the existing contract, we'll have to go with cap in hand to the American authorities and ask them for a revision of the agreement.

Now I had mentioned in introducing this resolution that economic control leads to political control, and it was rather interesting noting an article which appeared in one of our Winnipeg papers two months ago, at which time somebody else said much the same thing. I don't know whether he was a New Democrat or not, but he said that the loss of economic and political sovereignty in Canada as the result of the amount of foreign investment of the country tops the list of problems foreseen by the Canadian Chamber of Commerce. Now, true, some may argue that this situation is a bit different because here all that we're doing is investing some of our funds beyond our boundaries. However, it's a joint venture, Mr. Speaker, in which foreign investments and control far exceeds ours, both in terms of the capital that's invested in it and in terms of its location.

So I'm simply pointing this out to you, Mr. Speaker, that the matter of political control within our country is one of concern to many and to many - and I'm sure that many of them are not all members of the New Democratic Party, many of them probably are within the Liberal ranks and others members of the Conservative Party.

Now I suggest to you, Mr. Speaker, that this House do adopt this resolution because we feel that we must convey to Ottawa our concern regarding the transportation of a natural resource which is of immediate need in this country. It is a matter of vital concern to us regarding the allowing of the transportation of a natural resource through foreign soil, and let us hope, Mr. Speaker, that Ottawa would have strength enough to tell the gas industry in Canada that no gas obtained in Canada and for use in Canada will be allowed to be transported through territory beyond the jurisdiction and control of our government.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. PAULLEY: Yeas and Nays please, Mr. Speaker.

MR. SPEAKER: Call in the Members.

MR. PAULLEY: Mr. Speaker, there were so many members out of the House, they may not be aware of what they're voting on.

MR. SPEAKER: I beg your pardon?

MR. PAULLEY: I wonder, Mr. Speaker, if you would put the question before the House. There were so many members absent before the division bells rang, they may not know what they're voting on.

MR. SPEAKER: For the benefit of the House, we are voting on -- or you are voting on the adjourned debate on the proposed resolution of the Honourable Member for Burrows, to which he has spoken to, on Page 7. Do you wish me to read the -- The adjourned debate of the proposed resolution of the Honourable Member for Burrows. Whereas the Act of Parliament incorporating...

(MR. SPEAKER cont'd).....

YEAS: Messrs. Doern, Fox, Green, Hanuschak, Harris, Miller, Paulley, and Uskiw.

NAYS: Messrs. Baizley, Barkman, Beard, Bjornson, Campbell, Carroll, Clement, Cowan, Craik, Desjardins, Einarson, Enns, Evans, Guttormson, Hamilton, Hillhouse, Jeannotte, Johnson, Johnston, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Molgat, Shewman, Shoemaker, Spivak, Steen, Tanchak, Vielfaure, Weir, Witney, and Mesdames Forbes and Morrison.

MR. CLERK: YEAS, 8; NAYS, 38.

MR. SPEAKER: I declare the resolution lost. I see we have some more students arrived and I'm sure the honourable members wouldn't want to overlook them. We have a large group of students from the high school - 50 students from the Kent High School in Virden. These students are under the direction of Mrs. Embury and Mrs. Vance and this school is located in the constituency of the Honourable Member from Virden. On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Leader of the Opposition. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg the indulgence of the House to have this matter stand.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Inkster and the proposed motion of the Honourable Member for St. John's in amendment thereto. The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I beg leave to have this matter stand.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Logan and the proposed motion of the Honourable the First Minister in amendment thereto. The Honourable Member for Logan.

MR. LEMUEL HARRIS (Logan): Mr. Speaker, I adjourned debate for the Honourable Member for Kildonan.

MR. PETER FOX (Kildonan): Mr. Speaker, I'm not going to be too long on this amendment, I'd just like to say a few words about it. To begin with, I think the amendment is well worded. The First Minister - and I wish I had his technique - really has put everything into this amendment. If it were a resolution, I would say that I could wholeheartedly go for it. It's one of those resolutions or amendments, if as a resolution, is just like trying to vote against motherhood - you can't do it. He's got everything in it; it's beautifully worded and I don't think he has missed anything, but what it does to the resolution is another matter. It definitely does not support the resolution as it was originally intended.

You know I was in the armed forces back in the 1939-45 conflict and one of the first things we were taught was that you had to have I.A. - that was immediate action - and sometimes some resolutions are of this nature, that they need immediate action, and whereas the amendment brings in a lot of other things which are useful and necessary and which no one could go against, it definitely overlooks the immediate action of what has to be done at some time, and this is now. These people that have to have this kind of help in respect to day care nurseries need it today. They don't want an enquiry that may take a year or two, not that they would be against an enquiry, in fact we had a group today that visited us - I think they visited all the caucuses - and they did mention that they were for an enquiry, but the enquiry was at the tail-end of the things that they were asking for, not the first thing. They did mention day care nurseries and latch-key programs and so on but this was closer to the top of their list and I think this is the light that we should look at this resolution. Therefore briefly, as I said, Mr. Speaker, our group cannot support this amendment because it takes away from the original resolution.

MR. SPEAKER: Are you ready for the question?

MR. GUTTORMSON: I move, seconded by the Honourable Member for Birtle-Russell, that the debate be adjourned.

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

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Elmwood and the proposed motion of the Honourable Member for Emerson in amendment thereto standing in my name.

