

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, April 9, 1969

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions. The Honourable Member for Kildonan.

MR. PETER FOX (Kildonan): Mr. Speaker, I beg to present the petition of Rossmere Golf and Country Club, praying for the passing of an Act to grant additional powers to Rossmere Golf and Country Club.

MR. DOUGLAS M. STANES (St. James): Mr. Speaker...

MR. SPEAKER: Order, please. The Honourable Member for St. James.

MR. STANES: Mr. Speaker, thank you. Mr. Speaker, on behalf of the Honourable Member for Brandon, I beg to present a petition of The Brandon Community Chest praying for the passing of an Act to amend an Act to incorporate Brandon Community Chest.

MR. SPEAKER: Reading and Receiving Petitions. The Honourable Member for Morris.

MR. CLERK: The petition of the Manitoba Municipal Secretary-Treasurers' Association praying for the passing of The Manitoba Municipal Secretary-Treasurers' Act.

REPORTS BY STANDING COMMITTEES

MR. SPEAKER: Presenting Reports by Standing and Special Committees.

HON. OBIE BAIZLEY (Minister of Municipal Affairs)(Osborne): Mr. Speaker, I wish to present the First Report of the Standing Committee on Municipal Affairs.

MR. CLERK: Your Standing Committee on Municipal Affairs beg leave to present the following as their First Report:

Your Committee met for organization and appointed Hon. Mr. Baizley as Chairman. Your Committee has agreed that, for the remainder of this Session, the quorum of the committee shall consist of seven (7) members.

Your Committee has considered Bill No. 32, an Act to permit The Town of Flin Flon to make a grant to the Grey Nuns of Flin Flon General Hospital, and has agreed to report the same without amendment.

Your Committee has also considered Bill No. 14, an Act to provide for the making of grants by The Town of The Pas and The Local Government District of Consol to the Sisters of Charity of Saint Anthony's General Hospital of The Pas, and has agreed to report the same with certain amendments.

Your Committee has also considered several sections of the draft of The Municipal Act. All of which is respectfully submitted.

MR. BAIZLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Consumer and Corporate Affairs, that the report of the Committee be received.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Notices of Motion.

I'd like to take a moment to introduce our guests. I would like to direct the honourable members to my gallery where I would like to introduce a special guest today. He is Richard Jacobucci, accompanied by his parents, all of whom come from West St. Paul. Richard is only 11 years old, who in March of this year performed a heroic rescue of Angellina Bedard, aged 12, of West Kildonan who accidently fell through the ice on the river. Richard's deed is a lesson to us all. Even at his tender age his first thoughts were to save a friend. He kept his head, planned his moves, and in the end successfully brought Angellina to safety. Richard's deed not only showed a sense of bravery, but resourcefulness and concern for a playmate. In recognition of this young man's outstanding achievement in the saving of a life, I believe the Premier of our province added his personal congratulations when presenting Richard a short while ago with the provincial award of the Order of the Buffalo Hunt, which for all time will commemorate this historic deed. Having said this, Richard, I extend congratulations and every good wish to you on behalf of all the members of the Legislative Assembly.

I should like to draw the attention of the honourable members to the gallery where we have 31 students of Grade 7 and 8 standing, of the La Riviere School. These students are under the direction of Mr. Kirbyson. This school is located in the constituency of the Honourable Member for Pembina.

We also have in the gallery 30 students of the 143rd cub pack from the Regents Park Church.

(MR. SPEAKER cont'd.) These students are under the direction of Mr. Howard and Mrs. D. C. Hill, and are from the constituency of the Honourable Minister of Youth and Education.

On behalf of all the honourable members of the Legislative Assembly, I welcome you all here today.

INTRODUCTION OF BILLS

HON. J. B. CARROLL (Minister of Consumer and Corporate Affairs)(The Pas) introduced Bill No. 36, an Act to amend The Securities Act (1968).

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

MR. CARROLL: Mr. Speaker, His Honour the Lieutenant-Governor recommends this bill to the House.

MR. CARROLL introduced Bill No. 57, The Ombudsman Act.

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

HON. GEORGE JOHNSON (Minister of Health and Social Services)(Gimli) introduced Bill No. 42, an Act to amend The Marriage Act.

MR. JOHNSON introduced Bill No. 47, an Act to amend The Hospital Services Insurance Act.

MR. JOHNSON: Mr. Speaker, His Honour the Lieutenant-Governor recommends this bill to the House.

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

HON. WALTER WEIR (Premier)(Minnedosa) introduced Bill No. 8, an Act to amend The Electoral Divisions Act.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for Burrows:

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, in view of the fact that obviously the press thought that the matter of anti-ballistics missiles on the Great Lakes was of some importance, has the First Minister any comment on that issue today?

MR. WEIR: No, Mr. Speaker. I think the interest of the press is one that is rightfully their own.

MR. HANSUCHAK: Mr. Speaker, before the Orders of the Day, I beg to ask leave of the House to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, and in particular that the opted-out members of the medical profession are abusing the right to extra-bill their patients. This motion is seconded by the Honourable Member for Kildonan.

MR. SPEAKER: I have had an opportunity to review the motion of the Honourable Member for Burrows. He will appreciate that consideration requires that I keep in mind that the subject matter must involve the administrative responsibility of the government. It has been difficult with the evidence before me to come to a conclusion by the fact that legislation which included extensive discussion in this regard recently was approved by the House. The question, therefore, in my mind is whether or not the principles referred to in the motion do presently come within the administrative responsibility of the government. In this regard I have come to the conclusion that it does not qualify. For the edification of the honourable member I would refer him to Beauchesne's Parliamentary Rules and Forms, Fourth Edition Citation 100. In view of the foregoing I must rule the motion out of order.

The Honourable Member for Rhineland,

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the Honourable the Minister of Natural Resources. Has the proposed diversion on the Upper Hespeler been declared a provincial drain or a No. 3 drain, a third order drain?

HON. HARRY J. ENNS (Minister of Mines and Natural Resources)(Rockwood-Iberville): Mr. Speaker, I can inform the Honourable Member from Rhineland that the proposed diversion that he refers to at Winkler has been checked out and looked at by the Water Control Branch. I can inform the honourable member that the Hespeler has been designed to accommodate the streams or the expected flows from this proposed diversion and, while no actual action has been taken by the Water Control Branch in naming this as part of the provincial drain of the No. 3 order, we have indicated to interested parties at Winkler that this would be in keeping with the orderly development of the Hespeler Drain in that particular area. In other words, the diversion does come within the criteria or the rules established that create the responsibility for third

(MR. ENNS cont'd.) order drains, and we in all likelihood will some time in the future be declaring it as such.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I'd like to direct a question to the First Minister. The federal Justice Minister John Turner is reported to be in favour of arguing for certain changes that would make the Official Languages Bill more palatable to the west, and apparently the Attorney-General was recently at a conference where certain proposals were put forward. Would the First Minister outline to the House the nature of these proposals or the nature of the government's objection to the Official Languages Bill?

