

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, February 6, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: I regret to inform the House that the Clerk of the House is under the weather and will not be with us today.

Presenting Petitions.

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Mr. Speaker, I beg to present the petition of Donald Crichton-Hildebrand and others, praying for the passing of an Act to incorporate the Certified General Accountants Association of Manitoba.

Reading and Receiving Petitions.

Presenting Reports by Standing and Special Committees.

Notices of Motion

Introduction of Bills.

HON. STERLING R. LYON, Q. C. (Attorney-General) (Fort Garry) introduced Bill No. 44, An Act Respecting the Attachment of Debts; Bill No. 46, An Act to Amend The Executions Act; Bill No. 45, An Act to Amend The Judgments Act; and Bill No. 47, An Act to amend The Law of Property Act.

MR. SPEAKER: Orders of the Day.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Speaker, I think the House would be pleased to take note of the fact that the Honourable Member for Morris is in his seat again today. I think that he now knows that we're very happy to have him back with us again and we hope that he will make a speedy return to complete physical fitness once again.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, I just want to agree with the words of the First Minister. He beat me to it. I saw the honourable member there. I notice he's moved a little further away from us than he was last year, when we were last here together, but I am very happy to see him back in the House and I'm sure that all the members will wish him better health in future.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): I would like to join in the greetings to my honourable friend, Mr. Speaker. He did sit next to me last session. He was a source of inspiration on numerous occasions and I'm trusting and hoping that what we discussed and talked about will find its way into policy of the Conservative administration. It would be well for the Province of Manitoba. Harry, we wish you back.

MR. HARRY P. SHEWMAN (Morris): Mr. Speaker, I would be remiss at this time if I didn't thank the honourable members for their kind thoughts and their kindred spirits.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I was on the verge of getting up when the Honourable Member for Morris got up. I too want to congratulate him on being back in the House and also wish him the best of health.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Mr. Speaker, before the Orders of the Day, I'd like to lay on the table of the House a Return to an Order of the House No. 25 on motion of the Honourable Member for Elmwood.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, before the Orders of the Day, I'd like to ask a question of the Honourable Minister of Health. Can the Minister assure this House that his answer to my question concerning Deer Lodge Hospital, the answer given on Thursday, February 2nd, was factual? Now I think I might read these few lines in answer so the Minister might know what I'm talking about.

This is on Page 711 of Hansard: "In Deer Lodge - we have no formal agreement with the Deer Lodge Hospital but we have a firm understanding between the federal officials and ourselves, and this understanding expresses the willingness of the federal department to turn over the hospital, provided that DVA would have priority use of enough beds for active treatment of service disabilities, armed forces and RCN personnel and war veterans allowances cases. This requirement is estimated at 250 beds, and a further condition was that suitable alternative accommodation be available for veterans displaced from the custodial wards of the Deer Lodge Hospital, but in practice, with the continuing liaison that's going on locally between the Manitoba Hospital Commission and Deer Lodge people, the other parts of the hospital are really being used as a community hospital. For instance, the hospital's occupancy has ranged between 75 and 80 percent since 1960 which is considered to be a reasonable occupancy figure, and 83 percent of the cases at Deer Lodge are Manitoba civilians."

Now it goes on, but three people have contacted me, two of them working there, and they assure me that there's no such a thing as 83 percent of the cases being civilians. So I wonder -

(MR. DESJARDINS cont'd.) I only have the words of the Minister - I wonder if he could assure us that this is really the case.

MR. WITNEY: Mr. Speaker, the information and the statistics come from the Manitoba Hospital Commission and I have no reason to doubt that their information is not correct.

MR. DESJARDINS: Mr. Speaker, if the Honourable Minister would check this; there might have been a mistake somewhere.

MR. SPEAKER: The Honourable Minister of Labour.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Mr. Speaker, before the Orders of the Day, I wish to lay on the table of the House a Return to an Order of the House No. 27, standing in the name of the Honourable Member from Kildonan.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, on the 15th of December I asked the following question of the Attorney-General. Did the Juvenile and Family Courts and/or the Provincial Probation Service prepare a year-end report and submit it to the Attorney-General, and if so, will he be tabling this report. The Minister's reply: "I'll have to take that question as notice." Could he answer at this time this question?

MR. LYON: I haven't the answer with me, Mr. Speaker. I thank the honourable member for reminding me. I'll try to bring it to the House

MR. FROESE: Mr. Speaker, when we considered the estimates of the Department of Education, I requested certain information from the Honourable Minister and, as I took it, this would be granted. I'm just wondering whether the Honourable Minister could inform me when I will be able to get this information.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Mr. Speaker, almost any time. I spoke to the department about it again this morning.

MR. MOLGAT: Mr. Speaker, I have a question of the Minister of Education. During the course of his estimates when we were discussing the question of reading and phonics, he read from a report. I wonder when we might expect copies of the report. I think he indicated at that time it was in the printer's hands. Did he mean the Queen's Printer or is it being printed outside?

MR. JOHNSON: I believe it's in the Queen's Printer's office. I'll put another query on it. I thought it would be out by now.

MR. MOLGAT: Mr. Speaker, I'm rather surprised at the Minister's answer because I understand that the Queen's Printer office was phoned on Friday of last week and that they said they had no such report in their hands.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to my honourable friend the First Minister. One day early last week he suggested that he would be making a statement to the House relative to the position that the owners of the power toboggans found themselves in in respect to travelling on the highway. I understood that a public statement on government policy would be forthcoming shortly. Today, I had two phone calls relevant to this. I wonder when we might expect a statement.

MR. ROBLIN: Mr. Speaker, the matter is being looked into by the Department of Public Utilities and I expect they'll have some information for us in due course. We will try not to take any longer than possible in getting something ready. It's not an easy matter.

MR. SPEAKER: I wonder if I might take a moment of the House's time to acknowledge the students in the gallery. We have with us today 28 students of Grade 5 standing on my left in the gallery from the Sir John Franklin School under the direction of Mrs. Sundberg and Miss Herson. This school is situated in the constituency of the Honourable Minister of Industry and Commerce. On behalf of the Legislative Assembly, I welcome you all here today.

I'm also pleased to inform the House that we have 28 students, Grade 8 standing, from the St. John Brebeuf School under the direction of Sister Patrick and Sister Buy. This school is situated in the constituency of the Honourable Minister of Industry and Commerce. On behalf of the members of the Legislative Assembly, I welcome you all here today.

On my right in the gallery I would like to mention the fact that we have 20 members of the 3rd Nokomis Cub Pack under the direction of Cub Master Freeth. This cub pack has their headquarters in the constituency of the Honourable Member for St. Vital. On behalf of the members of the Legislature, I welcome you all here today.

ORDERS OF THE DAY

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Member for St. Boniface. The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, the government of this province is quite proud of its Development Fund. They say it is the best way to encourage more industry, more firms, more businesses to establish in Manitoba. It provides an outlet for our products and also it is a means of giving employment to more of the citizens of our province. In fact the Minister and the government, the Cabinet, will not even give an accounting of this Fund. It refuses to give information to the taxpayers of this province whose money they are playing with. Mr. Speaker, wouldn't you think that such a government would be careful while awarding an important contract, a contract of a couple of million dollars? Wouldn't you think that a government who was so interested, who claims to be so interested, that besides the cost they would also consider different factors while awarding these contracts? For instance, encouraging Manitoba firms, especially when their bids are competitive or even lower. Now consider also the using of material produced in Manitoba and also consider the work that it is giving to the labour force of Manitoba.

Now it is true, Mr. Speaker, that the Minister accepted the Order for Return, but with some important modification or, I might say, with some important reservation. But no one from the government side stood up to defend or to explain the reasons why this was done, or to give assurance that this will not be repeated in the future. You would think that the government should be more concerned with the interest of Manitoba and with the interest of its citizens.

I'm told that the First Minister and the Minister of Industry and Commerce, when approached, made the verbal statement that this will never happen again, but the Minister who accepted, while speaking on this resolution. . . .

MR. ROBLIN: I would like to correct my honourable friend, if he attributes such a statement to me, he's incorrect.

MR. DESJARDINS: Mr. Speaker, I don't know why -- the First Minister had a chance. I said this before when he was in the House and he had a chance to speak on it, but now I'm closing the debate, it is a little late, and I repeat what I just finished saying, that I was told -- he could have denied this at the time -- that I was told that when he was approached he and the Minister of Industry and Commerce said that this would never be done again. Now he says that this isn't the case, and I would say that if this is the case, this was the answer of the First Minister, he was admitting that there had been a mistake in awarding this contract.

Also, I find it quite odd, Mr. Speaker, that the First Minister was here and this was the only way -- we're kind of restricted in the way we can get answers here. This was a resolution in order. The First Minister was in this House. Why didn't he speak up then? If he didn't want to speak on the motion what is he trying to do now? He had his chance. He didn't want to take this chance and now he'd like to interrupt. I say that he was admitting -- if he made the statement he was admitting something wrong, there was something wrong here. I also said that it was suggested that the ATCo people had advance notice of this tender. This wasn't denied at all and there was ample time, Mr. Speaker, to do this. Could it be that this government feels that it is above giving the information to the people of this province? Is this the case, the taxpayers have nothing to say here?

Mind you, Mr. Speaker, there was an article in the Free Press of Saturday dealing with the Kettle Rapids job and they state that it may help the exchange, and I think the point was that -- well, this was a good thing because of the clause that I referred to about giving the first chance to the people of Manitoba. Well, this sometimes was abused and sometimes you couldn't get the proper qualified people and the union started to battle it out with the contractors, and this was a good way because then the union would have no jurisdiction and they could bring in people from outside the province. But, Mr. Speaker, all the labour force in this contract of close to \$2 million comes from outside the province. There is no material from Manitoba. Everything was done pre fab in Alberta and sent in here and they'll send their experts to assemble it here. This is not the same thing.

It is also, and I quote a paragraph of this article, "Then there is the other side of the ATCo coin. At the Kelsey and Grand Rapids projects, on job conclusion there was heavy loss with camp housing. At Kelsey, much had to be burned as it was too costly to move. There was some trailer housing at Grand Rapids as well as other housing but there was loss there too." This seemed to indicate that there is only one firm that can do this, that there is nobody

(MR. DESJARDINS cont'd.) in Manitoba that can do this. Is the government ready to make the statement, to say that nobody in Manitoba could do this? They had a bid that was lower and they weren't given a chance and they were ready to accept the specs - they had to. The date of completion also -- I was informed on the side by some of the members across from me that these people could not deliver. Well they had to. If they brought in the award they had to meet all the demands in the specs and this was done -- must have been done. Then instead of this, the government chose to forget about their speeches here such as the speech of the Honourable Minister of Welfare who was very proud to say that all these new developments up in the north would give so much work to all the people in his constituency and the people up north, and I wonder what he has to say on this. If the government feels that it doesn't have to answer to the people of Manitoba because it didn't -- it was just, as I say, this Order for Return was accepted with some reservation. Well, I say that this is a sad state of affairs indeed, and if this is the case, I think the government should refrain from misleading the public from making statements such as the one that I said that the Minister made. He don't want to give any answer on this. It seems to be clear that there is something wrong here, that we have no confidence in the people of Manitoba. I'm told that they can make trailers here - they make pre fab houses in Steinbach and Ste. and so on - but we had to go to Alberta, all the material will come from Alberta and all the labour force will come from Alberta, and the tender was more than the one submitted by a Manitoba firm.

So I would -- at least, if the government seems to think that this is perfectly all right -- as I say, there was not a word mentioned and now the First Minister is trying to butt in. I would say that if this is the case that at least they shouldn't misrepresent the people of Manitoba.