You will recall that when the Honourable Member for Emerson put forward his amendment, the First Minister suggested that these words be inserted, "Therefore be it resolved

(MR. SPEAKER cont'd)...that this House request the Government of the Province of Manitoba to consider the advisability of the following." At that time I took it under advisement in order that that part of the amendment would be put into its proper place. It is now in its proper place and I suggest the matter can be discussed from this point forward - or debated. Shall I put the question?

MR. DONALD W. CRAIK (St. Vital): Mr. Speaker, if nobody wishes to speak on this, I would move, seconded by the Honourable Member for Churchill, that the debate be adjourned.

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

MR. SPEAKER: The proposed resolution of the Honourable the Leader of the New Democratic Party. The Leader of the New Democratic Party.

MR. PAULLEY: May I have this stand, please.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Lakeside. The Honourable Member for St. George.

MR. CLEMENT: In his absence, may we have this matter stand, Mr. Speaker.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Wellington. The Honourable Member for Brandon.

MR. STEEN: In the absence of the Honourable Member from Brandon, Mr. Speaker, may we have this matter stand.

MR. SPEAKER: The proposed resolution of the Honourable Member for Souris-Lansdowne. The Honourable Member for Souris-Lansdowne.

MR. McKELLAR: Mr. Speaker, I do not wish to proceed with the motion in my name on the Order Paper.

MR. SPEAKER: The proposed resolution of the Honourable Member for Souris-Lansdowne. The Honourable Member for Souris-Lansdowne.

MR. McKELLAR: Mr. Speaker, I do not wish to proceed with the motion in my name on the Order Paper.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Gladstone. The Honourable Member for Lac du Bonnet.

MR. OSCAR F. BJORNSON (Lac du Bonnet): I beg leave of the House to have this matter stand.

MR. SPEAKER: The proposed resolution of the Honourable Member for Turtle Mountain. The Honourable Member for Brokenhead.

MR. SAMUEL USKIW (Brokenhead): Mr. Speaker, I wish to rise to support the resolution. Although I recognize that some time ago we had a very similar resolution on the Order Paper, in fact one which I amended and of course which also included a motion or an amendment very similar to the proposition before us now. As a matter of fact, when I saw the resolution, this resolution on the Order Paper, I thought that it would have been ruled out of order. However, there have been a number of events transpired in this House since the other resolution and I think I would rather enjoy this opportunity in debating the subject matter before us.

It has been suggested that the situation in agriculture is in fact serious in terms of income. It has been suggested that the grain position in particular is in dire need of some revision, and of course we have been looking at the international talks in London and Geneva with respect to the idea of increasing the minimum and maximum prices of wheat, and we all also note that in the last few days that we have reason to be pessimistic, that any increases will not be forthcoming for the coming year or for the crop year 1967. So for that particular reason, and of course the reason of the increased cost of production as a direct result of the imposition of the sales tax, I feel that another airing of this type of resolution should be continued.

It is quite evident that agriculture is in a serious economic position. The Member for Turtle Mountain mentioned the cost of farm machinery, the cost of land skyrocketing in the last few years, and of course the First Minister has indicated to us on more than one occasion that only a small percentage of Manitoba farmers enjoy a decent standard of living and this has also been borne out by the statements made by the Honourable the Provincial Treasurer. So we're not dealing on a question of difference here; we all are agreed. The only area in which we disagree is in the question of what shall we do about it, and consequently we have resolutions put before this Chamber which attempt to do something about the problem.

(MR. USKIW cont'd). . . .

Unfortunately, all the resolutions that have been proposed so far have not been designed in such a way that they recognize that we have a domestic responsibility apart from the international area of prices, that we do have a situation in Canada where we really enjoy a cheap food policy and that we as Canadians have never accepted the fact that we should consider the idea of paying a decent price for the wheat which we use in our own home consumption unrelated to what we receive in terms of a bushel of wheat on the international market. This is something that should be recognized. I don't think the Canadian consumer would quarrel with this type of proposition. I think this is something that has been shelved for too long. The resolutions that we have had to date have only suggested that we urge the Federal Government to negotiate for a higher minimum and a higher maximum price on the international level.

So in a sense I suggest that we've been really passing the buck to some degree. We're hopeful that someone somewhere in the world is going to give us more money for our production. We're hopeful that this is going to be sufficient to in fact cover the amount of production which we consume here in this country by the people of Canada. I think this is irresponsible. I don't think we should expect that much from the world at large which is so short of food, that it should in fact provide us with substantial increases that in fact we can indirectly subsidize the Canadian consuming public. I think we must call a spade a spade in this connection and recognize that our prices in Canada should not be at all related to the price that we achieve through the International Wheat Agreement.

The income position of farmers in Canada and in Manitoba, as no doubt has been mentioned by the First Minister and the Provincial Treasurer and indeed the other day by the Honourable the Member for Lakeside, suggesting that only 6,000 farmers out of 40,000 are enjoying what was considered to be a reasonable standard of living or a reasonable income position, namely, an average net income of \$4,000 per farmer. These were the most efficient and the best farmers that we were talking about.

Now I think I have to at this point agree with the Honourable Member for Lakeside that I don't accept the latter figure of \$4,000 as being a net position from a \$10,000 gross, and certainly my experience hasn't led me to believe otherwise. I think the Honourable Member for Lakeside is also equally aware. This isn't Canadian economics that we're talking in terms of 40 percent net. I can't accept this type of proposition. Nevertheless, be that as it may, even if we accept that proposition insofar as the Province of Manitoba is concerned, we are still not in a position whereby we might enjoy this type of situation where only a small handful of farmers are really enjoying a fair standard of living and at the same time recognizing that 36,000 farms in fact are on the poverty line or below.