MR. WEIR: Mr. Speaker, I think the short answer would be, no I won't. I've outlined on more than one occasion that the government wasn't really objecting to the Official Languages Bill, it was a question of constitutionality which we believe should be settled before the fact rather than after the fact. The Attorney-General, with other Attorneys-General, met with the Minister of Justice not just recently but something like the tail end of February, following which I presume he has come to some conclusions but I'm not aware of what those conclusions are. So, Mr. Speaker, I've no further comment at this time.

MR. DOERN: Mr. Speaker, a supplementary question. Will the First Minister make available to this House at a later date some of the details in addition to the question of constitutionality; in other words, some of the specific objections other to the question of whether in fact or not the bill is constitutional, or will we not be informed at all of our position?

MR. SPEAKER: The Honourable Member for Selkirk.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): I would like to address a question and to make a request of the Honourable the Attorney-General. Could the Honourable Attorney-General, before his estimates are placed before the House for discussion, furnish us with a list of the salaries paid police magistrates in the province of Manitoba, and a list of salaries paid similar judicial functionaries in the province of Ontario and the three western provinces?

HON. STERLING R. LYON, Q. C. (Attorney-General)(Fort Garry): I'll certainly undertake to get the information for Manitoba and will get the best information that we can from the other jurisdictions for my honourable friend.

MR. SPEAKER: The Honourable Member for Wellington.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I'd like to address a question to the Minister of Health. A report has come through about a survey that was made showing that 20 percent of television sets that have been checked emit radiations that are potentially dangerous. Has anything been done in Manitoba to warn people of this danger, or any action taken to have sets checked and corrected so that they will not emit dangerous radiation rays?

MR. JOHNSON: Mr. Speaker, I'll take the question as notice to get some information if there is any available.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I'd like to direct a question to the First Minister. There was a news announcement that the Northern Development Department announced the opening of the home in St. Vital which will be opened and will become a museum in the memory of Louis Riel. It was stated at that time that Riel is now being recognized for his positive contribution to Canada, notably as one of the founders of the province of Manitoba.

MR. SPEAKER: I wonder if I might hear the honourable gentleman's question.

MR. DOERN: Yes, Mr. Speaker. The federal statement recognized or referred to Louis Riel as the founder of the province of Manitoba. Could the First Minister tell us whether this is in fact the view of his government?

MR. WEIR: Mr. Speaker, I'm not prepared to talk about views at this stage of the game, but in terms of that house I think that at the time it was purchased the province of Manitoba made a contribution, along with others, to have the historical significance of it retained for the benefit of future generations within the province of Manitoba. Other matters in connection with the name and the memory of Louis Riel have been, as I have said before, under active consideration by the government.

MR. PETURSSON: Mr. Speaker, I'm sorry, I must apologize to the Minister of Health, I didn't hear his reply to the question that I raised and I would appreciate it if I could hear it.

MR. JOHNSON: Mr. Speaker, if he could show me the source of this survey he's referring to, I'll be happy to look into it with the experts in the department and find out just what it's about.

ORDERS OF THE DAY - GOVERNMENT RESOLUTIONS

MR. SPEAKER: Orders of the Day. Adjourned debate on second reading of Bill No. 18. The Honourable Member for Rhineland.

MR. FROESE: ... where did I leave my notes? Sorry, Mr. Speaker, I wasn't quite prepared yet. I made some notes in connection with the bill before us and it's more or less in the form of questions. I do not object to the bill in principle, and as the Minister stated that a previous bill had been passed, a similar bill had been passed by this House. However, I have a few questions that I'd like to put to him at this particular time before it is passed on. I note that the government will and is required to pay the trustees, but what is the charge under such trusteeships? Is it based on a percentage basis and is the cost pre-determined, or what is the situation here? Because sometimes these things have a habit of drawing out and if it's on the basis of time it can be quite costly.

Then a further question I would like to have the Minister answer: Does this take the government off the hook on any important matter? Are we not meeting our obligations that we normally would if this Act were not passed? Because I feel that certainly we should not be passing legislation here that would deprive other people of their rights, and whether this is in any way denying these people concerned their just share.

I notice too -- and I think this is also the case on the previous legislation that was passed -- that we name a trustee, and I think we're naming the same trustee that we named on a previous occasion. I have no particular objection to that but I'm just wondering whether -- is this the only one that can be used or on what basis was the present trustee selected?

Then, too, the firms named on the back sheet of the bill -- have any of them gone into receivership? This is the other question that I would like to present to the Minister. I am unable to discuss any other principles because I'm not disputing or objecting to the bill as such, but these were some of the things that came to mind that I would like to question the Minister on. Thank you.

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

HON. STEWART E. McLEAN, Q. C., (Minister of Transportation)(Dauphin): Mr. Speaker, in closing the debate on this bill and referring to perhaps some of the points that have been made, perhaps I can only repeat what I said on the introduction, or at least on second reading, that this is the method adopted by which we can pay out the balance of monies owing by the province in respect of the contracts referred to in the schedule to the bill. That answers one item raised by the Honourable the Member for Rhineland as to whether or not the government was being taken off the hook; are we meeting our obligations? The answer is no, we're not being taken off the hook, and yes, we are meeting our obligations in full because these monies are payable under the terms of the contracts with the firms. The work has been done; we owe the money. The problem is that we have notice of conflicting claims of creditors of the contractor's name, and this is a method by which we can insure that all of those people who are really removed once from our direct association are given an opportunity of receiving their accounts, either in whole or in part, depending upon how much money is available for the payment of outstanding accounts. So this is not being adopted to in any way evade our obligations. In fact, if we wanted to evade our obligations I suppose we'd sit tight and not even take this step.

The charge of the trustee is five percent. Why this trustee? I'd have to confess that I think the Canadian Credit Men's Trust Association is well known and well understood in matters of this nature; it was adopted on the previous occasion and I think we've perhaps just followed that same method.

I cannot say whether or not the firms here have gone into receivership. My impression would be that they have not. It wouldn't really make any difference to us if they had, and I can't answer that question specifically.

Perhaps I should point out something which I perhaps may not have made clear on the introduction of second reading, that with regard to the accounts arising for the Husky Construction Company Limited, these arose and the contracts were completed prior to the time that we introduced a bill which really takes care of this sort of matter now, although they were bonded, but there was a failure of some of the creditors to file their accounts within the time and the bond company has been very helpful and has agreed to cooperate with this method of getting the matter cleared up. The Custom Renovators were accounts that were prior, entirely prior to our present arrangements of requiring bonds, and are on all fours with the accounts that were

(MR. McLEAN cont'd.) looked after in the previous bill.

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

MR. LYON presented Bill No. 13, an Act to amend The Regulations Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I yield to the Minister.

MR. LYON: Mr. Speaker, this bill is intended to bring the provisions of The Regulations Act respecting consolidation and revision of regulations into line with the provisions of The Attorney-General's Act respecting the consolidation and revision of statutes. In 1967, the Attorney-General's Act was amended to provide authority for the Attorney-General to have consolidations and revisions of the statutes made from time to time. A similar provision respecting regulations is contained in this bill.