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

MR. SPEAKER: Orders for Return. The Honourable Member for Burrows.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to move, seconded by the Honourable Member for Kildonan, that an Order of the House do issue for a Return showing the following information respecting the goods and services purchased by the Manitoba Centennial Corporation hereinafter listed:

1. Manitoba Centennial Souvenir Licence Plates:
 - (a) Manner of purchasing.
 - (b) Residence of all bona fide offerors to supply.
 - (c) Amount of each tender or quotation.
 - (d) Amount of each tender or quotation accepted.
 - (e) Indication whether supplier is a union-shop.
2. Printed Material - pamphlets, booklets, leaflets, news letters, handbills, posters and the like:
 - (a) Manner of purchasing.
 - (b) Residence of all bona fide offerors to supply.
 - (c) Amount of each tender or quotation.
 - (d) Amount of each tender or quotation accepted.
 - (e) Indication whether supplier is a union-shop.
3. Flags, pennants, banners, pins, badges, stickers, and the like:
 - (a) Manner of purchasing.
 - (b) Residence of all bona fide offerors to supply.
 - (c) Amount of each tender or quotation.
 - (d) Amount of each tender or quotation accepted.
 - (e) Indication whether supplier is a union-shop.
4. Advertising, publicity and promotion via radio, television, newspapers and magazines, and billboards:
 - (a) Total cost of preparation and publication or broadcast of this programme.
 - (b) Number of advertising, publicity and/or public relations agencies involved:
 - (i) Number of above firms resident and non-resident in Manitoba.
 - (ii) Amount of each contract in 4 (b) (i).
 - (iii) Manner of selection of firms in 4 (b).
 - (c) Number of radio stations, television stations, daily newspapers, weekly newspapers, within Manitoba and without, carrying the publicity and promotional campaign of the Manitoba Centennial Corporation.

MR. SPEAKER presented the motion.

MR. LYON: Mr. Speaker, in the absence of the Minister, I would say we have no objection to accepting this Order insofar as the information is within the knowledge of the government or the Centennial Corporation.

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

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I move, seconded by the Honourable Member for Wellington, That an Order of the House do issue for a Return showing:

1. How many full-time researchers are there within the Department of Education?
2. What are their duties, qualifications and salaries?

MR. SPEAKER presented the motion.

MR. DOERN: Before the question is put, I would like to offer a brief note of explanation. During the debates on the Department of Education estimates I, several times, asked the Minister for this information and he gave what to some people may have appeared to be an answer, but I don't think it was to this extent, that it's difficult to define the areas of research and the Minister pointed out correctly that there are hundreds of teachers involved and hundreds of people involved in what could be called - in a broad sense of the term of research - research, but I continually pressed him to answer the question of how many full-time researchers he had within his own department and that is the key word - "within". So this is the reason for the question. I want to know how many professional researchers per se there are within the Department of Education.

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

MR. SPEAKER: Address for Papers. The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, That an humble address be voted to His Honour the Lieutenant-Governor praying for:

1. Copies of all correspondence between the Government of Canada and the Government of Manitoba since 1965, regarding the establishment of a second national park in Manitoba;
2. Copies of any reports, studies, maps, agreements or other documents relative to the above project.

MR. SPEAKER presented the motion.

MR. LYON: Mr. Speaker, we have no objection to accepting this Address for Papers subject to the usual qualification of obtaining permission from the other government level involved and subject of course to the non-production of any material that may relate to matters currently under negotiation.

MR. MOLGAT: Mr. Speaker, I thank the Minister for his comments. I'd like to make a few comments on my Order for Return. It ties in with an Order for Return that was requested by the member for Emerson constituency at the last session in which the government did submit. At that time we asked for correspondence with the Government of Canada and the Government of Ontario relative to the possibility of establishing a national park in the southeast corner of Manitoba joining the Lake of the Woods and the North-West Angle. At that time the government did submit, when they made the return in March -- rather in April, they gave us the correspondence relative to this particular area.

What I'm concerned about now, Mr. Speaker, is the further correspondence insofar as other possible sites for a national park, because if one goes back to the earlier correspondence relative to the one in the southeast corner of Manitoba, and we had been promoting that one on the basis that it would be a great tourist attraction for the province being located in a very accessible area to the American States due to the fact that there is there geographical anomaly in the sense that the State of Minnesota has an area which it cannot reach at all except by going through Manitoba - the North-West Angle - that there is very definite historical background there due to the islands there where La Verendrye's men were murdered in the very beginnings of exploration here in the west.

The Minister told us then that their consultations with Ottawa and with Ontario led them to the conclusion that this was not a suitable site. I'm disappointed that this is so. I would hope that the government would reassess that situation because I believe that this would be an outstanding attraction insofar as the Province of Manitoba. We only need to look at what happened at the Peace Gardens in the other corner of the province, in a very pleasant area it is true, but it's not as large as this one, it hasn't got the lakes that this one has, and yet it has developed into an important tourist attraction for our province. And I'd like then to recommend

(MR. MOLGAT cont'd.) to the Minister that he has another look again at this corner. If we can't do it as a national park, then can we do it in conjunction with Ontario, with Minnesota and the Province of Manitoba. I'll have more to say at another time on the question of the road, the great river road which connects with this, but I'd like to submit at least this part of it.

Now coming back then to the decision of the government a year ago in their correspondence, they said to us at that time that, "The evaluations for a second national park in Manitoba, that it is regrettable that the evaluations of areas in the southeastern part of the province did not reveal any potential sites." I'm quoting now from a letter by the Federal Minister of Northern Affairs and National Resources, and he said that he'd be happy to have further discussions with the Province of Manitoba relative to another site. Subsequently - this was on the 7th September, 1965 - subsequently in February of 1966, about a year ago now, the Minister here, the Honourable Sterling R. Lyon, Minister of Mines and Natural Resources said, that "In reply to the letter of September 7th," - and he referred to the discussions that had been held on October 18th with the Federal officials - and he said, "As you know, a proposed study area for a second national park has been identified by my specialists. If you approve of the selection area recommended, I would suggest that direct contact between my Parks Branch staff and your Natural and Historic Resources Branch officials be allowed in order to make arrangements for a field survey of the area in the Spring of 1966." So it would appear, Mr. Speaker, from this that the Province of Manitoba had in fact decided on the location and has made a recommendation to the Federal Government. I say this on the basis of the letter from the Minister at that time.

I know that there is considerable demand in various parts of Manitoba for a second national park. There is a very considerable body of opinion that there should be one in northern Manitoba in the area of Clearwater Lake or any of those areas, in the general area between The Pas and Flin Flon. There's a feeling as well that other areas in the north should be set aside now as wilderness areas and so declared before any further steps were taken by any level of government to alienate some of the areas for other purposes. I know that I have made the request to the government on two occasions at least to consider the area north of Bissett because of the problems we've had there with the mine, the fact that even if the mine is rehabilitated we inevitably have to face the time when the ore will run out and that it is important to have other possibilities of employment development for the area.

So I obviously do not have the information that the department has as to the best site - possibly we could have more than one site in the province - but I think the time has come when the government should tell the people of the province what the plans are. It has, according to this, made a submission to the Federal Government, and so my request is to get the information out so the public will know exactly what the government has in mind. I think that we do owe an answer to the people in other areas of the province if the government is suggesting only one site, that these other people should know what the situation is and if the government then has plans for provincial parks rather than national parks.

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

MR. SPEAKER: Orders for Return. The Honourable the Leader of the official Opposition.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for St. George,

THAT an Order of the House do issue for a Return showing the following information relative to the establishment of a second national park in Manitoba:

1. how many meetings have so far been held with the Government of Canada or any of its officials.
2. the dates and locations of the meetings.
3. the names and official capacities of those attending the meetings.

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

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I beg to move, seconded by the Honourable Member for Kildonan, That an Order of the House do issue for a Return showing: The names of firms, their addresses and names and addresses of their directors in the pulp, lumber and/or any wood products industry in which Monoca A. G., Technopulp A. G., Churchill Forest Industries (Man.) Ltd., and/or Churchill Forest Industries Limited have a financial interest.

MR. SPEAKER presented the motion.

MR. GURNEY EVANS (Minister of Mines and Natural Resources) (Fort Rouge): Mr. Speaker, I would be glad to try and get this information so far as it's available and subject to any statutory limitations.

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

MR. SPEAKER: The motion of the Honourable the Member for St. George.

MR. GUTTORMSON: Mr. Speaker, I move, seconded by the Member for Ste. Rose, That an Order of the House do issue for a Return showing the following information with reference to Order of the House No. 12, dated December 15, 1966:

1. the amount of other revenue received by the Government of Manitoba from the two mining companies mentioned, with a breakdown showing the type of revenue.
2. the amounts of revenue received by the Manitoba Government from other mining companies operating in Manitoba, giving the breakdown for each company as to type of revenue.

MR. SPEAKER presented the motion.

MR. EVANS: Mr. Speaker, I should be glad to try to provide this information subject to any statutory limitations. I have particularly in mind The Income Tax Act.

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

MR. SPEAKER: Second Reading of Bills. Bill No. 17. The Honourable Minister of Mines and Natural Resources.

MR. EVANS: Mr. Speaker, may I have leave to have this stand?

MR. SPEAKER: The adjourned debate on second reading of bills. Bill No. 22. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I adjourned debate so that I could have a closer look at this bill, Bill No. 22, which has to do with the setting up of a branch of the Department of Agriculture -- The Water Control and Conservation Branch, that's the one. At the same time we're repealing certain other Acts and portions of other Acts and I am interested in a number of things that are contained in this bill. I would like to know from the Minister if he can give us some information as to what particular programs they have in mind; why the legislation has to be changed from the former legislation; and particularly in connection with certain aspects of the bill? The bill provides for the matter of purchase of land and I'm just wondering what the government has in mind, whether they require any additional property for new programs; are they contemplating any special conservation programs; and also will the provincial parks be included under this bill. As we all know, we have this new park up in the Birds Hill area and a lake is to be made in this park and does this all come under this particular branch. I notice too that the power of expropriation is contained in this bill and it seems to me that they not only can expropriate for their own purposes but also for other subsidiary organizations that are listed in the bill, and I feel very strongly on this point that we should not give excessive power in the way of expropriation to any organization or any department.

The matter of bridges is also contained in this bill, and when the bill that originally brought this matter into being was introduced a year or so ago I objected to that point very strongly. I feel that when the department has certain projects in mind and carries them out in connection with waterways that they should also be responsible for the construction of bridges that are required, otherwise we will be putting certain municipalities really in trouble if work is done on waterways in their particular municipalities and this could involve large expenditures in the way of building new bridges. And I can't quite see the government's reasoning in this matter. I feel that if we're originating these projects that we should also be responsible for bringing them to their conclusion and to foot the bill.

Another matter which I am interested in is the matter of cancelling of permits. The department has a right to issue permits for construction and so on in certain designated areas, and it seems to me if people will go to the expense of putting on buildings or doing construction work on these areas and then later on these permits are cancelled, I can't see the reasoning behind this and certainly I would think twice personally if I asked for a permit and did a certain amount of construction and later on the permit was invalidated.

Then, a large amount is left to the regulations again, and also the matter of designation of areas. And then particularly in Section 24 - although we're not supposed to deal with individual sections - but here we're giving power under the Act for the department to designate areas of one mile surrounding a certain project that they intend to work, and I think this seems rather excessive to me that we are placing that many people, and subjecting them to the clauses of this particular bill. And certainly I will have questions when we get to committee on this bill and have more to say at that time.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Highways.

HON. WALTER WEIR (Minister of Highways) (Minnedosa): Mr. Speaker, if no one else wishes to speak, I could adjourn the debate. First of all, I think that -- I'd appreciate many of the questions that the honourable members have raised at committee where I'll have a little technical assistance to give me a hand in answering some of them. I would like however to deal with two or three of the points that had been made.

The Member for Lakeside inquired when he spoke about the designated reservoir area and no definition in the Act. I think the section on Regulations defines fairly closely the area which can be designated as reservoir areas and I really think would look after that problem that he mentions.