This is in particular the reason why I took such a strong stand in terms of the sales tax as it applied to agricultural - not commodities - agricultural buildings and so forth. This is the reason why I thought that it wasn't fair on the part of the Government of Manitoba to add anything in terms of cost to the cost of production of farm products, because we already admitted on all sides in this House that there isn't any room, there is no tolerance left, that we are already in the state of bankruptcy, and therefore I was suggesting - and no doubt the members to my right - suggested that we eliminate some of these areas of taxation that came under the jurisdiction of the proposed sales tax. Certainly I am unhappy that the Government of the day does not see the light of the facts, that they don't recognize that possibly the statistics next year as a result of this imposition of this tax will mean not 6,000 farmers with a \$4,000 net income but probably 5,000 farmers with somewhat less than a \$4,000 net income as a direct result of this type of tax legislation.

So I think it's timely and I'm quite happy that the Speaker did not rule this resolution out of order when it appeared on the Order Paper and when it was introduced, in that it gave us another opportunity to explore and to air the issues of agriculture in this House.

Over the years the people in the House of Commons and the people in this Legislature have debated the practicability of alternative solutions other than the reliance of prices through international agreements, and if you recall in the resolution that was put forward by the Honourable - I have it here somewhere - the Honourable Member for -- is it Souris-Lansdowne? --(Interjection)--No, no, Mr. Clement, here. --(Interjection)-- Birtle-Russell, that's right, that's right, when he introduced his resolution and which was subsequently amended by the Member for - Souris-Lansdowne is here isn't it? - that it was a fact that I had introduced an amendment thereto suggesting that we recognize the difference between a world price and a price that we should pay to the producers in Manitoba and Canada in relation to the consumption

(MR. USKIW cont'd)...of grain in this country, and of course this resolution was defeated on the grounds that we are negotiating a new agreement and that somehow or other we will have an increase in prices forthcoming and we will not have to pay any costs of bringing the farm income position into line, that we can simply pass this on to the European people, to the Communist people and so forth in China and Russia and what have you.

Well, in fact it doesn't appear that the International Wheat Agreement has been renewed or that any increase in price has been arrived at. I'm sure that we all share the concern about the situation at the present negotiations in Geneva and in London that for this coming year we may not in fact have any more money in our pockets insofar as the sale of wheat to other countries of the world is concerned, that we may yet have to go another year and that we're not going to improve our income position.

I wish to draw your attention to a report which I think we all received recently and this is from the conference at the University of Manitoba sponsored by - this is L.H. Shebeski, Dean, Faculty of Agriculture and Economics. You all have received these papers in the last couple of days. I know that I haven't had an opportunity to personally study them too much in detail, but I have gone through them and I find some interesting revelations insofar as the agricultural policies that should or should not be adopted in Canada and in Manitoba for that matter.

I wish to turn to Page 2 of the Gilson Report wherein it states that Canada - or it states here, "We do not have a truly national farm policy in Canada at the present time, nor do we have a clearly definitive idea of what the philosophy and the objectives of such a national policy ought to be. What we appear to have at the moment is a confusing collection of policies. Some of these policies are still serving a useful purpose, other policies however are largely ineffective in terms of the contemporary problems of the agricultural industry."

Now some time ago when we debated agricultural matters in this House, I had made the statement that we did not have an agricultural policy; that we had a patchwork system of policies and that the Honourable John Diefenbaker, when he was in Ottawa as representing the head of Canada, he did not have an agricultural policy. I was challenged by the members on my right that this was not so - in fact they laughed at this suggestion - that he indeed did have a policy. But here we have a university man, one of our trusted people at the University of Manitoba, indicating that he also believes that we have not had and we do not have an agricultural policy. So I just thought I'd mention this point to remind my honourable friends on the left that I was not out one iota when I said that we did not have any agricultural policy during the term of office of the Diefenbaker government, and that if we were following John, we were certainly following something that wasn't there in terms of policy.

Mr. Gilson goes on to state, "There is a serious problem in the Canadian agricultural industry but we are far from clear as to what types of policies are required for their solution. Worse still, precious little study and research is being done to find out." This is something that worries me. He maintains that government has not truly recognized its responsibility, that it is not indeed taking any serious study or research into the question. This is something that we ought to deplore. We've all recognized the fact of rural income and yet we have not taken up the challenge; we have not set into motion the machinery that is going to study and develop policies that will in fact cure the ills of our rural communities. It seems to me that we have embarked on policies of patchwork, we've embarked on - in fact it's not a system, procrastination isn't a system although it might be applied to the Government of the day in Ottawa, past and present, because all we've had was procrastination on agricultural policy - so maybe it is a system but it's inherent only in the two old line parties it seems to me.

Professor Foulkes wrote a book on the National Policy in the Wheat Economy and dealing with a resolution which makes direct reference to wheat. I thought it would be interesting to quote a part or a section out of what Professor Foulkes - the late Professor Foulkes - had to say and I quote, "The view that agriculture can best be assisted by measures which increase agricultural productivity is so widely and uncritically accepted that it requires comment. The highly competitive conditions under which agricultural products are brought to market have particular significance at this point. Under competitive circumstances the inevitable tendency in any period, other than a very short one, is toward equality between selling prices and costs of production. Improvements in cultural practices and methods of controlling pests or obtaining a greater variety of seeds or animals which result from public research are therefore accessible to all producers on equal terms and will consequently tend to reduce costs of production and selling prices in equal measure. Cost reductions in agriculture are quickly passed

(MR. USKIW cont'd)....on to consumers by way of price reductions. The farmer shares with other consumers in the advantages of cheap and abundant foodstuffs but he gains as a consumer instead of a producer, and in proportion to his consumption of foodstuffs rather than in proportion to his productive efforts". A very interesting point.