The powers of the person appointed to do the consolidation and revision of the regulations are set out in very similar terms to the provisions relating to the revision of statutes. Of course, there are of necessity some minor variations in the language. The procedure by which the consolidated and revised regulations will be brought into force is contained in one of the operative sections of the bill.

The consolidated or revised regulations will be placed before the Standing Committee of the Assembly on Statutory Regulations and Orders for approval in much the same way as the Special Committee on the Revision of Statutes approves the revision of statutes. Until the Assembly concurs in the report of the Standing Committee the regulations cannot be brought into force. However, the specific date on which they would come into force will be fixed by the Lieutenant-Governor-in-Council.

It is necessary for the regulations to be printed and available for sale before they come into force. It will not be necessary to print the revision of the regulations in the Manitoba Gazette. There is provision in the bill for the repeal of the superseded regulations similar to the provisions for repeal of the statutes superseded by the revision of statutes.

The authority to amend and repeal regulations will not be affected by the revision. This was set out in another section of the proposed bill. There are, of course, certain other amendments that have to be made to The Regulations Act to take into account the amendments being made with respect to consolidation or revision of the regulations.

Chapter 54 of the Statutes of Manitoba, 1958, is being repealed. This was an Act to amend The Regulations Act which was never proclaimed to come into force. It added certain provisions respecting the consolidation and revision of regulations which will not be necessary in view of the amendments proposed in the present bill. The 1958 amendments were very general in character and made reference to the powers of the person revising the statutes under The Revised Statutes Act of 1949. At the time the 1958 Act was passed, there was of course no Standing Committee on Statutory Regulations and Orders. As a result, the whole review of the regulations revised under those provisions would have been carried out by the Lieutenant-Governor-in-Council. Under the amendments, the review and approval of the revisions will essentially be done by the Standing Committee on Statutory Regulations and Orders, which committee was of course established after the 1958 amendment was passed.

We would hope, Mr. Speaker, that the work on this revision of regulations can begin as soon as the revision of the statutes is completed and the workload on the Legislative Counsel permits him to start this important work.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: I wonder whether I could ask the Honourable the Attorney-General a question. Would the Act which is now being legislated, or now being proposed, would that apply to regulations which are presently in existence — current regulations?

MR. LYON: My understanding is that it would apply to all regulations that have been passed since the beginning of The Regulations Act, roughly around 1945, 1946, in that area. It would be a total revision up to the present time.

MR. SAUL M. CHERNIACK, Q. C. (St. John's): But not beyond that.

MR. LYON: Well it couldn't apply to regulations that don't exist. No.

MR. CHERNIACK: Well, all right.

MR. GREEN: Mr. Speaker, I think the Honourable Member of St. John's question was well taken because every time regulations of course are enacted, they're enacted without the

(MR. GREEN cont'd.) assistance of the Legislature and of course they're supposed to remain within the confines of the legislation, but it's sometimes difficult, Mr. Speaker, to separate the legislation from the regulations and to be entirely consistent. We note that the wording of this particular statute is very consistent with the wording which was introduced when the Attorney-General introduced a statute to consolidate the statutes themselves - I recall that was last year or the year before - and what we're worried about, Mr. Speaker, is some of the words which appear to give the Attorney-General a power which I'm sure that he as an individual wouldn't abuse but I'm sure which he also as an individual would not want to see being given to one person, and those parts that I'm concerned with, Mr. Speaker, and I won't refer to them directly but I'd like the Minister to look at them because we will want to deal with them in Committee, those are provisions which fall within the powers that the Attorney-General is requesting which enable him to modify the language of regulation, to change the language where he thinks that the regulation would speak its intention more properly if language which he is now substituting were used. And of course, Mr. Speaker, this is in effect asking for a law-making power.

Again, I must say that in the hands of this Attorney-General it doesn't scare me because of the individual concerned, but the legislation itself is an awe-inspiring regulation in that it gives an individual the power to alter the words of laws which were supposed to be passed by the Lieutenant-Governor-in-Council, which is in itself a non-legislative act, and says that the Attorney-General will be able to more properly word these laws so as to give them their proper intention. I'm sure that the Attorney-General would find it very difficult to read the mind of the Lieutenant-Governor-in-Council and I just wonder whether it's not better, when such a change in wording has to be made -- and I'm not merely referring to the changes in numbers or renumbering or pronunciation -- not pronunciation, the changes in -- I can't find the words that I want to use, Mr. Speaker, but there are many small changes which don't affect the actual language of the regulation where we see no difficulty with the Attorney-General having that power. But where he is given the right to change the language, for the stated reasons I suggest that there is a danger and I wonder whether it wouldn't be just as well that where they think the regulation doesn't say what it's supposed to mean that the Lieutenant-Governor-in-Council pass a new regulation.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. DOUGAS CAMPBELL (Lakeside): Before the Honourable the Minister closes the debate, I would like to make very few remarks. First and foremost I am quite touched by the display of confidence that my honourable friend the Member for Inkster has just expressed in the Honourable the Attorney-General. I think this is so unusual that it should be emphasized that he has said that even though these are extraordinary powers that are granted there, because of the confidence that he has in the individual -- in this case the Attorney-General -- that he's inclined to grant those extraordinary powers. -- (Interjection) -- Oh, that's what I understood my honourable friend to say. -- (Interjection) -- I must have been.

Well, I would like to say, Mr. Speaker, that even though I was going to share with my honourable friend the confidence in the Honourable the Attorney-General, but I think here that our confidence extends to another individual and then to this Committee on Statutory Regulations and Orders, and I think I could once again emphasize here, Mr. Speaker, what I've said on other occasions, that I think the province is most fortunate in that it happens to have Mr. Gerald Rutherford, Q. C. available to do the revision of the statutes, and I take it that he will likely be the individual who will be doing the consolidation of the regulations as well. And I think those of us who have sat on the Committee on Law Revision would agree unanimously that the painstaking work and efficient work, and even dedicated work, that Mr. Rutherford does in that regard and how careful he is to call to the committee's attention any changes that have been made, we would feel that there wasn't too much of a chance being taken by the Legislature in spite of the very wide terms of the Act that we have before us. And knowing how necessary it is to have the statutes revised at times and believing that it's not quite as necessary but certainly a companion piece of legislation to have the regulations revised as well, I think it's a good move and I have considerable confidence both in the gentleman who I expect will be doing the consolidation and in the committee that will be checking as provided by the Act.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I too welcome the bill insofar that we will have a revision and that we will have a complete set of revised regulations -- (Interjection) -- Well, the

(MR. FROESE cont'd.) Honourable Member for St. John's tells me maybe we will not get a copy. Well I certainly do hope that copies will be made available to members of this House. I too, see the need for omitting probably those parts of regulations that are no longer needed, expired or repealed and so on, so that when we do get a copy of the regulations that it will be current and it will be the regulations that will be in operation. However, there are one or two things that I am not so sure of, and when we state in one of the sections that they will no longer be published in the Gazette, I think I am correct in this, that all they will have to do is offer them for sale through the Queen's Printer, and how are we to know, as members, as to what regulations are passed, and will we be getting copies as they are being passed from time to time? Surely this is information that members of this House should know and I feel that that is a very important matter. If I misunderstand this section, I would certainly have the Minister correct me on this, because I feel that this is information that we should have immediately after these regulations are passed by Order-in-Council.