As far as provincial waterways and the declaration by Order-in-Council as opposed to declaration by regulation, the main reason for this is that a provincial waterway is described by plan rather than by legal description and the plan is such a massive document that it becomes almost impossible to print within the Gazette as would be required under Regulations. Provincial waterways are declared now the same way as the various drains were under the old Land Drainage Arrangement Act, I believe the name of the Act was, although I can't be too sure; the same way it worked adequately then and it appears to be working adequately now and copies of the plan are sent to the interested municipalities and jurisdictions so that they are made aware of it by plan rather than by legal description.

The Honourable Member for Turtle Mountain inquired about water reservoirs and I think he was probably speaking of the potable water supplies behind structures which have been taken over from PFRA by the municipalities. Any fees that would ever come against these would be done under The Water Rights Act and certainly not under this Act. There's nothing in this Act which would tend to change any contracts that are existing with anyone at all.

And the Honourable Member for Rhineland talks about whether or not Birds Hill Park or parks would be included in this and the answer is definitely no. Why the change of legislation? Well, he asked the question and proceeded really to give the answer. The answer is to take the sections out of Agriculture which doesn't contain it and out of the other Acts where references are made bringing it all under the one statute. And he spoke of bridges: If I understood him correctly he inquired about the responsibility of bridges where the department or the branch would be constructing waterways. I believe that the answer is if there is actual physical construction on the waterway, that the responsibility for the bridges is taken over by the branch and is not a local responsibility.

I think that covers most of the detailed questions, Mr. Speaker, that there were on the bill. I will endeavour to have technical assistance with me at the time we're in committee.

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

MR. SPEAKER: Adjourned debate on second reading of Bill No. 24. The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, my comments on this bill will be very brief. Others who have commented on it before have brought in certain matters that also are my concern. One of the matters is naturally the appointing of a member of this House to this commission. Why are we doing this? Is it a matter of subsidizing the individual government members? Or are they there for the purpose of giving the government information that they otherwise might not get? Or just why are we going in this particular direction?

I've also noticed that the quorum of this commission will be set at three members and if you only have a quorum present, and if you have a matter arising and a majority decides it means that we'll have two people deciding the policy matters of this commission. I think this is not satisfactory.

There's certain provisions for regulations by the Lieutenant-Governor-in-Council to be approved that are -- and have yet to date never heard of any regulations being proposed by any body that have not been approved by the Lieutenant-Governor-in-Council. Naturally these problems probably are never brought to our attention. But I am very hesitant and I certainly do not approve of having too many government boards drawing up regulations and later becoming law and to be imposed on the people of this province.

MR. SPEAKER: Are you ready for the question?

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, I move, seconded by the Honourable Member for Selkirk, that the debate be adjourned.

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

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolve itself into Committee of Supply with the Honourable Member for Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Agriculture; Resolution 9. The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, the other day when we discussed the item that is before us at the present time, the First Minister's Salary under the Department of Agriculture, I spoke for several minutes on what I felt were some of the important matters that should be brought to the attention of the Minister and to this House. I mentioned the matter that I've brought up, continually probably, over most of the years that I've been in the House, and that is that the sale of our wheat and coarse grains, especially wheat, through the Wheat Board and that the Crown Agency of the Federal Government, the Canadian Wheat Board, to such a large extent controls the economy of this province. I was quite interested to read the message that the Honourable Minister gave at the Conference in Brandon and what he had to say on wheat sales and the encouraging outlook that we're facing in this matter and while the crops have been very good this last year, especially in Saskatchewan and Alberta, to some degree in Manitoba -- although we had some losses and considerable losses in my particular area through drowning and flooding, so that a good number of farmers were seriously hurt and certainly did not enjoy the prosperity that other farmers in western Canada do enjoy.

These sales that he is speaking of in his address, a large portion of them are made to the Communist countries of the world, and the reason why we've been able to make these sales is that we've also been able to give them credit advances and arrange deals -- whereas these matters we are unable to do the same for some of the countries that are friendly to us because of certain factors stated in the Bretton Woods Agreement whereby you have to sell for American Currency, for the American dollar to the countries that are friendly to us and we're participants of that agreement. We know that the Communist countries are not members to that agreement and therefore we can deal with them separately and this is one reason why we're having the success in our sales this last number of years. He also mentions other crops such as rape-seed and feels that the farmers of this province should go into this area to greater degree and also mentions that the sales or the value of the crop exceeded that of flaxseed for the first time.

At some future point in the estimates I would certainly like to hear from him about the disease that was prevalent last year in the rape crop of Manitoba. Certainly yields were affected very drastically right across the province on this very crop and whether the farmers will really stay with this crop as they have done for the past year is I think doubtful because of this very matter. Certainly this is a matter that should be looked into and if necessary to have research instituted and to remedy the situation if at all possible.

I also note that in the estimates that the research grant of the university has been cut down from 300,000 to 100,000 under one item, although then under another item we're increasing research grant but for other purposes, and I just hope that the program of plant breeding is not in anyway affected or reduced because I feel that this is a very important matter and that we should certainly not cut down in this area.

I would like to raise one matter and that is in connection with hog grading. Last fall when at the same time that protests came in from the consumers in this province, the housewives, that prices were abnormally high and that people couldn't afford to buy bacon and so on, that the price of hogs was cut down, but not only the price, the grading was cut down so badly. And I think this is where we should take a close look at because I didn't see no reason why the grading should be affected even if the price is, and so many people have asked me how come that the grading of hogs was reduced so badly. We have large producers and who had had very good gradings right along up until that time and then instead of getting A's there were B's and C's. This didn't make sense because the hogs were just as good as they had delivered previous to that; and this is a matter that I would like to have the Minister touch on and give us some explanation for it, because it stands to reason that certainly not all the producers in this province, or the greater portion of them, would all of a sudden raise a mediocre hog when they'd been raising first-class hogs right along.

(MR. FROESE cont'd.)

The cost-price squeeze of the farmer certainly will be on this coming year again and probably more so than before because the farmer will face increased taxation. The municipalities, especially in our area, and I'm sure that this is the case in other areas, the assessment has been increased tremendously and that under any new program, whether they adopt even the new foundation program, the general levy is going to be up and taxes are going to be up generally, so that farmers will have a more difficult situation facing them in the coming year. And I feel as I have already stated before when I spoke the other day that we need price increases in our farm commodities that the farmer sells.

Then, too, prices of machinery of various companies have already gone up last fall, and that any new purchases will mean the expenditures of more dollars and dollars that the farmer actually hasn't got or can badly spare.

I look with great interest in the agricultural report of this last year and especially so at the report on the Manitoba Marketing Board, but they only have two or three paragraphs on this and which gives us very little information. I think a Marketing Board and with the powers that it has we should have a greater detailed report of its activities and how it has affected the people of this province. Certainly when we get reports on our table from these various organizations that claim that they're in trouble or that they would like to see certain changes, certainly we should have some mention of this in our reports to that effect, because under the Act, the legislation in Manitoba, its marketing board or commission has such vast powers and I would certainly like to know more about it, how it has performed and what is the future of this. We know that there is a commission appointed and looking into this; I do hope that we will get a report sooner or later on this matter but at the same time I think we should be given some information in addition to what is contained in the report.

Mr. Speaker, I think these are a few of the matters that I wanted to raise at this instance. I will no doubt have other items that I want to comment on later as we go along.

MR. CAMPBELL: Mr. Chairman, I want to join briefly in the discussion that is taking place on what might be considered the general item of the Minister's estimates, and I'd like to begin by complimenting the Honourable the Minister not only on his appointment to a most important cabinet position in the Province of Manitoba, but also on the speech that he made some few weeks ago before the Christmas adjournment. He intervened in the debate at that time to give us something of his philosophy on the agricultural policy in the province of Manitoba, and I found it very heartening to realize that this Minister, unlike the First Minister of the province and his immediate two predecessors takes the position that those factors which are of the greatest importance to farmers lie in the federal jurisdiction rather than the provincial one, and I do compliment him on having arrived at that position. I don't know whether he cleared that speech with his leader because that's not the position that he's been taking until recently, and certainly the former Minister of Agriculture who occupied the position for some years took the position also that the province could do things that were just as important as lay in the federal field.

Now when our folks were over on that side of the House the gentleman who is presently the First Minister of the province used to berate us - to very good effect - by saying that we should be doing a lot more, and that the things that could be done in the provincial field would raise the position of the agricultural industry a great deal. I don't know that I would be correctly interpreting his remarks to say that he said they were more important than the federal field, but certainly it was indicated by both him and the immediate predecessor to my honourable friend that they were equally important. Now, why the present Minister is so wise, I believe, Mr. Chairman, to take his position as he did the other day, is that a good many of these things have been done. I'm prepared to give my honourable friends credit for that. A good many of the things that they promised they have put into effect. I'm all in favour of doing that even though I believe that some of them shouldn't have been put into effect, yet they promised them and they tried them, and yet we have the admission from the government itself, from the First Minister himself, that the agricultural industry is in difficulty, that the cost-price squeeze continues or is getting worse, and even his statement, his definite statement that poverty exists in the agricultural industry.

Well now, this is why I compliment my honourable friend who is presently in the seat of the Minister of Agriculture, that he has arrived at the position of recognizing that the things that really are of benefit, the things that really are the major factors in the agricultural situation lie with the Federal Department of Agriculture, the Federal Government, rather than with the

(MR. CAMPBELL cont'd.) provincial one, and that they even extend further afield than that and lie in great measure in the international field. So, my compliments to the Honourable the present Minister. I may have a few differences of opinion with him on some other matters but on that one I certainly am in agreement with him.

I'm glad to see that the Honourable Member for Brokenhead is in his seat because I listened with interest to his remarks and he told us, as I interpreted his statement, that he was going to give us a history of what had happened as a background to his agricultural statement at this time. Well I was interested in the history that he gave us. The only point of policy that I could catch and - though I believe the Hansard is now before us I have not yet had the opportunity of reading his remarks and I simply have to go on the notes that I made at that time plus my recollection - but I thought the only point of policy that he seemed to indicate, after berating both the Liberals and the Conservatives, was that we should have a two-price system for wheat. If there was any other concrete suggestion it escaped me.

Well now, this two-price system for wheat has been advocated for many years by some of us. I personally have been an advocate of it a long time. I don't recall my honourable friends of the New Democratic Party advocating it previously; it may be that they have; and I have always rather guessed that the reason that they haven't is that they probably shared a belief that is somewhat widely held that it could mean an increase in the cost of living to the consumers of Canada, and that for that reason they were not very friendly toward it. I have no response from the Honourable Member for Brokenhead but it seems to me that the Honourable Member for Inkster is shaking his head. What he means by that I'm certainly not able to gather. He evidently doesn't agree with what I'm saying. Well I'm in agreement with that suggestion and we'll probably have an opportunity to discuss it a little bit later on, and the Honourable the Member for Brokenhead will not find me disagreeing with him although he didn't go into any detail and when asked by my honourable friend - I think it was from Souris-Lansdowne - if he had made any calculations as to just what amount would be involved or how it would be distributed, he said that he was interested only in establishing the principle.

But the point that I wanted to discuss with my honourable friend from Brokenhead was when he said - and here I have to depend on the very incomplete notes that I took - when he said that the Liberal Government (and he was speaking of the 1950's, I think) that the Liberal Government of that day seemed to be reluctant to sell to Communist countries but the Conservatives who succeeded them deserve credit for stepping up the sales which he said was a good step. Mr. Chairman, this is one of the unfortunate policies of the public these times and it's a fallacy that has been perpetuated by the politicians themselves, and I'm sorry to see my honourable friend appearing to give some credence to it, this - this completely fallacious suggestion that the government of the day is the one that does the selling of wheat crops.