If Professor Foulkes thesis is correct, it may be argued that agricultural production - and of course this is Gilson's remarks again - "it may be argued that agricultural production policies in Canada provide the basis for a cheap food policy to the extent that productivity gained in agriculture tends to be passed along to food consumers in the form of lower prices. There are some, however, who disagree with Professor Foulkes' point of view and they cite examples of farmers who appear to have gained very considerably from technological advantages in agriculture. Without doubt, some farmers do benefit directly from productivity gained in agriculture. For the innovators and the very efficient, those farmers who are always ahead of the pack, their costs tend to be below the prices for their products. They are too few in number" - this is significant - he points out that there are some advantages to those that are in this position but he states that they are too few in number to have any perceptible influence in the over-all market price. "But on the average, however, we agree that the gains tend to be passed along to the food consumer in the form of lower prices."

And here is another point of view expressed by Professor Cochrane in his book "Farm Prices - Myth or Reality." These are indeed great studies. I have gone over this and I find that there's an awful lot of depth to what these gentlemen are expressing. To quote Professor Cochrane, "In the quest for increased returns which the average farmer hopes to achieve through the adoption of some new technology, he runs faster and faster on the treadmill. But by running faster he does not reach the goal of increased returns, the treadmill simply turns over faster, and as the treadmill speeds up it grinds out more and more farm products for consumers." Another very interesting revelation.

And then of course we go back to the comments of Professor Gilson and I quote, "Certainly the gains in physical productivity in agriculture during the past 15 years has not been reflected in the proportionate rise in the farm net income." In other words, the increase in efficiency which farmers have achieved in the last 15 years has not in fact reflected any higher return or a higher net income. So obviously this points up to a need that there has to be some adequate planning at the federal and provincial levels and some decent legislation.

To further comment on Professor Gilson's report, "If our arguments with respect to the need for continued efficiency in the agricultural industry are reasonable, there would appear to be a strong case for some form of compensatory price policy for Canadian farmers. We will start with the proposition that we should not expect farmers to carry the full responsibility for a cheap food policy in this country any more than medical doctors would expect to bear the full responsibility for a national medicare program or teachers to carry the burden of a free education for university students. Food consumers can rightfully expect farmers to produce efficiently, but I believe that the efficient farmer should expect reasonable compensation for his efforts".

Now here we have a proposition, a proposition of some form of compensatory pricing system for efficient farm operations. Now if this is so, surely we agree then that the amendment which I presented to this House on a similar resolution should not have been defeated. It recognizes in fact this very report. It's almost identical. He's suggesting - Dr. Gilson is suggesting some form of compensatory price system and the two-price system is just one form of it. I suggest that we erred in not suggesting to Ottawa that they ought to look at the question of some form of two-price policy or otherwise, and certainly this report bears this out.

"The fundamental point that we want to emphasize", states Dr. Gilson, "here is that a compensatory price policy for agriculture should be such as to ensure that an efficient farmer derives a return for his labour, capital, investment and management comparable to what these same resources could earn in some similar occupation or business." Very logical. And it goes on to say, "Now let us examine the basic arguments for some form of compensatory price policy for Canadian farmers. We have already advanced one of the major reasons for such a price policy, if you agree with our earlier contentions that productivity gains in agriculture tend to be passed along to the consumer in the form of cheaper food. (2) That we as a nation wish to promote and encourage even greater efficiency in agriculture; and (3) that farmers should not be expected to carry the full responsibility for a cheap food policy in this country. Do you not agree that some compensatory price policy for farmers is justified?" A very interesting observation. "Another argument in support of the compensatory price policy for

(MR. USKIW cont'd)... Canadian agriculture relates to the cost-price squeeze in agriculture." Again a recognition of what we are all talking about from time to time, that vicious cost-price squeeze. We've talked about it for 20 years and we've done nothing about it.

"One further argument", states Dr. Gilson, "in support of the case, where a compensatory price policy for agriculture may be found by examining the relative returns to farmers and similar non-farm businesses. Farm management studies across Canada indicate that efficient farmers do not appear to be receiving a return for their labour, capital and management, in line with that earned in many other comparable businesses. In advancing this argument we do not suggest that a compensatory price policy should be used to shelter inefficiency." Again an important observation. He's not suggesting irresponsible support, he's tying it with efficiency in production and this is a reasonable approach. "We should not use this to shelter inefficiency or laziness in the agricultural industry. We are talking about efficient farmers, farmers whose productive efficiency is such that food is being produced at the lowest possible cost."

There are many observations I can make and certainly I don't want to go through the entire report; I have just underlined some of the pertinent points and I think that we ought to give due consideration to what is contained in these reports. Dr. Gilson goes on to say, "There has never been a clear decision in this country as to which approach should be followed in terms of a national price policy for agriculture. It seems that the type of policy adopted has been guided more by what the political traffic would bear than by basic economic considerations."

Now this is certainly true. We only need to go back - not very long - to the years of the Diefenbaker Government in Ottawa to recognize that farm policies were established - if there ever was such a thing as farm policy - whatever was offered was established not by reason of economic consideration but by reason of political expediency in terms of acreage payments just around election time. This is something that we have been always talking about, but in fact it's true, and this gentleman here which I respect has verified this very aspect of our agricultural policy in Canada. He recognizes that we have been playing politics with a situation of rural bankruptcy and that we're not prepared to be objective and that we're not prepared to set up a goal by which means we will all be able to support.