I see that the Committee will continue to function and pass and work on these regulations, and that the motion of concurrence will be required. I certainly go along with that part of the bill. However, I have my reservations on this other part, about not having them publicized, and I would want the Minister to assure us that copies will be made available to members of this House.

MR. LYON: Mr. Speaker, first of all I can assure my honourable friend from Rhineland that the regulations, the consolidated and revised regulations will be printed and will be made available through the Queen's Printer's office, I would imagine, as a matter of course to all the members of the Legislative Assembly as and when this work is completed in two or three years, whatever length of time it takes. My honourable friend I think now understands this refers only to the consolidated, revised regulations as approved by the Standing Committee of the House. The power of the Lieutenant-Governor-in-Council to make regulations from time to time under the various Acts of the Legislature is not impaired in any way, nor is there any impairment in the fact to the requirement for publication of the regular weekly or monthly regulations that are made under the various Acts. That will continue as before, and there is no impairment either, as I mentioned, to the Gazetteing, and my honourable friend is in receipt of the Manitoba Gazette, I presume, on a regular basis and can see the regulations as they are passed - and I forget whether he is also a member of the Statutory Orders Committee. As a member of that committee he will then be fully involved in the work of the revision and consolidation and we will welcome his contribution to that committee's work when it gets underway.

The point that was raised by my honourable friend from Inkster has been, I would say, answered almost 100 percent by the wisdom of the Honourable Member from Lakeside, because in fact that is the process that takes place. A revising officer is appointed and he is given the powers that are enumerated in the present bill before us, and I was checking with the Attorney-General's Act, amendment Chapter 5 of 1966-67, and my honourable friend, if he looks at that statute, will find the same wording is given to the revising officer in connection with the statutes of the Legislature. In other words, in section 6 of that Act, subsection (2) clause (e): "make such minor amendments to the statutes as are necessary in order to state more clearly what he deems to have been the intention of the Legislature," and this is merely a lifting out of that power. It doesn't make it any better but it at least shows my honourable friend what the precedent is and then what makes it palatable is precisely what my honourable friend from Lakeside said, namely, that each of the changes made by the revising officer is brought to the attention of the committee so that no change can be made by him without the committee having approved of it prior to the report being made to the Legislature. So I think that the point is well taken. The safeguards are built in, however, to prevent the revising officer, the Attorney-General, or any other one person from unilaterally and arbitrarily assigning an interpretation to a regulation that was not the intention of the Lieutenant-Governor-in-Council. That point is, I think, well covered in the machinery and the practice that is followed in the committee.

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

HON. GURNEY EVANS (Minister of Finance)(Fort Rouge) presented Bill No. 17, An Act to amend The Insurance Act, for second reading.

MR. SPEAKER presented the motion.

MR. HANUSCHAK: Mr. Speaker, I thought that the Minister might comment on some of the amendments, but if he's not, then I would wish to speak.

MR. EVANS: If my honourable friend would like an explanation, there are no new

(MR. EVANS cont'd.) principles in the bill. There are some administrative changes mostly recommended, or almost altogether recommended, by the Association of Superintendents of Insurance for Canada.

MR. HANUSCHAK: Mr. Speaker, I wish to take this opportunity just to make one observation about insurance contracts - yes, insurance contracts of all types, be it life, personal property, automobile and the like. I think that of all the goods and services which one buys, an insurance policy is one that an individual least understands because of the intricacy of the contract, and I agree, Mr. Speaker, that of necessity the contract must be as detailed as it is, phrased in the manner in which it is, and so forth, but I would like to suggest to the Honourable Minister at this particular time, and this may be an opportune moment to take such a suggestion under advisement, that it become mandatory in the writing of insurance contracts by the various insurers that they do one of two things, or perhaps both. Some explanatory marginal notes. As the Honourable Minister knows, there are paragraphs and paragraphs of fine print and explanatory marginal notes, briefly stating the contents of that particular paragraph. In addition to that, perhaps just in very brief form, consisting of no more than two or three or four hundred words, briefly setting out what that insurance policy exactly is. I am sure, Mr. Speaker, you know there are various types of life insurance policies and I am sure that many people buy these policies and they are no doubt good policies for certain purposes, but even after having bought it they are not quite sure just exactly what they have; what protection does it offer; to what extent will they be committed for the payment of premiums; what benefits may accrue to them upon the happening of certain events during their lifetime or upon their decease. I would hope that some system could be devised, some abbreviated, short, explanatory form telling the insured in a language that he could readily grasp and understand, just exactly what he has bought and what he has paid his money for.

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

PRIVATE BILLS

MR. LYON: Mr. Speaker, I wonder if I could now ask you to call the second reading of private bills on Page 3. There is at least one of those bills with which there is some urgency connected and the private bills committee is meeting tomorrow. The government has no objection to moving these bills ahead now in order that some of them might get into that committee tomorrow, hopefully.

MR. CHERNIACK: Might I indicate that our party has no real objection to accommodating the government into moving this forward into tomorrow, especially since the meeting has been called and it wouldn't have any business unless these bills were dealt with. I trust that there will be other opportunities when we will be able to accommodate each other in the same way.

MR. LAURENT DESJARDINS (St. Boniface) presented Bill No. 10, An Act to amend an Act to incorporate "La Congregation des Filles de la Croix", for second reading.

MR. CLERK presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. CAMPBELL: I think, Mr. Speaker, that this is biculturalism.

MR. SPEAKER: We are as one. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I rise on the point that I do hope that the people who introduce these bills will give full explanations so that when we have to pass them in order that they can be dealt with in committee tomorrow that we get all the information at this particular time.

MR. DESJARDINS: Mr. Speaker, there is not too much explanation that I can give him. It's pretty well all in the bill. There's some amendment to the Act and you will notice it's striking out the sum of \$20,000 in certain instances. Well at the time when the Act was passed they were limited to holdings of the value of \$20,000 but this is quite awhile ago and things have changed since then.

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

MR. DESJARDINS presented Bill No. 25, an Act respecting Marianistes, St. Boniface, for second reading.

MR. SPEAKER presented the motion.

MR. DESJARDINS: Again this is quite simple. They wish a change of name. If you have trouble with Marianistes, Mr. Speaker, you can just imagine if we didn't change this how much trouble you'd be in. It would be the Societé de Marie, province de St. Louis, St. Boniface, Manitoba. And also there's a change like we had in the previous Act. They had a maximum that they could -- the value of the property.