For years and years and years this job has been done by the Canadian Wheat Board, and over the years they've done a good job. Whether the Liberals try to take credit for it or the Conservatives try to take credit for it, the fact is that through the the members of that Board have been striving diligently to do the job that they were set up to do, and I'm sure that at times the politicians, particularly the Conservatives but maybe the Liberals as well - and I'll particularize further: particularly Alvin Hamilton - have been a millstone about their neck, and it's the politicians trying to pretend that they're doing this job when in effect they are leaving it entirely to the Wheat Board as they should. This is responsible for this misunderstanding. And one of the worst hoaxes that any politician - and that's taking in an awful lot of territory - but one of the worst hoaxes that any politician has ever tried to perpetuate upon the people of Canada was when Alvin Hamilton tried to pretend that he had had something to do with the sale of wheat to China, when he had taken the trouble to take himself and I think some of his assistants all the way over to China there to pretend to be present - to pretend to have negotiated the deal with China when in fact it had been signed by the Wheat Board some days earlier. And is my honourable friend for Brokenhead, when he's wanting to give the Conservatives credit, is he really placing a stamp of approval on that kind of a performance?

This is one of the things that gets politicians, and even democracy, into disrepute with the people of Canada, and so it should; and it's just remarkable, in my opinion, it's just remarkable that that action alone, that attempted hoax alone didn't dissipate with the farmers of western Canada the evident liking that they had for the Conservatives at that time. I thought that when that became public that the farmers would be disgusted with such a performance as that, but evidently to quite an extent the hoax worked. However, what I want to re-emphasize once again, Mr. Chairman, is, let's not, regardless of what the political parties and the

(MR. CAMPBELL, cont'd) individuals of them try to do, let's not us be led astray into thinking it's the government, either government, any government that does this selling. It's the Wheat Board; that's their job. And the government should keep out of their way in doing it and not try and make political capital out of it. That's why the Wheat Board was set up for us to do a good job and to take it out of the political field.

But then a further fact than that that my honourable friend from Brokenhead overlooks, is that he suggested this was done because of a good selling job. Regardless of whether it was a selling job by a government or a Wheat Board and I certainly think it's the Wheat Board, the real reason that they bought in those years was that the Communist countries had crop failures of their own and they needed the wheat, and it's easy for the Wheat Board to sell under those conditions. I don't want to belabour the point because it's so self-evident, Mr. Chairman, but let us lay, for goodness' sake for all time, this notion that it's the government that's doing the selling and let's try and encourage the politicians to quit trying to vie with one another for kudos by pretending that they do the direct handling of it. Provision of credit, agreeing to take soft currencies or to sell on credit, this is a governmental function, quite properly, but the selling of it is the Wheat Board's.

And then my honourable friend from Brokenhead spent some time telling us that because the government wasn't doing a good job, the Liberal Government of that day, that the wheat piled up in Saskatchewan and Manitoba and the prairies generally. Well, Mr. Chairman, I have repeatedly said that it's not my place or purpose to defend the Liberal Government at Ottawa, past or present, but when somebody - and I would do the same for the other party as far as that is concerned - when somebody suggests that the sales were greatly different during these years and that this fact was responsible for the piling up of the wheat, let me tell him that the real reason for the piling up of the wheat wasn't mainly because of any lack of selling by the Wheat Board - let me emphasize, not a government; by the Wheat Board - it wasn't any lack of their selling efforts. As a matter of fact their sales during the fifties that my honourable friend speaks of were very very close in amounts to what they were during the time of the next administration that he was speaking about. The sales weren't greatly different but the difference was that during those years that the Liberals were in - and I'm not trying to claim credit for the Liberals for this; please understand that I'm not trying to say that good crops happened on the prairies because the Liberals were in office; that's even more stupid than to suggest that they're the ones that do the selling of the grain - but the fact happened to be that, in those 1950's that my honourable friend is talking about, that we happened to have a succession of big crops.

MR. SAMUEL USKIW (Brokenhead): We have now too.

MR. CAMPBELL: We have now too, and again I'm not claiming credit for the Liberals because we have them now, but -- if my honourable friend wants to draw that conclusion, it's all right with me. The only point that I'm trying to make, and I wish that I could accomplish something to keep the Wheat Board out of politics, and I wish I could convince the federal people, both Conservative and Liberal, that they'd be better to stay out of it too; but the point I'm trying to make is that the Wheat Board through the years has been doing its best, and capably, to sell the grain and they were doing a pretty good job in those fifties that he's talking about, but the production was so high. It was so high that if you take the years - and my honourable friend if I caught him correctly was mentioning the fifties - if you take right through the fifties up to the time that the Liberals went out of office -- and I hate to make these comparisons; I make them only because my honourable friend did. I'm certainly not trying to say that they happened because of the Liberals being there, but the fact is that if you take the fifties during the time that the Liberals were in office and then take the next period during the time that the Conservatives were in office there was just about a hundred million bushels per year on the average more in production. It wasn't that the sales were so greatly different; this amounted to that huge surplus that my honourable friend speaks of. I had to, Mr. Chairman, I had to give these figures once before in this House. I hope we don't have to give them again because it's not the case that I think we should be debating. Let's get it firmly settled in our minds, it's the Wheat Board that does the selling. The governments, particularly in Alvin Hamilton's time, but some in Jimmy Gardiner's time too and Jimmy wasn't Minister of that, but some in his time too and perhaps we could mention some others - they have at times tried to pretend that they were definitely influencing the sales, and so far as credit arrangements and accepting soft currencies and things of that kind, government has a role to play, but in the selling - Wheat Board.

Now my honourable friend had some other matters that I won't take the time to deal with

(MR. CAMPBELL, cont'd) at the moment, but I did want to comment on that because he seemed to me to be suggesting that there was some difference in the situation because there was a Conservative government there at one time and a Liberal one at another. I don't think that the Wheat Board cares very much which one is down there.

One of the things that I would like to mention, though, in connection with the general wheat situation since this has been brought up - and quite properly, because it is one of the important things for the farmers in Manitoba - is that I have in my hand a short article that appeared in the Financial Post of October 10th, and I'm going to read only one short paragraph of it. It comments on the fact that apparently there's an extra large wheat crop, and this is dealing with the 1966 wheat crop. It calls it an 841 million crop. I believe that the final estimates place it a few million even higher than that. But then, having commented on the fact that here is a great crop for the West then it says: "Taking the return to farmers at about \$1.80 a bushel, western farmers can expect to collect about \$340 million more from wheat alone than last year, and they did that by taking the 841 million that they estimated the crop would be, deducting the crop of a year earlier, showing that there was such and such a difference and then multiplying it by \$1.80." Incidentally it happens that they were a little low on that too; it's higher than that, thank goodness. But they multiplied the difference between the two years at the full amount of \$1.80 and then said, "That's what the farmers are getting extra."

This is another of the fallacies that is so frequently presented to the public of Canada as the amount of money that the farmer gets. They take the whole price that he receives at Fort William and multiply it by his total production and say this is the money that the farmer gets. To begin with, as all the farmers in this House know and all the farmers outside of it know but so many other people don't seem to know, the price at Fort William is the No. 1 price at Fort William and only a percentage of the crop grades number one, and so right off the bat you have to take some cents off of that price because of the fact that the average is much below No. 1 Northern. The average is high this year in No. 1 Northern because big yields and good quality wheat go together, but in the average yields there's a distinct difference in what the No. 1 price is and what the farmer gets as an average price, because you have to take, perhaps 15 cents would not be too much when you take in an average year that more than a third of the crop will grade 3 Northern or less, and when you take the spreads between the two and average them out, I have put a rough figure that maybe 15 cents would not be too much to take off right away. Then you get an average price because of this factor that's considerably down.

Then articles like this forget all about the freight to Fort William and the freight, depending on where you live, can be anything up to 15 cents, 12 cents perhaps on an average, so you have to take that off before Then articles like this forget all about the handling charge, all about the storage, all about the commission, all about the elevation charges, and by the time you get down even accepting the Financial Post figure, by the time you get down what the farmers, what they should be figuring this at instead of about \$1.80 would be perhaps 30 or 35 cents off and maybe it should be about \$1.50 or \$1.45. Yet so many people blithely figure that this amount that they see is the price that the farmer receives when as a matter of fact it's a very different one. And then after it gets down to the \$1.45 or thereabouts, then that's when Mr. Farmer has to start paying his expenses. This isn't clear. He has to start paying his expenses at that level.

Dealing with expenses, Mr. Chairman, if the Honourable the First Minister were in I would take the time to comment on what is implied in the report of a speech that I have seen that the Honourable the First Minister gave to the Canadian Federation of Agriculture Conference recently in Winnipeg, when he seems to imply that the farmer out of a \$10,000 gross income nets \$4,000. Well now, if by "net" he means that that's the amount the farmer himself has left I can say that I think he's highly optimistic. It just doesn't happen that well, as a matter of fact, but I won't take time to comment on that now.

I would like instead, Mr. Chairman, to once again remind the House that wheat growing, even in this fair province and even with the wonderful record of production that we have, and regardless of whether Conservatives or Liberals are in office, wheat growing is a pretty hazardous business and the fact that we've had so many good years recently seems to me emphasizes the fact that we might, we might some of these times find that a change will come, because few people realize, especially when they've had a succession of good crops, few people realize the extent to which the farmers' production deals upon climate. We have good land in general. The wheat lands of the prairie provinces are, in general, excellent lands, probably

(MR. CAMPBELL, cont'd) . . . as good as a similar expanse any place in the world. But we have a difficult climate and climate means so much.

I like to give this startling statistic because I think that not enough people realize it; that we always have to remember that the old Palliser triangle part of the western prairies could be subject to dry conditions again and that's the part that contributes very very largely to these big wheat crops. When we have a good year they certainly produce bountifully, but in dry years they can go to the other extreme and the fact is, Mr. Chairman, as you well know because you have seen some dry years, it takes approximately a half a ton of water to produce one pound of wheat. Just one pound of wheat needs a thousand pounds of water, and when you recognize that factor you've got the key to the hazard that overhangs western agriculture all the time. That means that if you don't get the water in any given year that regardless of all the technological advances that have been made that you aren't going to get the crop, and when you translate that into large figures that means 30 tons of water, 30 tons of precipitation for one bushel of wheat. When you translate that again into a 30-bushel crop you can see that you're up to the neighbourhood of getting pretty close to 1,000 tons of water and you've got to recognize that you have to deal with such things as run-off and evaporation. That's part of the climate -- whether you get the rain or not. And then you've got the other part of the climate because you can get killing frost and we have been -- we have known years - and I have known years, Mr. Chairman - when there was a killing frost in every single month of the year including June, July and August and we once again, just as we had to give the plant breeders credit for having, to a considerable extent, relieved us of the hazard of rust, not completely but certainly significantly, similarly with earlier maturing varieties, we have to some extent escaped some of the dangers of frost but it still can come, at times does come, and this is another of the hazards that perpetually overhangs agriculture in this province. And so I join with the Minister in saying that we need - and with the Honourable Member for Brokenhead - in saying that we do need federal assistance in having long time agricultural programs and programs that will take into account these hazards and that will also take into account the next point that I'm coming to and that is the need of the world for food.

This is something where there's no difference of opinion, Mr. Chairman. All the experts I think without a single exception are prepared now to be in agreement on the fact of how badly the food is needed in the world and I want only to say in that connection that while agreeing completely with that, that I think that we have a right to expect that the Federal Government in this case and the international negotiations simply must, if they expect to have full production maintain, they simply must have price policies that are such that they will continue to give the farmers the incentive to produce to meet the need.