To carry on with some of this report, there isn't too much left that I want to convey to this House but I do want to mention the important aspects of it. "In line with our earlier views, we believe that the primary focus of the national food and farm price policy in Canada should be a cheap food policy." He endorses the idea of a cheap food policy and I agree with him. I think we ought to make food as cheap as we possibly can in recognition of course of the fact that we have many people in a low income position that simply cannot afford anything else other than a cheap food policy, but we ought not to think in terms of a cheap food policy at the price of rural bankruptcy, and this is where the difference is. This is where we ought to do some planning.

"Agricultural production policies have long been aimed at this direction. The only price policy which appears to be consistent with this general objective would be a compensatory price program where the food consumer pays a free market price and the farmers paid the difference between this price and some designated support price in form of a direct compensatory payment." Again emphasizing - you can call it a two-price system if you like, it can be called other things, I don't care what the label is - but again it supports the proposition that we ought to recognize Canadian costs of production in relation to the price that farmers receive.

"Before some voices are raised in protest," Dr. Gilson states, "let me explain why a compensatory price policy of this type appears to be appropriate. Such a compensatory price policy is consistent with the objective of efficient production in agricultural industry. It provides a means for supporting farm prices without interfering unduly with the functions of the market price system. In view of the fact that all commodities clear the market, it would prevent the creation of burdensome surpluses. Farm products would move into the hands of the food consumer where they belong, not in government storage bins. A compensatory price policy would permit food consumers to purchase food at the lowest possible price, an objective which appears to be reasonable from the standpoint of our prevailing economic and social philosophies in Canada.

"In advancing the idea of a compensatory price policy for Canadian agriculture, we are not unaware of many problems associated with this concept. We realize that there are several important problems associated with the proposed compensatory price policy but we believe that

(MR. USKIW cont'd)...the problems can be resolved. The problems involved should not detract from the attempt to develop a truly adequate national price policy for the Canadian agricultural industry. It is to be emphasized that the proposed policy is based on the underlying assumption that the nation wants an efficient agricultural industry and that farmers should not be expected to carry the full responsibility for a cheap food policy in this country. The proposed policy is designed for efficient commercial farmers. Other policies are required for the social and non-price problems of the agricultural industry." This is another area which has to be looked at if we're going to be meeting this.

"What will the proposed compensatory price policy cost the Canadian nation? And of course this is something that we're all interested in. What is the cost going to be? This is something that no one has dared to suggest and I'm sort of interested in the remarks that Professor Gilson points out. "If, for example, the prices received by farmers under the proposed policy were related to the prices of the goods and services which they buy, we estimate that the total annual cost of such a policy would amount to approximately \$300 million at the present time. This is a fairly substantial sum, but when it is remembered that this policy would eliminate the need for many of the payments now being made under various forms of ad hoc policies and when we recognize the very substantial gains to the food consumer in the form of cheap food, we suggest that \$300 million may be relatively small when compared to the approximately \$5 billion now being spent by Canadians for food." A very interesting revelation.

To sum up this report Professor Gilson asks this question. "Can we have low-priced food and prosperous farms?" He states he believes so. "There is no conceivable reason why we can not develop a national food and farm price policy which would provide for cheap and abundant supplies of high quality food and at the same time ensure that those who produce the food receive reasonable compensation for their efforts." This is his remarks. A very interesting document, and this is something which I didn't know was forthcoming when I proposed a two-price formula for wheat, but it's something that certainly bears out the position which the New Democratic Party has upheld for some time, the position which we uphold now, that we ought to start looking at the question of farm policy and food prices and let's relate the two; let's do something on this particular problem of farm income.

I don't think we can afford to go on shelving the problem. My guess is, however, that government is not prepared - that government is not prepared to do anything about agriculture, and if it is I want them to show by means of supporting some type of resolution or introducing a resolution by which means money can be put back into the pockets of the farmers. But my guess is that this government is not prepared to throw any support behind farmers in a meaningful sense in that they're rather hopeful possibly that we continue to depopulate the rural areas of this province and of this country in the hopes that eventually somehow the problem will resolve itself by a few corporate farms here and there and the bulk of the rural community to be transferred into some urban society. This is something of course that I don't accept. I think we ought to start using some yardsticks here and that we ought to start developing policies at the national and provincial levels, and certainly provincial governments have a responsibility in prodding the senior government for action. There is no reason why this Legislature couldn't take a position on the question of rural bankruptcy. There have been a number of other submissions made to this conference and certainly I don't want to take up too much time, but all these submissions that have been presented. Hedlin and Menzies, Gilson, Dr. Wood, they all indicate the same problem and they all relate very much to the same solution.

We have some statistics here that I would like to present showing the prices of grains from 1947 -- or of wheat from 1947 to 1965. In 1947 we were getting \$1.66 for wheat, basic No. 1 Northern at the Lakehead, and in 1965 it was \$1.82, a very small increase compared with the vast increase in the cost of production over that number of years. Very interesting statistics.