MR. SPEAKER: I am sure the Honourable Member for St. Boniface will give me credit for trying.

MR. DESJARDINS: Oh yes - especially on Pea Soup Night. It's wonderful.

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

MR. WALLY MCKENZIE (Roblin) presented Bill No. 27, an Act to amend and consolidate an Act to incorporate Manitoba Pool Elevators, for second reading.

MR. SPEAKER presented the motion.

MR. MCKENZIE: Mr. Speaker, Manitoba Pool Elevators was incorporated by an Act of this Legislature in 1925, and over the years farmers have formed local cooperative elevator associations in every part of Manitoba where grain is grown, and each of these local cooperative elevator associations is a corporation and the farmers are its members. In turn, the local cooperative elevator associations, now some 200 in number, are members of Manitoba Pool Elevators Association, and this two-stage structure, Mr. Speaker, is unique among the cooperative grain handling companies in the West, all others, Saskatchewan and Alberta having direct farmer membership, and historically this structure has served this company and the farmers well, in my opinion, but as the services offered by Manitoba Pool Elevators directly to farmer members have grown more varied and more sophisticated, direct membership has become a logical alternative. The bill, Mr. Speaker, is permissive in nature and it amends the incorporating Act to permit Manitoba Pool Elevators to admit individual farmers as members, sections 2 and 9. It also permits Manitoba Pool Elevators to admit the members of a local cooperative elevator association if that local cooperative elevator association takes the necessary step under the Companies Act to transfer its members and its assets to Manitoba Pool Elevators.

It is emphasized in this bill, Mr. Speaker, and of course, as I say again it's permissive only and any decision taken by members of local cooperative elevator associations to transfer their memberships to Manitoba Pool Elevators will be taken under the general provision of the Companies Act, applicable of course to all corporations. In other respects, Mr. Speaker, the original form of the incorporating Act has been retained, with only those amendments necessary to reflect the new structure and the new services that it will provide.

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

MR. DESJARDINS presented Bill No. 31, an Act respecting Societ -Franco-Manitobaine for second reading.

MR. DESJARDINS: That's the last one, Mr. Speaker.

MR. CLERK presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. DESJARDINS: Mr. Speaker, I'll be very short because I know that my seconder either intends to speak today or to adjourn this, and I'll probably take advantage when I close the debate to maybe say a few words after I have heard all the questions. Now I just want to say this, that for a number of years the French community has had an organization known as L'Association d'Education who was promoting mostly in the field of education. They were more or less watchdogs to make sure that the French language would be preserved. Now the times have changed. Now they want to do a little more than that, and they have, after carefully selecting delegates all over Manitoba, that is in the French communities over the last year or so, they've had what they call a rally where they've discussed and studied their problems, what they can do for themselves and also to be good citizens of Manitoba and to take a very active part in the affairs of our province, and after different recommendations they've made some changes. They've had a meeting where all those delegates were there, and they are now interested in doing a little more in this field, that is, not just remain in the field of education but to see what they can do to help the French Manitobans in different fields in the economy to help them, as I say, take maybe a more active part in the affairs of Manitoba in co-operation, of course, with the other citizens of different racial origin and so on. So, as I say, this is all I want to say at this time. There might be some questions and my seconder I am sure will want to add a few words.

MR. SPEAKER: Are you ready for the question? The Honourable Member for La Verendrye.

MR. ALBERT VIELFAURE (La Verendrye): If nobody else wishes to speak, I beg

MR. CHERNIACK: Mr. Speaker, I have very little to say on this bill. I had hoped that I could hear the honourable member first, but since he wishes to adjourn debate then I'll just pose

(MR. CHERNIACK cont'd.) the question and he can deal with it when he speaks on it the next time. I note that the specific change requested in the purposes is the addition of the purpose of encouraging, promoting and furthering the economic and political interests of the French-speaking population. These are the two words which are added to what formerly existed in the sense of furthering education and culture, and I would think that it is in the interest of all groups to further their economic and political interests and if they are done well then they are done for the benefit of all the people in the province. So I do make that comment, accepting the fact that a group of people do wish to work for the purpose of furthering their economic and political interests, but I do wonder if the honourable member who seconded it, or indeed moved this bill, will also explain just what is meant in requesting "the power to make and enter into treaties." I'm not sure that I know the -- well I'm certain I don't know the legal definition at the moment of the word "treaties", but I am aware of the fact that the government of Canada and the government of Quebec have had certain arguments as to the powers of a province to enter into certain types of treaties, and I'm just wondering whether it is possible that this corporation is planning to have similar powers to enter into treaties of a similar type, and if so, I think we should be made aware of it so that we could consider the extent to which they request power to be given or maybe delegated by the provincial government to this corporation to enter into treaties.

MR. SPEAKER: Are you ready for the question?

MR. VIELFAURE: I would like to move, seconded by the Honourable Member from Emerson, that debate be adjourned.

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

MR. JAMES COWAN, Q. C. (Winnipeg Centre) presented Bill No. 48, an Act to amend an Act to incorporate Investors Syndicate of Canada, Limited, for second reading.

MR. SPEAKER presented the motion.

MR. COWAN: This company was incorporated in 1940 by a special Act of the Manitoba Legislature, under the name of Investors Syndicate of Canada, Limited. The name was changed to The Investors Group in 1964, again by a special Act of the province. At the time of its incorporation the company was United States' owned. Now, however, only three percent of the voting shares are held by United States citizens and it has become the largest institution of its kind in Canada, with assets under its administration presently in excess of \$1.7 billion.

Investors Syndicate Limited, a wholly owned subsidiary of the Investors Group, is distributor for three funds, Investors Mutual of Canada Limited, Investors Growth Fund of Canada Limited, and Investors International Mutual Fund Limited, which funds comprise the largest mutual fund organization in Canada. Investors Syndicate Limited is also the largest issuer of investment contracts in Canada. The Western Savings and Loan Association, another subsidiary of the Investors Group also issues investment contracts and is distributor for Provident Mutual Fund Limited and Provident Stock Fund Limited. The Investors Group, whose head office is in Winnipeg, is one of the most prominent corporations in Manitoba, and consequently contributes significantly to the economy of this province.

The reason this legislation is required concerns the offer to purchase shares of the Great West Life Insurance Company that the Investors Group made several days ago. The cost of acquisition of these shares, if the offer is successful, is to be financed by the issue of an additional three million common shares and by the sale of some of the 1,600,000 preferred shares which the bill authorizes. Reasons for the urgency of passing this bill have already been given to this House and I would hope second reading would be given today so that it can be considered in private bills' committee tomorrow morning. At that time two or three small amendments will be made, one having to do with the change of name from Investors Syndicate of Canada Limited to the Investors Group, and another would provide that changes with regard to the conditions of the preferred shares would have to be ratified by a government body and that the preferred shares might be converted to any class of common shares and not just Class A common shares as set out in subsection (4) clause 3 of section 1, and that the Act would come into force when it receives Royal Assent, because they wish the Act to come into force just as soon as possible.