Now as far as my Honourable friend the Minister of Agriculture is concerned, his efforts I think, lie properly in the production end and such of those other areas that the province can use to - in their smaller way than the federal one - try and level out the effects of these hazards that I have been mentioning and I haven't exhausted them by any means. But to attempt to meet, do our part towards meeting the food needs of the world, I think warrants thought in insisting that the Federal Government, with whatever international co-operation it can get and must get, must assure the farmers that they have a program that will see to it that after we have run all these hazards of production and after we have raised the food that the world needs so badly that we're going to get a return for it that will enable us to stay in production and continue to expand that production and to increase it. Because this point - and with this I conclude this part of my remarks, Mr. Chairman - the fact that we face now what I think is one of the most interesting that can be brought up with regard to agriculture and I'm out of the provincial field and I'm out of the federal field and we're into the international field because this certainly is an international question today and the big single fact of the present world situation, I think, is this population explosion that has been happening and appears to be going to continue to happen in spite of all the family limiting exercises that may have been planned or practiced because Mr. Chairman, I think it's interesting to dwell for a moment on the fact that it took all the time of recorded history plus all the eons of time that preceded that recorded history for the world population to reach one and a half billion people. It took all the time up to 1930 for that to happen or about 1930. That was the time when the world population got to - so the experts tell us - approximately one and a half billion people and in the 35 years from that time to a year and a half ago, the experts tell us, that that population doubled from one and a half billion people to more than three billion people and they tell us -- the experts in this field have a specially good name which I'm afraid that I may not be able to pronounce and I'm sure I may not have the accent in

(MR. CAMPBELL, cont'd) the right place but it's sounds to me like demographers. The demographers tell us -- demographers -- tell us that by the year 2000, in other words another 35 year period, that that population will have more than doubled again and that the world population will be more than seven billion people and the question that is being posed now to all the agricultural experts is how are we going to feed them? And as has been pointed out in this House on occasions before, even with all the potential that we have here in the prairie provinces we still can't feed them all, we can't do that but we're the biggest surplus food producing area in the world--bar none--and given proper incentives on price we can do our part and of course the technologists have got to do their part too in getting over into those other countries and helping them to use their land and their fields in the best way to do their part in producing this food.

But you know an interesting thing in addition to the numbers of the population is where they're going to be. And the fact is, and I won't go into any detail on this, but the fact is that in 1930 when the world population reached approximately one and a half billion people the so called developed regions -- Europe, North America, Oceania and the U. S. S. R. taking those as the developed regions -- accounted for a third of the total population in the world and the so called undeveloped or less developed areas -- East Asia, South Asia, Africa and Latin America -- accounted for the other two thirds. Right now this balance has changed considerably that instead of a third we folks in the developed countries have only about 25 percent and the less developed areas have pretty nearly 75 percent and the estimates of my experts once again say that by the year 2000 when the population reaches more than seven billion, there will be less than 20 percent in the developed regions and more than 80 percent in the less developed regions. Well I think only this fact needs to be mentioned in order to show the immensity of the food problem that faces the world today. We can't - we can't do it all here. Certainly the other countries have got to get in too but we can do a good job of it provided that we have the right policies. My honourable friend will do his best to look after the policies so far as we're concerned here. I hope that between his persuasion of them and mine that we can get the national government to do its part which he and I agree is the more important one of the two and then it's up to them and this is a big job, but it's the job that's got to be done. The rest of them have got to do something in an international sphere as well and this is one of the reasons that we've got to realize that the negotiations that are now going on with regard to an International Wheat Agreement and so many other conferences, food and agriculture, monetary ones and all the rest are so important in order to see that all of us do the best job we can to try and cope with this situation.

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MR. CHAIRMAN: Would you like to proceed with some of the questions on the Minister of Agriculture's estimates?

HON. HARRY J. ENNS (Minister of Agriculture and Conservation) (ROCKWOOD-IBERVILLE): I believe, Mr. Chairman, that I'd like to comment on a few of the questions raised -- some of them go back to Friday last and we may be forgetting some of them.

It seems sort of common that here in the House we farmers seem to have a certain unanimity of opinion; somehow or other we seem to lose it when we go back home to our respective farms. The Member from Provencher or LaVerendrye I believe, spoke on Friday and the essence of some of his opening remarks were with respect to the fact that we should be working -- or the department should be emphasizing the fuller utilization and intensification of the present farm structure on the individual farms and I would certainly have to agree with him and I think I could point out to our farm business group program which is designed precisely to do just that. I think he will also agree that while certainly in many instances it's important to get started on a viable economic base but in very many other instances it's a matter of doing with what you have before you throw up your hands and say that you can't make it.

He mentioned a rather interesting question with respect to the cucumber machine and I raise it only because it is an interesting subject and perhaps some of the urban members would appreciate knowing that it's just tremendous the ingenuity of the manufacturers that now, in fact we have a machine that will go along and pick up the cucumber vines and pick not only cucumbers but the size that you want. It is my understanding that the trials conducted last summer were reasonably successful particularly in the once over operation. There is some extensive vine damage if you were using it over and over on the fields but some of these machines will be in operation in this part of the country next summer.

He also made a complaint with respect to the length of time it took for processing agricultural credit loans from our Manitoba Credit Corporation. I think that this is probably a very valid criticism from time to time especially when loans or applications for loans come in where it's late in the year, snow covers the fields, the situation can't be assessed till spring. However, on checking into it I'm told that a great number of the loans are processed in from -- anywhere from 18 to 26 - 25 days or within a month. Now just the actual breakdown percentage-wise, how many loans I don't have that but they tell me that if all goes well the situations -- there aren't any encumbrances and this can be done.

On his remarks about the Hog Marketing Commission and I'm certainly very interested to hear from him about the Hog Marketing Commission -- I respect the Honourable Member from LaVerendrye's opinions on this -- as one of the leading hog producers in the province, I think he's probably aware of the fact that the Hog Marketing Commission is planning to or has plans to expand into new facilities. I think a lot of the questions that he raises would be facilitated in these new -- some of the difficulties presently being experienced by the producers in their shipment, delivery of hogs would disappear if and when the new facilities should do become a fact. He requested that they look into the idea of broadening their market, trying to -- particularly I think he pointed out -- selling to the east. It is my understanding that this was tried on an experimental basis one or two days last year. It seemed however only to point out that the traditional differential between hogs -- you know the \$3.00 differential between Toronto and Winnipeg prices -- did in effect exist. It only brought that out more clearly and indicated just what kind of a competitive selling job the Hog Marketing Commission is doing in having considerably reduced that differential. Whether or not this is an area or service that they can expand in the future is questionable at this time. It would appear that our primary job will be to meet the market needs with respect to our own packing house facilities here for the time being. Certainly the question of settlement is one area that the Hog Commission perhaps comes in for what I'd like to think is only real valid criticism. There is this problem of difference, variations between the time the farmer gets his cheque and the time he delivered his hogs, and the fact that this varies all depending on where the hogs went to. I would have to agree with him; we've had discussions with the Hog Commission about this that probably the problem won't be satisfactorily solved until the Hog Commission is in a position to actually handle the settlements as he suggested, themselves. They're looking into this and I have hopes that they can perhaps move in this direction in the coming year.

Now the Honourable Member from Brokenhead gave us quite a dissertation on the problems of agriculture in this province, indeed Canada. He led us through not only through agricultural history but a lot of political history in so doing, and I would like to refrain my own comments to the jurisdiction that I have responsibility over and that's here in Manitoba. I'm rather

(MR. ENNS cont'd)... baffled when he claims a complete lack of long-range policies, and he makes the further point of saying this government had the particular good occasion to devise these policies during that time that we had a national Conservative Government and the Provincial Conservative Government here. I would have to ask him where and what category does he place such programs, such long-term programs as the Manitoba Crop Insurance into? Where would he have to place such programs as the Agricultural Credit Corporation into? Where would he place the tremendous efforts of research development and the actual results in the new varieties and so forth that are being, as my honourable friend the Member for Lakeside suggested, in combating rust and other problems. And I point out, these all require - or to a large extent require - a good amount of assistance and co-operation by the federal authorities. I just feel that that comment doesn't hold water.

He further referred to whatever has been done as charity. Now I don't know, Mr. Chairman, if you ask the recipient of a \$30,000 loan at the Credit Corporation whether that was charity or not, I don't think he'd agree with you, or indeed if you ask the farmer who's paying his new premium for crop insurance coverage whether he'd consider that any form of charity. I fail to see that line of reasoning. I think his basic point, the fact that the overriding national farm problem is that in the area of prices - and here again I would have to agree with all other speakers that have spoken that it is primarily and basically a national problem, and while we can't disassociate ourselves from the national scene because well, the national government isn't some mystic . . . we're part of it and we have our responsibility to try to influence this in every way we can, and we'll do so. We've demonstrated that. My leader has demonstrated that in his call for a national conference, and the honourable member, my friend from Brokenhead, he made quite an issue on this and he felt that we weren't calling long and hard enough. It kind of reminds me of the farmer calling for his hogs; you can holler all you want but what happens if they don't come. I would submit that the calling of a national conference is entirely the prerogative of the Prime Minister of this country. The Prime Minister indeed went out of his way to remind the leaders of Ontario and Quebec just recently last week, if my memory serves me right, who were thinking of calling a national conference on some constitutional matter, and the Prime Minister of this country made it a point of reminding him that the prerogative of calling such a conference lay with Ottawa. Now I don't say that we should stop or that we should desist from our efforts to have such a conference established. Indeed, we will be pushing this cause with the Prairie Economic Council, which he also brought up, to support us in this and buttress our request for such a conference, but to suggest that we can either get the three prairie provinces together or call a mini-national conference on our own, is really side-stepping the question. This is something that obviously requires the full consideration of the federal authorities before we can get to first base on this.

He makes quite a to-do about the problem of farm income and I don't know whether he was running out of material at the time he was speaking but he read us good parts of the different portions of the Report of the Manitoba Economics Council, and I would remind him that that council was established by this government and we are well aware of what's in that report and we don't like the figures any more than he does, but they're there and we printed them and we're going to try to do our darnedest to see what we can come up with. And when the Premier, when my leader talks about net incomes or sought after incomes, these are minimal figures; they are something to strive for, recognizing where they are now.

The Member from Rhineland got up next, I believe, and he in his opening remarks - and I don't think he really meant it this way but perhaps he did - he felt that in looking at the estimates of some six million plus that we're spending and relating it to the half billion that agriculture produced, he suggested that we're not spending enough, and went on to suggest that in relation to other departments, other departmental expenditures, we're not spending enough. Maybe I'm new in the game but I would suggest that surely we're not in a contest here to see how much money we can spend and (indeed I'll say this anyway, even though it'll probably be thrown back at me very quickly) I'm liable to say that right about now our department may get credit for not spending as much as some other members may suggest, but that's taking it out of context. I think if you look at the figures that are before you in the total figure of estimates you would surely have to take a good portion of my Honourable Minister of Highways' estimates in that the roads and highways that he's building certainly have a most meaningful service to our agricultural communities. You could go down the whole list of Ministers whose estimates include great portions of moneys that are going to be spent in rural Manitoba. Now some of these have a very direct and meaningful bearing on the actual production of our agriculture

(MR. ENNS cont'd). . . . industry; others contribute to what we'd like to refer to as just rural living as a whole. So that I don't for one minute accept the full figure that's at the bottom of my estimates as all that is being spent for agriculture, or for the agricultural industry in this province.

Again, we seemed to get hung up on the division of responsibilities as to whether or not just what we as a provincial jurisdiction can do with respect to the price of wheat and over-all pricing of agricultural products. We can do precisely what we have been doing and maybe more vigorously, but we aren't the end-all masters in this scene and we have to accept that, and while it's true these concerns should be voiced here, all types and means of pressure should be brought to bear on the federal authorities to try to correct these shortcomings, but to dwell on them continually is, in my opinion, not a fruitful effort for this, a provincial House, to work on.

He made some further comments this afternoon with respect to the sale of grains and wheats to the Iron Curtain countries, and he felt that similar arrangements weren't being made for friendly countries, countries that we've been dealing with over the past. I don't quite know what he means there. I think our Wheat Board is approaching all past and future prospective customers on the same basis. We may vary our credit restrictions from country to country in the hope of getting the very best deal for our western farmers.