There's an item on Page 12 of the Hedlin-Menzies and Associates Report which I would like to convey to the House and I quote: "In actual fact, agricultural price policies in the developed countries mainly aim at raising farm incomes and narrowing the income gap between agriculture and other sectors. Recent Canadian policy has, as its objective, increased farm income for farmers removed of major fluctuations in income and agricultural adjustment in low income areas. It should be recognized that as far as wheat is concerned, that price levels which exporting countries have endeavoured to maintain, with or without governmental subsidy, are considerably lower than the prices which most of the importing countries feel must be

(MR. USKIW cont'd)...maintained in the interests of their own domestic producers." This is an example. We are actually endeavouring to maintain lower prices than what the importing countries are doing in other parts of the world.

"When guaranteed prices to producers range from \$2.50 to \$3.05 per bushel, cheaper wheat entering any of the common market countries is taxed on entry, thereby providing funds to support an international grain price. High domestic wheat prices are also provided by most of the EFTA countries except the United Kingdom and also by such importing countries as Japan. In the United Kingdom a cheap food policy, followed by a system of deficiency payments, supports the farmers' income above the level that would be obtained through the market price. The United States policy, as was pointed out by the FAO Report mentioned above, provides the outstanding example of the problem of reconciling the conflicting objectives of curbing excessive output and restraining the cost of support on the one hand, and improving farm incomes and lessening the disparity with non-farm incomes on the other" and so forth.

But here is an example in the United Kingdom where they have a two-price formula by means of deficiency payments. These aren't new ideas. They've been tried in many areas of the world but we simply have had our head in the sand in this country of ours and have refused to recognize the seriousness of our rural problem.

Here is some statistics on the prices of wheat based on U.S. funds throughout the world; United States - \$1.61; United Kingdom - \$1.60; Switzerland - \$3.05; U.A.R. - \$1.58; Chile - \$3.32; Japan - \$3.26; Mexico - \$2.69; Union of South Africa - \$2.42; Spain - \$2.69; and so forth. But guess where Manitoba's position is. Probably you've seen this report, but it's at the bottom - \$1.48. A very interesting comparison. I'm not going to go through all these statistics because it would take hours to do it, but I do suggest to those members interested that they do study these reports and become familiar with the expert opinions of some of the people that we have had presenting briefs at this conference.

Here's an interesting comment by H. Van Fleet, Head of the Department of Agriculture Economics, University of Saskatchewan, and I'm only trying to point out these various briefs to outline to you the consistency of their argument. "Canadian consumers have had low-priced food for a long time and are still enjoying relatively cheap food." This is in their expert opinion. "Farm product prices lag even more than consumer food prices, with the extra lag taken up by an expanding marketing bill and with farm industry realizing a declining share of the consumer's food dollar. These two-prices lag have been accentuated in the post-war period by an inflationary course of economy as related to income growth and distribution. They show the effect of unusually elastic supply of farm products based on rapid technological advance and abnormal growth of farm efficiency."

This is a point I want to hammer home because a lot of people have had the opinion that we have mass inefficiency in the production of agricultural products. This report is in contradiction of that. It states that we in this country have had an abnormal growth of farm efficiency. This is the point that I'm trying to make, an abnormal growth insofar as farm efficiency is concerned as compared with other segments of the economy. "Income progress of farmers in this situation has depended upon the much more rapid improvement of the efficiency in farming than for other segments of the economy. Moderate growth of efficiency outside of agriculture has had to be matched by super efficiency in agriculture." A very interesting comparison.

MR. SPEAKER: I would inform the Honourable Member that he has four minutes.

MR. USKIW: Mr. Speaker, I don't intend to take a great deal of time. I should end my remarks in the next couple of minutes. I just thought I'd mention the -- no, possibly I've made my point. I was going to illustrate some graphs and possibly it isn't necessary.

I just wish to close my remarks by amending the resolution, seconded by the Honourable Member for Seven Oaks, that the resolution be amended by adding the following: Be It Further Resolved that in the event agreement is not reached by signators to the International Wheat Agreement, or is unduly delayed, alternative methods of assuring a fair income to the farmers of Canada be considered.

MR. SPEAKER presented the motion.

MR. McKELLAR. Mr. Speaker, I beg to move, seconded by the Honourable Member for Rock Lake, that the debate be adjourned.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Assiniboia. The Honourable the Leader of the Opposition.

MR. GUTTORMSON: Mr. Speaker, may we have this matter stand, please?

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Churchill. The Honourable Member for Logan.

MR. HARRIS: May we have this matter stand please.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Churchill. The Honourable Member for Logan.

MR. HARRIS: Mr. Speaker, may we have this matter stand.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Hamiota. The Honourable Member for Brandon.

MR. R. O. LISSAMAN (Brandon): Mr. Speaker, I don't propose to make any lengthy speech. I'm sure all members are aware of the fact that the Honourable Member for Hamiota covered the subject very thoroughly as to what it would mean to the Rivers area, the loss of the Rivers Air Base. I would however like to add my voice in support of the plea that he has made that this base be retained and that we do everything possible to urge the Federal Government to retain the base.

I think we should each of us realize how much it means to have industry, and in the sense that this gives support to a lot of people it can be looked upon as an industry, and how much we go out of our way in trying to encourage industry to come into an area. On that basis, I think that when we have the Rivers Air Base operating we should do equally as much to try and retain a base of this nature in the area. The one feeling that I have held continually on this matter is the fact that I doubt if anyone would have objected very strenuously had the base been closed on the cessation of hostilities at the time of the last war, but when a base is actually expanded and used for so many years as training ground, then the local people are encouraged to meet the requirements that the personnel employed there demand. The local merchants built up their stores to provide service, the educational facilities in the area are built up, and it's rather a tragedy that this should come to naught, that their efforts have been really the result of a misleading sort of situation. And I think if for no other reason, the Federal Government should feel rather guilty about closing this port because there is this responsibility since they didn't close the base at the time of the last war, continued to build up the base, built new buildings, more homes, then this left people in the area to assume that this was on a firm sound basis and that they could provide the necessary services outside the camp that was required for the people concerned.