MR. SPEAKER: Are you ready for the question?

MR. GREEN: Mr. Speaker, I take it from what the honourable member has said that the sole substantial reason for the new Act is to enable the company to have a greater authorized capital, and that with this authorized capital they would then be able to finance the purchase by

(MR. GREEN cont'd.) . . . selling this capital to whoever will subscribe for it, they will then have sufficient funds to enter into a purchase of the controlling interest or certain interests in the Great West Life Insurance Company; that another minor change would be to change the name of the company to the Investors Group rather than the Investors Syndicate of Canada Limited. The member can answer me when he is closing debate; I'm just putting the questions now.

I have only two questions to raise, Mr. Speaker, since this legislation does have to come to the House in order to change this. One is that I'm rather -- for no special reason I'm rather intimidated by the haste with which legislation is being enacted in order to facilitate a private company. Now, I have nothing particular against doing it but it seems to me that legislation should be introduced in a more orderly fashion than has taken place in this case. However, there is no immediate reason to suggest that the bill should be opposed.

The other question that I would like to ask again, because this matter became of great public interest, especially during the last few months, is that the Great West Life had previously given stout resistance to a proposal to take over a controlling share of its assets and now appears to be accommodating a proposal to take a share of its assets -- to purchase shares in its company, not the shares of its assets, and I just wonder what makes the present proposal so much more favourable to the Great West yielding to it than was the previous proposal which was made by the Great West Saddlery.

MR. FROESE: Mr. Speaker, I too have probably the same objection that has been voiced by the member for Inkster, that I don't like the idea of rushing these bills. I can't see why the meeting of this particular committee was called for tomorrow morning when no work was at hand unless some of these bills were passed. I certainly would have adjourned the Bill No. 27. I have some reservations on that bill and I would like to discuss it more fully. I was rather taken by surprise in bringing all these bills forward at this particular time. I did not want to obstruct, but I certainly haven't done my work on the bills the way I would like to, and this especially refers to the Bill 27 and the one that is before us. However, I'm willing, since the other bills have been passed, that I will not obstruct and we'll have this bill go to committee tomorrow.

There is one matter in this particular bill before us that has to do with the conversion of preferred shares. What happens to the surplus account that is mentioned under this particular section? What is the purpose and who has the control? I note that monies cannot be used for the payment of dividends under this section. What is the money for? Is it more or less for the purpose of reserves, or under the change-over, who will benefit from this surplus account? I think some of the questions that I have, probably could be answered in committee tomorrow better than this afternoon, so even though I'm not a member of that committee I intend to attend the committee and probably get some information at that particular time.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. CAMPBELL: Mr. Speaker, the Honourable Member for Inkster has stated that he is somewhat intimidated by the haste with which we appear to be moving on this bill. I must confess that if there's any area of intimidation to me it's by the size of the financial figures involved here. I'm always rather intimidated -- and I think that's a good word -- I'm interested as well as intimidated by the financial transactions on scales such as this. When I was quoting the other day, Mr. Speaker, my economic philosophy has been very much in line with that of Mr. Macawber, I must say that the sums that he used were more in keeping with my usual experiences too. He had been talking about 20 shillings and spending 19/6 resulting in happiness, and 20 shillings with expenditures of 20/6 being misery. Well that kind of calculation I can grasp. When we get into ones the size of this and the transferring of shares from one company to another and issuing shares in one company in order to buy the other, and then of course having to market those shares that are issued, it's a program that leaves me rather confused, I admit, so I have no advice to offer to the House regarding it but I must say this, that I think those who are interested in this type of transaction would be well advised to attend at the committee and ask any questions that they have of the people who will be there representing one or the other of both sides of this transaction.

One thing I am rather pleased to see in connection with this bill, Mr. Speaker, and that is that as a loyal Manitoban I am rather pleased to see that what would appear to be the control of this great company, the Great West Life, remains in Manitoba, and I think this is to the good. I was concerned and disappointed when I saw that it appeared that they were being raided -

(MR. CAMPBELL cont'd.) if that is the correct term - by another organization, one that I believe originally was a Manitoba company too, but which appears to have escaped now from our control, Mr. Speaker. So, to the extent that this appears to be a retention in the province of Manitoba of the head office and control, actually, of one Manitoba company benefitting by the assistance of another Manitoba company, I think this is some cause for satisfaction, Mr. Speaker. However with regard to the financial implications that are involved, I can give no advice at all and I intend to do as I counsel other members to do and attend at the committee and see if we can find more of the reasons and the program that is being promoted by this legislation.

MR. COWAN: Mr. Speaker, there's really only one purpose for this bill and that is to change the capital setup of the company to enable it to purchase control of the Great West Life Insurance Company. The name of the company was changed by an Act of this Legislature in 1964, and the bill will accordingly have to be amended when it goes to committee to take notice of that fact. With regard to the fact that the officials of the Great West Life resisted the offer to shareholders made by Great West Saddlery, was due to I think one or two reasons mainly. Firstly, the offer involved the shareholders accepting shares in the Great West Saddlery Company to some extent, and the shares in that company during the past two years have been very volatile and they've varied in price from about 60 cents to \$22.00 and now they're back again to about \$11.00, so that the shareholders, if they accepted shares in the Great West Saddlery Company were evidently accepting shares in a company which wasn't very stable and which the market was quite volatile with regard to their shares. Also, I think that the directors of the Great West Life Assurance Company would like to see the head office of the Great West Life Assurance Company remain in Winnipeg and they would like to see the control of the company remain in Canada, and there have been other overtures by other groups to get control of the Great West Life Assurance Company, particularly an American group at one time, and because of these reasons the Great West Life Assurance Company saw this as an opportunity whereby the control would remain in Canada and the head office would remain in Winnipeg, and for that reason they do not oppose this takeover.

The Honourable Member for Rhineland asked about money in the surplus account, it being not allowed to be used to pay dividends. Well, if it was allowed to be used to pay dividends it would weaken the capital structure of the company and this prohibition is put in there so that the capital will remain in the company and that this surplus money cannot be paid out in dividends. However, tomorrow morning there will be representatives of the company at the committee meeting and they will certainly be able to answer all questions of members at that time.

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

MR. LYON: Mr. Speaker, I move, seconded by the Honourable the Minister of Transportation, 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.

MR. SPEAKER: The Honourable Member for Burrows.

MATTERS OF URGENCE AND GRIEVANCES

MR. HANUSCHAK: Mr. Speaker, before the question is put, I rise on a matter of a grievance, a grievance affecting me and no doubt affecting many Manitobans who from time to time are in need of health services. The incident leading up to my grievance is this: This morning I had need to attend at a clinical laboratory in the Medical Arts Building, the Trainor Clinic, for the purpose of obtaining a blood test, and there in the front office, prominently displayed, were two signs -- two signs, each appearing to have been mass-produced; in other words, they were not signs made particularly for this one office but signs that are likely found in many doctor's offices in the Province of Manitoba. The first sign indicated to the patients that that doctor had opted out from practising under the Medicare plan, and then it went on to assure the patient that he is still being covered by the plan or that he enjoyed the protection of the plan and that the doctor will turn to the patient directly for his fee, and that the -- and that the billing will be sent from the doctor to the Medicare plan and the patient will then receive reimbursement.