On the question of rapeseed and the disease that we had in the crop, I'll grant you, any time we have a disease or sickness coming into some of our crops it's a serious problem, but the question or the suggestion that we throw up this crop because of difficulty would lead us nowhere because all our major crops have had their difficulties from time to time. You could have perhaps suggested the same for the first time rust attacked our province. I made those comments that I did at Brandon at the time only to underline that part of the game of building up a market for a new product is to ensure the reliability of supply. These markets can be built up and can be greatly expanded on if the potential customer or the customer knows that it's going to be there year after year, and if we have a promising crop like rape, as a special crop, as a means to further diversify our industry, this is in my very humble opinion an effort that shouldn't take second place to anything else. It's an area where you can very often supplement in your crop rotation very handily.

He made a particular comment, or expressed his concern rather, I should say, about the decrease in the University of Manitoba Faculty of Agriculture's estimate. I would point out to him that the decrease that is shown is only in capital. The actual increase for pure research, if that's the term he wants to use, is increased.

On the subject of grading hogs I'll have to admit I don't know. I'm unaware of the difficulty that the hog producers found themselves during the height of the ladies' boycott. The fact that it did bring down the producer price is self-evident; there's no denying that. But there is perhaps one possibility or suggestion made, and my honourable friend from La Verendrye would help me out on this; the fact that the prices were on the decline or not very favourable is perhaps reason to believe that in some instances hogs were kept longer than they normally would have been kept and could have some bearing on the grading. I'm told that the primary reason for lack of getting "A" is still overweight in this province. I just throw that off the top of my head; I don't know whether that would hold or not.

My esteemed and honourable colleague from Lakeside again very clearly re-stated a point that I think has been said several times now by the other speakers; he re-defined the division of federal and provincial responsibilities, and if this is on my part a departure on the part of the government's policy that I have the privilege of representing, then I don't know -- I suppose that's perhaps one of the dangers when you bring new blood into the Cabinet and the consultation isn't maybe two ways, you see, but I'm sure that a basic and fundamental point such as the over-all control of the price of world commodities such as wheat did not escape my leader or any other Ministers of my government and they were aware of it. In their zeal and in their efforts to improve those areas of agriculture that we do have jurisdiction over, they may well have over-stated the case, but the point is that the programs and policies that were brought in at that time, well before my time, fell into this category in that we are charged with the responsibility of doing what we can and it's quite true, as the Honourable Member from Lakeside said, it primarily hinges on the production end of it.

He dwelt at some length with the Honourable Member for Brokenhead's comments with respect to whose credit or whose responsibility lay with respect to the sales of wheat to the Iron Curtain countries, and by and large there isn't any real difference of opinion between him

(MR. ENNS cont'd).... and I on this. I would have to say in defence of my national leader, at that time the Prime Minister of the country, or indeed the honourable gentleman that he mentioned, Alvin Hamilton, that while I agree with you that the Wheat Board sells the wheat, that the governments of the day can indeed influence and change policies and factors that can emphasize this insofar as he himself stated, credit and acceptance of soft money. Now he did indicate this, but it came through rather softly at the end of his dissertation, and I further agree with him that it's on this point, and I would have no qualms about defending Messrs. Hamilton and my national leader, Mr. Diefenbaker, and commending them on their efforts of moving the vast pile of grain that we had at that time.

The question of two-price wheat and the whole area of price support, or commodity supports, is a most difficult one. I don't think that we in this government -- or indeed it would appear that successive federal governments of both colours have not come to a successful conclusion on this. It's very well to build up an agricultural economy on commodity support prices and so forth, but as evidenced, it isn't by any means the final answer. I think the recent experiences that England is having in their attempts to enter the Common Market, when we understand that one of the major stumbling blocks is the heavily subsidized agricultural industry of that country, and the tremendous adjustment that would have to take place if they were to enter into a common market with Europe in this particular case. We also like to think of ourselves, and I think the honourable gentlemen opposite me by and large agree, that we like to think of relatively liberal and free trade movement between ourselves and our neighbors to the south. Certainly in doing so we would have to recognize what the results would be of going into a highly subsidized farm economy. I reserve my judgment - is that permissible at this time? I don't have the answers. This government hasn't the answers on these questions and indeed the farm organizations such as the CFA or others haven't got the answers. Here is the reason for the conference that we have referred to in this Chamber. Obviously some solutions will have to be found. All I'm trying to say is that I can't quite go along with the vigorous way the Honourable Member from Lakeside depreciated the efforts of my national colleagues at that time in their efforts to sell the large quantities of grain of that day. I think the efforts were tremendous and I think by and large justifiably they or that Party has received its rewards with the loyalty with which they have returned Conservative members to the national scene from the grain growing areas.

His one comment that I'd like to, just in concluding these remarks, which interested me to some extent was his very descriptive and very real description of the hazardous nature that we in the western part of this country face in growing our wheat and basing our whole agricultural economy generally, and here again I can't help but say to the Honourable Member from Lakeside that while our Manitoba Crop Insurance will not replace a bumper crop, it has in effect put a floor price under that hazardous economy and I would hope that with the recently announced changes whereby a farmer can now guarantee himself of 80 percent of the long-term average - and that's taking the last ten years of the dirty thirties off of that average, and this is something that I'm sure he will admit wasn't there in the other years and something that we could look forward to hopefully while not presenting totally difficulties that may arise in the future, but certainly would go a long way in blunting the impact of - should we fall on evil days - of drought and what have you.

I think, Mr. Chairman, that with those few remarks I'd better let the debate proceed. I don't know whether I've handled them to the satisfaction of the members but I will continue to try so. Thank you.

MR. JOHN. P. TANCHAK (Emerson): Mr. Chairman.....

MR. ENNS: I believe the Member for Emerson was up.....

MR. TANCHAK: Thank you, Mr. Chairman, indeed I was up before the Minister - at the same time as the Minister spoke. I am sorry that I was not in last Friday. Unavoidably I had to be absent at a school meeting which was quite important too, and I didn't hear the Honourable Minister nor the other speakers, but since Hansard is on my desk I was able to read their comments on what they had to say on agriculture.

I was quite interested in what the Honourable Member from Brokenhead had said at that time and I'll come to it a little later - one particular phrase. It seems to me that he's trying to play up to the farmer at the present time. That's his privilege. Maybe it's politics but it's playing up to the farmer. He has a perfect right to do so being a farmer himself as he likes to remind us, but probably he of the NDP Party as a Socialist thinks that since now they've got Labour corralled in the head bracket by virtue of some of these rake-offs that's been taken off his toil, now trying for the farmer. And what struck me here, that he, being one of the younger

(MR. TANCHAK cont'd). . . . members in this House, makes a quotation and is telling some of the members older, much older in this House than myself, and that quotation is, "Let's do something about agriculture. Let's not play politics with agriculture, as has been the case for a number of years. Let's not play politics with agriculture." I think since we are in that arena we can't help, some of us, but to play politics. But I would like to ask you, Mr. Chairman, what was he doing for about half an hour last Friday? Isn't this playing politics when he goes into the realm of the Federal Government, the previous government, the present government. He mixes up Dief and Duff and the Liberals and the Conservatives, tries to make hash of them all at the same time. I would say that's playing politics. Everybody is no good. None of the parties are any good except the Party that he represents, the Socialists - holier than thou. But that's what they'd like to think; it's their privilege. They'll grow up and mature some of these days, except the NDP Party, but at the same time when he tries to make hash of Dief and Duff and Conservatives and Liberals, I'd like to ask you, Mr. Chairman, who was the Premier of Saskatchewan during that same era? Premier Lloyd. I think it was also a socialistic party. Why didn't he come up with this bright idea at the time? I would like to warn some of the newer members that some things are much easier said than done. This involves provincial politics, and it's politics; it's got to be politics. We have to play with politics. It involves federal politics and international when it comes to the sale of wheat, the price of wheat and all those things, so I don't think that any of the members, the older members should be admonished here with phrases like those "Let's not play politics" in this House.

I also read comments made by the Honourable the Minister of Agriculture, the new Minister of Agriculture. I hope that he is more informative in the future as he explains some of his departments. I've had occasion to hear right now answers to members, but in his opening speech, I don't think there was too much said there, a few compliments to the staff and praise of the farmers, and otherwise there was very little to sink your teeth in. I notice he makes reference to a total package deal but there was no explanation of that total package deal. I hope the Minister will explain that package deal as we make progress during this -- yes, he says it will be resolved; he'll explain it during the process of studying the estimates. It indicates as if it's some kind of a pill, that kind of a cure-all for all the ailments of agriculture just by reading the few comments that he had made, but I am sure that he'll justify his remarks as we go ahead in this.

We know that the farmer is a businessman. Everybody refers to farming now as that business of farming. We hear it on the radio and so on; also a producer - he must be by virtue of his occupation; but at the same time he's also a consumer, and as a consumer I always refer to the farmer as the greatest consumer in our nation, not only that he's consumer, and his family, of food and clothing which is made by some other industry, but he's also the greatest consumer because the tools that he has to work with are so very high-priced, very expensive; such tools as tractors, trucks, swathers, combines, ploughs, cultivators, seeders and so on and on and on. So, as the consumer, the farmer is the greatest consumer perhaps, taking him as an individual, in our country.

Now as a businessman we know that he has to plan his financing; he must probably borrow money for expansion; he has to finance his expansion. But as a producer he can't set a price on his product. This price is set by someone else but he still must buy the product that has a set price. Unlike the manufacturer or the professional, and even to a certain extent the labourer, he can never assure himself of a fair margin of return. Therefore, I think it's up to us politicians - and I'm including myself here - to go into that field, and we can't avoid politics. It's up to us at the provincial level, at the federal level, and higher up, to try to persuade the powers-to-be to improve the position of the farmer.

Now as a consumer - I mentioned consumer before - he has to pay for the tools that he uses at a price which is set by someone else in a more advantageous position who also is a producer at the same time, so that when the farmer has marketed his produce and paid some of his bills - I'm not going to say that he pays all of them - what does he usually find? He finds himself broke. Probably his wallet is full of white receipts plus a few white bills not paid, but he hasn't got any green bills left in his pocket and that's what really concerns me, him and all the rest, and that's what we mean by the cost-price squeeze. It seems to me that this balance, or this machine, this scale, the scale of income and costs is a balance that is very heavily on the side of costs. Sometimes his produce brings more money. The Minister boasted about it, that the provincial gross income was greater than ever; set a record; and I agree with him, but it doesn't mean that since the farmer got more money that he's better off now because

(MR. TANCHAK cont'd).... although he did get more money this year the cost of the tools that he has to use constantly keep going up. Therefore he has to pay more for the tools of his labour.

So again we come back to this cost-price squeeze. Some people hear that word quite often especially the people in the City of Winnipeg, but it doesn't mean very much to them. You've had, because -- and I'm not blaming them because probably most of them don't understand this business of farming - we have consumer protests. You've had occasion to listen to one here and I'm not objecting to their actions whatsoever, but a farmer is so busy that he can't even organize a consumer protest. Of course, there's some groups that speak on his behalf. He cannot do it. We hear of strikes, professionals, labour and so on. They can afford to take a chance on a strike. They can go out on a strike, stop working. But what about a farmer? It would be financial suicide to a farmer if he ever went on a strike - on a real strike. He'd probably kill himself because it would cost him plenty of money, a lot of money. He can't just simply sit down and do nothing. Naturally he'd have to milk his cows and pour the milk out if he went on a milk strike. But that costs him money. The cows have to be fed and that would be financial suicide. He can refuse to seed his grain if he went on a strike but it will cost him plenty of money, a lot of money. He still has to keep his fields clean. He still has to look after his farm. He can't neglect it because if he doesn't the weed inspector will be after him and then he has to be ready for the time when the strike is over. Therefore, he cannot go on a strike because, as I said, it would be financial suicide.