So I think there is a very real responsibility on the part of the Federal Government and I think all departments of this government, particularly Industry and Commerce who work so hard to get business, new business in the province, and certainly worked hard to retain this base, and I think every member in this House, since it will be a great loss to Manitoba if this base closes, should be urging that everything be done to retain the base to Manitoba.

I want to compliment before I sit down, Mr. Speaker, the member for Hamiota for presenting the story to us so thoroughly. His speech appears on Page 1569 of Hansard and I'm sure that it would do -- each member who happened to miss that, to refresh himself, to read the speech and get some inkling of what this means to the western area of the province if this base were lost.

MR. PAULLEY: Mr. Speaker, I wish to say a word or two in connection with this resolution. It is a matter I think that is of major concern to this House as well as to Manitoba, and I join in the remarks to a considerable degree that have been uttered by the Honourable Member for Hamiota and also the Honourable Member for Brandon who has just spoken. I'm sure no one in this House is desirous of having any community placed in a position where it can be subject to economic loss as the result of actions.

However, Mr. Speaker, having said this, I must differ with the context of the resolution and I do it on a different philosophical basis than that suggested by the member for Hamiota and also the member for Brandon. I say different, Mr. Speaker, because of the fact that I am convinced that if the economy of Canada, or the economy of Manitoba or any portion thereof is only sustained by the retention of military bases, then we're not justified in doing so.

I know that there was a considerable fight for the retention of the Macdonald Air Field for some considerable period of time; I know there's still difficulty insofar as those difficulties were concerned. I know just east of my City of Transcona, we had a cordite plant which made a valuable contribution to the war effort and for a considerable period of time did employ many

(MR. PAULLEY cont'd.) people, but if the base at Rivers or anywhere else is going to be closed because of a diminishing requirement in a period of peace - I think we should welcome the fact that we're in peace, relatively - and that the retention of the base itself should not be based, as the resolution suggests, that the Canadian Forces urge the Government of Canada to retain the Canadian Forces Base at Rivers and other Manitoba bases, because I read into this that the thought is that irrespective of whether or not the need is there for the base to be used in its present capacity, it should be retained.

I think we should take a little bit different approach. I suggest that we should, both here in Manitoba and in Canada, assure to the community of Rivers that the economic structure and base of their community as a result of the building of the Rivers base should be retained. I think the Honourable the Minister of Industry and Commerce, albeit that he has, as the member for Hamiota and the member for Brandon has suggested, used his good offices in an endeavour to have industrial uses put to at the base rather than military base use. I think that he should be enjoined to continue and reactivate, if necessary, his efforts in that direction. I think also that an appeal should be made to Canada to do likewise, and I think, Mr. Speaker, this affects not only the Air Force Base at Rivers but can conceivably affect other Manitoba bases as well.

So I agree - I agree - my Party agrees that the community of Rivers should be given every conceivable help to retain in its community the facilities that are there at the present time. We appreciate that there are the 405 homes in excellent condition that the Honourable Member for Hamiota states in his resolution; we agree that there are modern recreation facilities and schools and other facilities as well; but we question, Mr. Speaker, the resolved part of the resolution that implies, at least to us, that the base should be retained on the basis for which it is used at the present time.

So, Mr. Speaker, I suggest an amendment which in my opinion will not deviate from a proper use of the facilities, that will help the community of Rivers possibly even more than the resolution in its present form. So I beg to move, Mr. Speaker, seconded by the Honourable Member for Inkster, that the motion be amended be deleting all of the words after the word "Hangar" in the twelfth line and substituting the following: "Therefore Be It Resolved that this House urge the Governments of Manitoba and of Canada to take such steps as are necessary to ensure that the facilities at this base are used for the peaceful, industrial, educational or social development of Manitoba and Canada, and that the community of Rivers be assured of its future progressive development; and Be It Further Resolved that all other military bases be surveyed for their potential utilization as they are no longer required for their present use.

MR. SPEAKER presented the motion.

MR. LISSAMAN: Could I ask the Honourable Leader of the New Democratic Party - he concludes in terms discussing the base, "as they are no longer required." Now does he mean as they become no longer required or is this a statement of fact?

MR. PAULLEY: My phraseology may not be of the best, Mr. Speaker, and I thank the Honourable Member for Brandon for asking the question in order that it be clarified. It's not a positive statement that they're no longer required today, but as they become no longer required in the defence effort in Canada for the purpose that they're being used at the present time, then this takes effect. -- (Interjection) --- Yes, that's the intent of that portion of the amendment, Mr. Speaker, and I appreciate the question of the honourable member.

MR. SPEAKER: Just that part of the -- may I have the motion again?

MR. PAULLEY: If I may have permission, Mr. Speaker, to change the word "are" to "become" - "as they become no longer required" instead of "as they are no longer required." I think that would put the resolution in the more proper . . .

MR. SPEAKER: As they become no longer required? -- As they become no longer required?

MR. PAULLEY: As they become no longer required. -- (Interjection) -- All right, "when". That's fine. As long as the intent can be there.

MR. ROBLIN: Mr. Speaker, could I ask my honourable friend also, would it not be better at the beginning of the resolution part to insert that magic phrase "give consideration to the advisability of", because it looks like a money resolution otherwise.