Then, directly beneath that, appeared another sign and it read as follows and in bold, red letters: "However", was the headline, "If you pay us today you will be charged only 85 percent

(MR. HANUSCHAK cont'd.) of the cost of the test." This is a clinic, of course, that only does tests of this and whatever other type And the sign continued: "If, on the other hand, we have to send you a bill you will be charged the additional 15 percent." So, upon approaching the nurse, the employee of the doctor, and presenting the card which was given to me by my family physician, she asks me: "Do you wish to pay now or should we bill you?" And at this point I hadn't noticed the sign on the wall, and perhaps even if I had my reply would have been the same. I said, "No, I'd rather you billed me." So then she points to the sign and says, "Now, if you pay now you will save yourself 15 percent." And I said, "Is there a discount on medical fees today?" She says, "No. No. There's no discount, but if you pay immediately upon receipt of medical services we'll settle for the 85 percent. If we must bill you, and we'll send you a bill in a few days' time, the bill will be for the full 100 percent."

Now up to this point, nor at any time thereafter, was there any discussion of ability to pay -- not that I was seeking entering into such discussion with the doctor. I have no intention of discussing my financial position with any doctor. If we're going to discuss anybody's financial position I'd much rather discuss his than mine but -- I think it would be more to talk about. But at any rate there was no discussion of this type. As I sat in the waiting room waiting my turn, other people came in and they were all within earshot of me, at no time did I ever hear any discussion of one's ability to pay. The extra billing transpired between the nurse and any other patient. But the only conversation that there was was drawing attention to the fact that if you pay now it's 85 percent, if it's later it will have to be the full 100 percent.

Now, Mr. Speaker, I suggest to you that what is going on -- and I have cited one medical clinic as an example of that, and there may be others and I think that this is the reason why I am bringing this up now as a grievance. There may be others. This may be quite the common practice throughout the whole Province of Manitoba in the offices of all doctors who have opted out. I maintain that this is a direct contradiction of the position assured us by the Manitoba Medical Association that they would take in the matter of extra billing. I do believe that from time to time the doctors did tell us that extra billing, if any, will not be resorted to if it should appear that the patient is unable to pay. This factor does not appear to be taken into consideration in the present practice. It's simply done on the basis of a cash discount -- and as the Honourable Member for Inkster mentioned "cash" that is their main aim and objective, to get the cash. This is a very effective, a cruel, a vicious club which the doctors are holding over the heads of their patients -- "If you pay now, you save 15 percent" which in fact is a contradiction of the reasons why the doctors said that they wished to retain the right to extra bill. They never gave us this as their reason. They said that this would undermine the status of the profession, the doctor-patient relationship. They gave us many other reasons why they in fact objected to the Medicare plan and why they objected to taking away the right to extra bill from those who chose to opt out of the Medicare plan. But at no time did they admit that we're going to use this as a club to collect our fee, that this is going to simplify and improve the position of the doctor insofar as the collection of his fees is concerned.

I would also like to suggest to you, Mr. Speaker, that this in fact is degrading of all professions in Manitoba to find the medical profession behaving in this way. I say it's unethical. In fact, Mr. Speaker, may I suggest to you and I urge the Honourable Minister of Health to take this under advisement and look into this matter, it would seem to me that this may in fact be illegal because somewhere in our legislation there is a section which limits the advertising of a professional man, limits the advertising of a doctor. And I believe that it's limited to name, to qualifications in terms of university degrees, I suppose he may state from what medical college or university he graduated from on his name plate and his advertising -- I don't know. I believe he may also state his field of specialty. But I do not believe that he could advertise anywhere whether there's a bargain in fees in his office that day or not because this in fact is what's happening. This in fact is what's happening. The effect of this type of sign is no different from a 15 percent discount sign appearing on a counter at Eatons or The Bay. One doctor offers this proposal: 85 percent or 100 percent; another: 90 percent or 100 percent, and when he realizes that the guy across the hall is offering the 85 - 100 choice he drops his prices down tomorrow. Now surely, Mr. Speaker, are professional men allowed to do this sort of thing, to play with the charging of professional fees in this manner as they are doing now?

This, Mr. Speaker, is the essence of my grievance and I would like to take this opportunity to strongly urge the Minister to look into this matter immediately and if the Minister

(MR. HANUSCHAK cont'd.) wishes to receive a suggestion of how to eradicate this because it's not a question of minimizing this problem or this abuse, but there is a need to remove it completely and I feel that the only way to remove this form of malpractice is by removing the right from the doctors who've opted out to extra bill. As long as they have the right to extra bill this will continue. So the answer to the problem again, Mr. Speaker, is an amendment to the Act as rapidly as possible removing the extra billing rights which they now enjoy.

MR. SPEAKER put the question and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Souris-Lansdowne in the Chair.

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COMMITTEE OF SUPPLY

MR. CHAIRMAN: Department of Agriculture. The Honourable Member for Brokenhead.

MR. SAMUEL USKIW (Brokenhead): Mr. Chairman, the other day I raised matters which I thought the Minister would reply to, and I don't know whether it's an oversight on his part but I thought that before we get away from the Minister's salary that I would draw these points to his attention again.

The Minister did not at all elaborate as to what role he played at the CAM Congress, and I want to suggest in that connection that the two provinces to the west of us, Mr. Chairman, as the Minister himself suggested, had proposed some ad hoc measures which they thought were important, namely, the institution of a two-price system for wheat, and the Minister did not indicate whether or not he participated in that debate or in that discussion and whether or not he himself or his department took any viewpoint on that particular subject. I'm sure that he should appreciate that he owes it to the House to tell us just what his reaction to that proposal was, because it is something that is very important and very far-reaching, Mr. Chairman. I would hope the Minister would give us the benefit of his thoughts on the question insofar as that particular conference is concerned.

The other area, Mr. Chairman, is the question of recognizing the need for assisting the producers of crops that were not insurable last year that were lost due to the wet weather conditions. The Minister has not indicated definitely what his position is, and if he has a position why his department chose that position.

I'm sure that we should expect some elaboration on that point, if there is a decision, on what basis that decision was arrived at, Mr. Chairman. I know that there have been representations on this particular matter, Mr. Chairman, and the Minister the other day during question period indicated that at that time he was not considering any action, but that leaves it wide open, that doesn't say anything, Mr. Chairman. I'm sure that during his estimates he should give us some firm indication as to whether there is still something pending on that particular question or whether he has decided in fact that there will be no consideration of that particular problem.