This government likes to boast of the different things and probably the Minister refers to those, but they're in the past and when he says a package deal refers to farm credit, Manitoba Farm Credit Corporation, I'm not complaining about that. The farmer has money more readily available now although he could have got it from the federal, the Farm Loans, but this has its place too in the business of farming. But I wonder if he's including that in the package deal. That's in the past. We've got it already and I'm not complaining about it.-- (Interjection)-- Yes, I was just going to come to it. The Minister probably, and as I reviewed that could add on sums to it, but the principle of it is there. What other package deal is there? But again when the farmer makes a loan, he borrows some money; he's got to do it; he's forced to do it because he must expand, and he has to; for expansion he needs money. He might have to buy more land; he might have to buy more machinery. But at the same time this also adds or aggravates the cost-price squeeze because he has to pay interest on this loan. He must pay interest and that's part of his overhead but he's got to do it. The government can also include in the package deal the crop insurance, and again I'll say, the area covered is being enlarged, but still the principle was established before so it's nothing new. It's part of the past that has been established in the past.

I would like to see in this package deal something really brand new. Maybe it's very difficult for me or the Minister to think of something new but we should always try for that. He might have to buy fertilizers. The Minister boasts or praises the farmer for making use of more fertilizer. That's fine. He has learned that in order to improve his productivity in many areas or in most areas he must use more fertilizer. That also adds to the cost but he can't help it; he's got to accept that. So I would say the total package deal is a very nice-sounding phrase but it is just a phrase, and I wonder in that package how much more something really new the present new Minister has to offer the farmers of Manitoba, because just giving them high-sounding phrases I don't think helps too much as far as the cost-price squeeze is concerned. The national farm meets, I agree with that, that we have to have it; and the regional farm meets, but I would still say that it is the duty and the responsibility of this government to show leadership, it doesn't matter at what level. Say that the federal people have more responsibility as far as the sale of farmers' products and the cost of those products, but I don't think it will hurt for any Minister or Premier or any individual down at the provincial level to conceive some wonderful idea and bring it forth to the Federal Government, and if it's a good one I'm sure that the people higher up will heed it. So I think it is the duty of the Minister, the duty of this government and our duty to show leadership and think of this, think how we can take that sting, the sting out of this cost-price squeeze to the farmer.

MR. MICHAEL KAWCHUK (Ethelbert Plains): Mr. Chairman, at the outset of course, not having an opportunity to participate in the Throne Speech debate I would like to take this opportunity to extend to the Honourable the Minister of Agriculture my sincere congratulations on accepting this very challenging and responsible portfolio. Insofar as being brief in his remarks here Friday he probably was aware of the little story that is often told by a Ph. D.

(MR. KAWCHUK cont'd) . . . student who was working on his thesis in a midwestern university, and it was entitled, "Sociological Aspects of Plural Marriages in Six Northern Counties of Utah," and it was such a tremendous thesis, a great amount of work had gone into it, that he was urged to have this published. However, approaching several publishers he was unable to do so and then in sheer desperation he changed the title from "Sociological Aspects of Plural Marriages in Six Counties in Northern Utah" to a simple and short title: "Is One Marriage Enough?" and according to the last report the book was published and became a best seller. So I imagine that was what the Minister had in mind when he was brief. He wanted to sell his program and not confuse the issues.

I would also like to congratulate and extend our compliments and appreciation to the civil servants, and perhaps at this time I could also commend the new appointees to their responsible jobs, and at this time I have in mind the soil specialist in the Dauphin area, Mr. Graham Somers, whom we got to know so well and served our area well, and I would just like to publicly wish him well in his new endeavours.

While I'm still handing out bouquets I might as well express our appreciation to the department for the services they provide such as the TV programs entitled, "This Business of Farming," "The Outlook on Farms" which has been held now for the fourth year, and I know when this program was extended to northern Manitoba which was held in Dauphin, I speak on behalf of northern farmers when I say that we certainly appreciated having that program moved to that portion of the province. I also want to compliment them on the soil testing program they saw fit to implement in this province, and I think the benefits are very obvious and there are more and more farmers participating in that program each year.

Then we come along to crop insurance and at this item I'm just not too sure how I'm supposed to handle it. Although I must say that the farmers in Manitoba appreciate having this crop insurance available to them and after five or six years of continuous requests to have this improved it is gratifying that the government did make some improvements, however, I do not believe that they had gone far enough and I won't cover that issue any further this time because I notice it comes up under a special item in the estimates and at that time I wish to enlarge. However, I must make a few comments here with respect to the federal scene, and I must thank the Honourable Member for Emerson for setting me clear on this issue because I wasn't able to understand why there was so much confusion with respect to our agricultural policy in Ottawa, and he answered it for me by saying the urban people do not understand this business of farming so perhaps that is the classification our friend Joe, the Federal Minister of Agriculture, is in; he just doesn't know where to go. Perhaps I shouldn't go into the federal scene - I have quite a few topics to touch on provincially; but in view of the fact that there might be a national farm conference held it is probably my responsibility and duty to give the new Minister of Agriculture as much information as possible so he can take it back to this conference and make it as productive as possible. Although he has referred to the little story there that you could do the calling but they won't come, I was happy - not that I the word of course, but I would just throw in for good measure that that probably includes both the Liberals and the Conservatives. --(Interjection)-- They haven't been called upon yet. --(Interjection)-- I'm in a pretty good mood today so I won't really take it out on them today. I'll wait till tomorrow.

If I can just refer to the group right to my right here and remind them of the promises they made back in 1963 which was something to the effect of national marketing boards and a \$2.00 per bushel minimum for our wheat plus some candidates were out advocating a two-price system and so forth and so on, although I must admit at this time that they just weren't quite coherent in their programs and platforms because each individual candidate seemed to have a different story to crow about. However, I remember that there was a lot of this said at that time; however, since then there has been no mention of it whatsoever, irrespective of the fact that about three months later, after the Liberal government got into power in Ottawa, the price of wheat dropped 17 cents and they never even mentioned it. At the same time the price of bread was increased two cents and the government of that day, which was a Liberal government, did not even bring it to the attention of their own people. And I know that the candidate back at home in Dauphin wrote - and he showed me the correspondence - to the federal people, and they even refused to give him a decent answer. I must say at this time to my honourable friend here, I'm sorry I haven't got that pamphlet here but it was a survey made by an American bank and it was very interesting. It went on to show that a dollar injected into the farming community produced an accumulated value of \$7.00 by the time it got back to the federal treasury. As a contrast to that it indicated that a dollar injected into the labour factor produced an accumulative

(MR. KAWCHUK cont'd).... value of \$3.00, and if you consider that and that alone I think there is justification in having more money injected into the farming economy which is so desperately in need of it today because a farmer is one of those who does not save his money; he immediately spends it, as it is very evident in the credit corporation reports here, and that in turn gives or creates a demand for other goods and services which in turn gives employment to the labour and so forth and so on, and then by having that done you have the whole economy progressing in a forward movement insofar as economic growth is concerned, and that of course is something we are badly in need of at this time in Canada, is to increase our economic growth and of course enlarge upon our gross national income, and that this might be something to keep back in your mind when you're discussing issues and policies at the National Farm Conference if it is ever held.

Getting back to the provincial issues, and I must say that during the campaign there were a lot of promises made and of course one of them was purple gas promised, and as yet -- we know there will be some legislation with respect to that; we haven't found out what it is going to be yet and we're anxiously awaiting that promise.

However there was another promise made about expansion of farm business groups. As a matter of fact I think it went as far as to say that they will be increased three-fold. I was just wondering if the Minister could elaborate a little further on that and see just how far the government is prepared to go at this time. And I might just add at this point here, if there's any consideration given to those who have already completed the four-year course, in having kind of a continuation, briefing up course available to them.

I might also ask the Minister of Agriculture what has been done with respect to the seed cleaning plants that were promised in the last election. In my own constituency there were four promised and even more recently there were people going around trying to sell shares for this - something to that effect anyway, trying to get some commitments, and I was wondering if the Honourable Minister of Agriculture could just assure me whether or not I'll be able to get my seeds cleaned this spring in one of these seed cleaning plants. As yet I don't see any construction going on.

There's also the problem of an agricultural engineer in the Dauphin area. At one time we were privileged to have the services of one; however, in more recent years one has not been available and I was just wondering if the department would give any consideration to having an agricultural engineer available for northern Manitoba.

Then perhaps I might ask the Minister of Agriculture what he intends to do about the butter shortage. As a rule we were in an export position, and it was as recent as last spring that we had to import a carload of butter from the Province of Quebec into the Dauphin area, the first time I believe in the history of the province, and I understand that the situation is more or less the same right throughout the province.

I was happy to see the Member for Lakeside finally come around to the fact that the only solution to our farm problem today is price. We in our group tried to emphasize upon them about fifteen years ago that this was the only solution. However they did not see it that way at that time; they pushed efficiency, more credit and what have you, and at least I'm happy to realize that at least now we are thinking on an equal basis and I only hope he will be able to relate that to the federal authorities. --(Interjection)-- You said all experts are in agreement this afternoon. if I got it right; unless I misunderstood your remarks.

This brings us perhaps to another phase and that of course is the alternative to what was suggested - a new price system; or what we have been advocating was a parity price or something that would commensurate for the services and the costs of production the farmer has to put into producing the farm commodities which he of course sells today at the open market and as a result the returns are not justifiable to carry on in view of the fact of the cost-price squeeze, and at this stage I'd just like to read you something that's been obtained from the Farm Business Summary: "Analysis of the Farm Business Summary for the past two years shows up a critical trend in this respect. It must be remembered that the farms and the farm business groups across the province are what might be termed as the larger and better-managed farm operations, yet they showed in 1963 in the 41-62 . . . index group involving over 70 farms the number of man days work was 368 which brought an average of total operating receipts of \$12,634.00. In 1964 the number of man days worked increased to 547 days, an increase of 48 percent, while the total receipts increased to only \$13,202.00 or an increase of less than five percent." To put it another way, for increasing the number of days by 48 percent, the farmer only realized an additional \$600.00, and it would probably be worthy to note that 368 days work

(MR. KAWCHAK cont'd)..... is just somewhat more than a year ago so I would imagine that one would be justified to say that the farmer today is efficient as well as producing at capacity and yet he is not realizing a fair share of the national income. Today we have 10 percent of our national population engaged in the occupation of farming and only realizing five percent of the national income. A lot of these fellows around here have been referring to this as the cost-price squeeze. Honourable members, it is no longer a cost-price squeeze. It has reached a stage of economic injustice and nothing else, when the farmers have pooled all their resources, have produced all the grain they could possibly produce under present conditions with the weapons they have at their disposal at this present time. They've helped the Canadian economy in balancing the payments; they've produced cheap food for them; and yet it seems that the farmer is not entitled to a fair share of the national income; he's not entitled to provide a decent standard of living for his family. We have today in the province 25 percent of the farmers who are receiving less than \$2,500 income. In the rural..... area classification we have 48 percent of the people receiving less than \$3,000 per year, and that according to the economists is a poverty situation. And yet the government of today in Ottawa as well as the government of five years ago do not seem to realize that there is a pressing need to increase the flow of money into the farming economy.

Now with those few little words - I'll probably have more to say as we continue on the estimates and I'd like to thank you.

MR. M. E. MCKELLAR (Souris-Lansdowne): Mr. Chairman, this has been a very interesting afternoon and while it isn't making us any dollars or cents for the farmers I think that we've had a few statements made that really defined the position of a number of our political parties here this afternoon.

Before I go on further I'd like to congratulate our Minister of Agriculture on the way that he handled himself this afternoon in answering the numbers of questions that were put to him, and we think that he will be able to look after the farmers' interests for a few years to come.