MR. PAULLEY: I suppose maybe if my honourable friend -- Yes, I guess by the inclusion of Manitoba in this effort rather than Canadian, as the Honourable Member for Hamiota had the original resolution, by bringing this House into it in addition to Canada, I suppose it could conceivably be an expenditure. I appreciate that too, Mr. Speaker, and if this would be acceptable to the House that the Clerk insert "the House give consideration to the advisability of"; although

(MR. PAULLEY cont'd.) quite frankly when I was compiling the resolution I didn't conceive of an actual money expenditure rather than persuasive adjectives, but that's quite all right.

MR. SPEAKER: I wonder if the Clerk has those suggested amendments.

MR. PAULLEY: Well, it would then be, Mr. Speaker, if I may, "Therefore be it resolved that this House give consideration to the urging of the governments of Manitoba and Canada." -- (Interjection) -- Well, it's something like the one you proposed on the 18-year-olds, my honourable friend.

MR. SPEAKER: I will wait a moment for the Clerk to see if he's got that. I'm sure my shattered nerves will last another ten minutes.

MR. PAULLEY: I didn't hear you, my friend.

MR. SPEAKER: I'll read that part again. "Therefore Be It Resolved that this House give consideration to the advisability of urging the Governments of Manitoba and Canada." Does that sound right? And then, "Be It Further Resolved that all of the military bases be surveyed for their potential utilization as they become" - that word has been added - "as they become no longer required for their present use." Does that sound satisfactory?

MR. T. P. HILLHOUSE, Q. C. (Selkirk): . . . situated in Canada or all bases in Manitoba?

MR. PAULLEY: . . . question about that, Mr. Speaker. I suggest, Mr. Speaker, that there is no question, because we're a Manitoba Legislature and we're dealing with the bases in Canada and requesting the Government of Canada, who are in control of the bases, to take this action.

MR. HILLHOUSE: . . . invoke the Governments of Manitoba and Canada, Mr. Speaker.

MR. PAULLEY: . . . deal with bases in Canada. If my honourable friend cannot understand that, I'm sure others in the House will.

MR. SPEAKER: Are you ready for the question?

MR. HARRIS: Mr. Speaker, if nobody else wishes to speak, I move, seconded by the Member for Kildonan, that the debate be adjourned.

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

MR. SPEAKER: Proposed resolution. The Honourable Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, if I'm speechless, it's due to the fact that I've waited so long to reach this resolution. I wish to move, seconded by the Honourable Member for Lakeside,

WHEREAS on the ninth day of April, 1965, this Legislative Assembly enacted and passed the following resolution, namely:

"RESOLVED that this Legislative Assembly recommend to the Government of Canada:

(a) that dissolution of marriage may be claimed by either husband or wife on the grounds that the respondent:

- (i) has since the celebration of the marriage committed adultery; or
- (ii) has deserted the petitioner without cause for a period of at least three years immediately preceding the presentation of the petition; or
- (iii) has since the celebration of the marriage treated the petitioner with cruelty; or
- (iv) is incurably of unsound mind and has been continuously under care and treatment for a period of at least five years immediately preceding the presentation of the petition; or
- (v) has, where the wife is the petitioner, been guilty since the celebration of the marriage, of rape, sodomy, or bestiality; or

(vi) has been legally separated from the petitioner for at least three years by virtue of a judgment of a court of superior jurisdiction on grounds on which an order of separation can be made under the Matrimonial Causes Act, 1857 (Imp); and amendments thereto; and

(b) that any married person who alleges that reasonable grounds exist for supposing that his or her spouse is dead, may present a petition to the Court to have it presumed that the said spouse is dead and to have the marriage dissolved; and that for such proceedings, the fact that for a period of seven years or upwards the other party to the marriage has been continuously absent from the petitioner, and the petitioner has no reason to believe that the other party has been living within that time, shall be admissible in evidence as prima facie proof that the other party is dead."

AND WHEREAS a copy of such resolution was forwarded to the Government of Canada;

AND WHEREAS a Joint Committee of the House of Commons and the Senate was constituted and established for the purpose of considering and making representations, respecting the divorce laws of Canada, and whereas such Committee is still holding hearings;

(MR. HILLHOUSE cont'd.)

AND WHEREAS it is essential that all matters respecting our divorce laws be considered by such Committee, including the question of whether or not divorce jurisdiction should be based on a provincial or Canadian domicile;

AND WHEREAS this Assembly is of the opinion that the concept of provincial domicile is inconsistent with nationhood and one Canada;

THEREFORE BE IT RESOLVED that the Government of Manitoba request the Government of Canada to enact a uniform divorce law for the whole of Canada with a one Canadian domicile.

MR. SPEAKER presented the motion.

MR. HILLHOUSE: Mr. Speaker, I wonder if you'd call it 5:30 and then I'd be first on the Order Paper on Tuesday.

MR. SPEAKER: I wonder if I might take a moment of the House before we call it 5:30. I'd like to share a little bit of information that I have received with the honourable members. I believe today is the last day that the Honourable Member for La Verendrye will be with us this Session. I understand that he leaves next week for Europe and Zambodia where he intends to visit with his brother who is in the missionary service. I would on your behalf want to wish him bon voyage and safe return.

MR. JOHNSON: Won't you need a personal physician on such a long trip?

MR. ALBERT VIELFAURE (La Verendrye): I'd have to have permission from my wife, Mr. Speaker. I'll check with the honourable member over the weekend.

MR. LYON: I'd like to move, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn.

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