But getting back to one of the speeches made by the Honourable Member for Brokenhead, it just about brought me off my feet the other afternoon when he more or less looked at me and accused me as a member of the government in the days back in '58. That seems to be quite a ways back in the history of the members sitting here because when I look around I think there's only ten members older than myself in seniority who presently sit in this House, and it does make you feel rather ancient in that regard but I still hope that I have a few years to sit in here and also be a farmer too at the same time. Also I'm very glad to see our honourable member here, Harry Shewman, back with us. Harry during his days in this House since 1949 has been a very valuable member in this Legislature for the farmers of Manitoba, and we're very happy to see you back, Harry. I only hope the good Lord is with you to keep you healthy and wealthy at the same time for many years to come.

Well, getting back to this business of agriculture, as they call it, the business of farming. It reminds me that --(Interjection)-- no, not of the widow, not today. There's no greater believer in the Bible than the farmer because he's always looking into the future - tomorrow's too late; and we farmers even if we do get hailed out the odd time or dried out or rusted out, you can always see a smile on their face most of the time, and I think this is one of the things that the farmers have in their favour, that they always are looking at the future hoping that tomorrow will put numbers of dollars into their pockets and they will lead the normal life for the next 365 days. Well this last couple or few years we've been blessed with good crops which, as most of you know, helped solve some of our problems and I know that had it not been for three hail storms in the last 11 years I'd have been in real good financial shape regardless; I was hailed out completely in '56, half hailed out in '57 and all hailed out in '62. It just so happened those were about three of the best years that you could have had going for you. I'll never forget 1956 when I went out to the fields with a swather at 2:00 o'clock that afternoon and the wheat was standing up shoulder high - about a 45 bushel - acre wheat crop. Quarter to six there come up the clouds in the sky and at six o'clock it was all gone. That was the last swathing I ever did. Well, it sure takes a lot of bricks to overcome this and I think we farmers of Manitoba have overcome this during past generations and we'll overcome some of the problems from the past, and I often think of the Manitoba Stock-growers who are an organization which I prize very much in our Province of Manitoba, and they said, "Do not worry about the government," they said. "We'll look after our own problems if only the government would stay out of our business." And so far the government has stayed out of the business of production of livestock and I think that the livestock production has held up very good. While some of us might

(MR. McKELLAR cont'd)..... not think the prices are maybe what we should, I think that over the years the livestock industry has been well taken care of in this respect.

Now the Honourable Member for Brokenhead gave me a little dig there when he said I didn't do very much in 1958 or haven't done very much since, I guess, but I came in as a new member along with some and I think that I'm actually the only active farming member -- we have a number of active farmers here that came in the year after and a lot more since then, but I was one of the ones that was in 1958 and did have the pleasure of working out policy on agricultural credit and also on crop insurance. Having had experience in the insurance industry I lent them my views on how this could be worked out to the best from both the farmer's point of view and the government's point of view, and I am pleased, Mr. Minister, that this has been changed this year along with the reducing this -- this is always one of my arguments - 35 year average was far too long. You took into consideration the dirty thirties which we all came through and it brought the average yield far too low, and this year it's been changed and I am greatly pleased about this because I think this will be a real advantage. Also, too, the Federal Government picking up 25 percent of the cost of administration which also reduces my premiums that I'm going to have to pay, and I was checking over the rates that would be involved and my rate -- the 72¢ an acre on wheat would give me an average protection of \$17.00 an acre and an E4 rating of land, which isn't the best rating of land compared to what I have a mile east as they get into the C4 between Nesbitt and Wawanesa. I'm also told that in our area we have some of the best wheat land in Manitoba which is the 4 rating, and I was greatly pleased about that because I thought maybe in the future it might make a few cents in my pocket if I could tell somebody that this was the case when they come to buy a farm when I'm ready to sell out about 1990 or 1985, but this is -- some of the things that have been changed this year I think will correct this.

Also on agricultural credit I think this has been one policy and I'll never forget the hue and cry of the fathers who wanted to set their sons up in business in 1958. They couldn't obtain credit. At that time the Farm Credit Corporation were reluctant to lend money unless you had money in your pocket, and even today I think the Farm Credit Corporation has been revised, that they're doing a terrific job and lending out millions of dollars to the farming industry across western Canada.

Also, our Manitoba Farm Credit Corporation was specially set up for the young farmers in Manitoba. At that time it was the age 31 which was the maximum age at which they could qualify for the four percent interest rate. At the present time it's raised to 35 years of age. Still I don't qualify; I just happened to be a little too old at all times, but I think this is a terrific thing for the young farmers of Manitoba. A number of young farmers have gone into business which otherwise they would not have the privilege of doing so had it not been for this policy of agricultural credit.

Also, too, I would like to say that during those early years we did set up some amounts of research in the university trying to help the farmers in many ways, and I think there could be a lot more information given out to the average farmer. This is only maybe the criticism I feel personally, that there's a terrific amount of information at the universities that the farmers have for getting, but it never seems to get to the farmers. I don't know why this is but it never seems to get to the average farmers, and I think maybe we could do a great deal getting this information. On my desk here I have a bible, a farmer's bible, and if any of you have never seen a farmer's bible this is what it looks like right here. I don't want to advertise the company but you can get this for \$1.50 and it's got all your answers to all your problems - \$1.50. --(Interjection)-- Frankly there is - to the farmer there is, yes. But this is a terrific book and also it looks into some of the questions on farm machinery testing. There's also information in here. This information - well then I'll mention the name of the company: United Grain Growers - is information supplied through all the universities of western Canada and other sources of information which comes from the various provincial governments. So I advise you to trot down to the United Grain Growers if you're a member of that great organization and give them a dollar and a half and they'll keep you up-to-date with this farmer's bible. --(Interjection)--

Well, the honourable member -- we'll get onto that subject later when we get on to Welfare here. This is another subject for that matter. It's easy to see the Honourable Member for St. George is not a farmer anyway because his thoughts are on other ideas, as I say, other than farming, and I know he's been a very productive man and eventually he'll be a grandfather and maybe he'll have other duties to perform in his later years in life too.

(MR. McKELLAR cont'd)....

I was greatly interested this afternoon to hear these different speeches especially by the Member for Ethelbert too when he expressed the policy of other different parties and also expressed the policies of his party where they're only interested in price. I'll never forget - many of the members here in the House didn't know him - Peter Wagner, the Honourable Member for Fisher at that time. Peter used to cry about the price of eggs every morning and he cried about the price of bacon in the afternoon and something else in the evening, and that was the time this Stabilization Act was passed in Ottawa, Bill 237. I'll never forget that Act. Nobody ever mentions it any more. It's still there in the book; nobody has to use it any more because all it did was provide a floor price for the farmer's products - 80 percent of the long-term average - and since then it hasn't had to be used. At that time this policy was no good. Well this -- I'm all in favour of a minimum price in any product, I don't care what it is, a minimum price, but I think besides price we all have -- as farmers I'm concerned, about the number of bushels I sell. I'm not concerned only with the dollars per bushel. I'm concerned about the number of bushels that I'm going to sell out of my granary in a given year, and I think this past year was a good example that we as farmers are going to have more money because more grain was sold than we put on the open quota till I think the 20th of August, which made it possible to empty our granaries and now we in turn, while we won't get some of the benefits of the 1968 in our final payments, we will have the benefit of knowing that we're going to get considerably more dollars in the next two years. This is the thing that I've always been anxious for. I never was anxious actually only arguing for the price of grain, but I thought that the markets, the selling of our grains on our farms and the selling of our livestock products was the most important thing. We can't make any money if wheat was \$4.00 a bushel. If I was only able to sell 2000 bushels of wheat I couldn't make any money even at \$4.00 a bushel, but if I could sell 5,000 bushels at \$2.00 a bushel I can make a lot; this is where I can stay in business. So I'm happy not only praising up John Diefenbaker and Alvin Hamilton, I think that the Canadian Wheat Board, and I'll give -- it can't be Mr. Green because this has been a kind of a run-around policy down there. First it was -- since 1963 it went from Agriculture to Trade and Commerce then to Finance and back in Trade and Commerce again, so the Wheat Board had a kind of a run-around lately not only from different ministers but also from different levels of ministerial positions. But in any case the Canadian Wheat Board are doing a good job selling our grains and I only hope that they continue to do so for the next number of years.

One other thing that I would like to mention is this coming year -- I think that the farmers are greatly dependent on the university and their experimental farms in providing us with good seed, and I think this coming year we're really at an advantage as farmers. We have Manitou wheat, the new wheat out which every farmer can obtain. We have Conquest barley which every farmer can obtain in Western Canada. We'd also have Harman oats I think which are in considerable supply and Noralta flax which is the new flax out which many of us can obtain. This means that we have four rust-resistant grains which will benefit the farmers of western Canada to no end, because I think rust is one of our major problems in trying to raise a crop and I think that the farmers should take advantage of sowing these very good seeds. In fact the other day I bought 40 bushels of Noralta flax from the Honourable Member from Rock Lake while sitting in my seat here at eight dollars and a half a bushel, so this is -- if you want to buy some more Noralta flax and gamble a bit he's got plenty of it to sell he says, also other varieties of grain. So I think that this is a -- if you want to protect your investment in the farming industry be sure and sow good seed and I think that while the Honourable Member for Ethelbert hasn't got seed-cleaning plants I think the member right behind him if he'll take his seed to Russell he can get his seed cleaned any time he wants. --(Interjection)-- Well, I think that you'd better just let private enterprise look after it for the time being and I think you did a terrific job in the seed cleaning plants because I got five seed cleaning plants for my constituency operated by private individuals and they're doing a terrific job for the farmers in southwestern Manitoba, and I think you'd be well advised to go to Russell with your seed even if it is a few miles further.

Well, Mr. Chairman and members of the committee, I don't think there's much else I'd like to say at this time. We could argue from daylight to darkness whether the Conservatives are the best government in Ottawa or whether the Liberals are the best government in Ottawa, and the NDPs can say they would be the best government in Ottawa if given the chance. I don't think they'll be there for a long while because farmers are not socialists, and I'll say this again, farmers are not socialists. --(Interjection)-- No, there might be two here, but they're outnumbered by a long shot and they always will be outnumbered. --(Interjection)-- I'll tell you,

(MR. McKELLAR cont'd)..... you put \$10,000 in a Socialist's pocket and he'd be a Conservative overnight too. That's just how long it takes to turn a Socialist into a Conservative, just about that long - just about that long. So --(Interjection)-- I don't know about that. I don't know about that, but I'm a free enterprise at heart and a Conservative at heart, I'm a Conservative at heart and always will be because I think that the free enterprise system did something for this country and will continue to do something, and if the government start messing around too much then heaven help us. Heaven help us. And I agree with the Minister of Agriculture that we should go slowly on some -- and just because you're going into something and for the sake of doing it isn't necessarily the right thing. I think that we've got to be cautious and only through that will we come out with the right policies for the people of Manitoba. Getting back to policies, during the last election there was a most interesting commentary

MR. LYON: Mr. Chairman, I hate to interrupt the honourable member in the middle of his most

MR. McKELLAR: I've just got one little thing in closing my speech. --(Interjection)-- No, this is better than the widow. This is better than widows. This is one policy I had to fight in the last election and it's the policy of the Liberal Party and I... It's the flush toilet policy - flush toilets for every park, and I had a hard job winning that election because about 30 or 40 percent of my farmers haven't got flush toilets and I really had a hard job telling them what the Conservative Party would do if they were elected. Thanks very much, Mr. Chairman.

MR. LYON: Mr. Chairman, I move the committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply has directed me to report progress and asks leave to sit again.

IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member from Springfield, that the report of the Committee be received.

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

MR. SPEAKER: It now being 5:30 I am vacating the Chair until 8:00 o'clock this evening.