I want to point out in that connection, Mr. Chairman, that the producers which suffered these losses are in a financial bind; they do find themselves in a very tough position. The costs of renewing their seed is a very very substantial one, and if we're talking about specialized crops such as vegetables or potatoes, Mr. Chairman, we must recognize that the costs are something in the neighbourhood of 30, 40 to 50 dollars an acre for seed and fertilizer alone, and these really necessitate a good look at the question of whether or not because of the fact that these were not insurable crops, that there should be some governmental action taken to alleviate some of the financial problems of the producers in question, Mr. Chairman.

I sincerely ask the Minister to elaborate somewhat on these two particular points because they are very relevant to the producers of both wheat and the specialized crops in Manitoba, and that he does owe it to the House to tell us what his position is.

MR. CHAIRMAN: The Honourable Minister for Ethelbert Plains.

MR. MICHAEL KAWCHUK (Ethelbert Plains): Mr. Chairman, before we move off this item perhaps it would be appropriate for me to make a few comments on this resolution. I have already, earlier in this session, expressed my congratulations to the Minister in occupying this new portfolio, and at that time, Mr. Chairman, I had great confidence in the Minister that he would be one of those people who would cope with the problems that prevailed throughout Manitoba. As a matter of fact, Mr. Chairman, I went out on a limb when the announcement came through that the Honourable Member for Arthur had become the new Minister of Agriculture in the re-shuffle of the Weir government. Some of my constituents asked me for my opinion, and I must confess, Mr. Chairman, that at that time I said, with all due deference to the past Minister of Agriculture, this was a welcome change, now we had a man who was born on the farm, knew all the farm problems from early childhood, and now will be able to lay out the blueprint to solve the agricultural problems of Manitoba. However, since then, Mr. Chairman, I -- well I haven't changed my mind - and I hope that the Honourable Minister will do everything within his power to allow me not to change my mind - however, in view of some of the positions that the Minister has taken since, I have received some static on that statement of mine, especially with respect to the position that the Minister took at the Canadian Agricultural Conference.

I have a clipping here before me that the Minister, shortly after he occupied the portfolio,

(MR. KAWCHUK cont'd) made a statement while speaking to the Winnipeg Chamber of Commerce, and he at that time repeated the Manitoba government's call for a national conference to be held on agricultural policy and a national approach to marketing of agricultural products. He further went to say, "I feel dismayed at the setback given to a unified approach to agricultural problems by the fact that the Canadian Grain Council met here two weeks ago and no provincial agricultural ministers nor their deputies were invited to attend, nor was any information forthcoming." Incidentally, Mr. Chairman, I am quoting from a clipping taken out of the Manitoba Co-operator dated Nov. 7, 1968, and then he went on to say - they were referring to the Department of Agriculture - "they were to do everything under provincial jurisdiction to help farmers and the agriculture industry as much as possible and to recognize that we are only one province and that we must attempt to influence national agricultural policy to the benefit of our agricultural industry."

Well, Mr. Chairman, this was in fact a re-statement that had been made during the 1966 election, by the Roblin administration at that time, who also called for the national conference, and at that time there was a platform of all the political parties which appeared in the Manitoba Co-operator of June 16, 1966, and it similarly called for "the Roblin government will continue to press for the convening of a national conference on farm policy goals to meet in Winnipeg to design farm programs directly toward the end of achieving parity of income for farmers".

Well, Mr. Chairman, as you probably are well aware, as are not only all the members of this Assembly but the people of Manitoba, agriculture in the last year has undergone a serious setback insofar as farm incomes are concerned. And it is ironical that this national farm conference that had been called for quite a number of years now has been held, and what do you think happened? The Province of Saskatchewan, the Province of Alberta, through their ministers of agriculture, have taken a definite stand in trying to alleviate the farm income problem in the two other western provinces, but the Province of Manitoba, even though they have asked for such a conference, failed to state a position; failed to participate; and failed to help formulate policies which would cope with the problems that prevail.

I think that perhaps the Minister should, under this item, not only inform the House here but the people of Manitoba as to his position with respect to the farm income problem, and furthermore, I think that the Minister should outline a blueprint which would, in turn, help to alleviate some of the problems that prevail presently in Manitoba, and this, Mr. Chairman, the Minister did not do in introducing his estimates. Yes, he said that this Task Force has brought down some position papers and there will probably be more papers forthcoming in the future. He had great confidence that this Task Force would eventually come out with a solution.

Well, Mr. Chairman, I would like to inform the Honourable the Minister of Agriculture that in the past we have had numerous major commissions looking into the farm income problem, namely we had major royal commissions on grain and trade which were appointed in 1899, then again in 1905, again in 1923, again in 1931, again in 1938, and now the present Task Force, and during all these years that this farm income problem has prevailed, all these Royal Commissions have compiled and prepared voluminous reports which I submit are gathering dust, the same as this report I referred to yesterday, the TED Commission report, will probably end up gathering dust.

As you probably recall from yesterday, I read into the records a recommendation made by this commission with respect to the feed grain issue, and although the Minister of Industry and Commerce has indicated in this House that the government will study this report carefully and in due course try and implement as many recommendations as they see fit, well yesterday, Mr. Chairman, if it's any example of what this government intends to do is what they did with the feed grains resolution of mine, then I submit, Mr. Chairman, that the future is very bleak for the farmers of Western Canada, and Manitoba in particular, if we are to rely on this government in carrying out any of the recommendations submitted by the Task Force, or more specifically the TED report recommendations.

As my honourable colleague from Brokenhead has indicated, the Minister from Saskatchewan has advocated the implementation immediately of a two-price system, and incidentally, Mr. Chairman, as you will recall, I had brought in a motion that leave of the House be given to adjourn to discuss a matter of public urgency dealing with this particular issue when the announcement was made in Ottawa that the price of wheat may drop. Although my motion was ruled out of order in this Chamber, at the same time in the Saskatchewan Legislature they had a full day's debate on the same issue, and as a result of that debate the members of that

(MR. KAWCHUK cont'd) Legislature saw fit to pass a resolution which they forwarded to the government of Canada asking for the immediate implementation of the two-price system. It is my understanding from news clippings that the Minister of Agriculture for Alberta took a similar position at the Canadian Agricultural Conference. Perhaps I should also make mention that although I had asked the First Minister during the Throne Speech debate to impress upon the powers to be at Ottawa to have the representations somewhat reversed at this conference, nothing was done in that regard.

It was with interest, Mr. Speaker, I read in one of the papers, the Free Press of March 28, 1969, which gave us a summary of the happenings at this conference, and I want to quote one paragraph from that clipping. "The Canadian Federation of Agriculture expressed the same opinion as the National Farmers Union, that the conference summary failed to reflect the thinking of farm delegates." Well, Mr. Chairman, that was precisely what I was trying to avoid happening, because of past experience we know that a lot of these conferences, where there is a major delegation other than farmer producers, the policies forthcoming are not exactly or precisely in the interest of the farm producers, and it would seem to me, Mr. Chairman, that this was precisely what happened at this particular conference.

Although it did go on to say that the net farm income -- or maybe I should just read some of the recommendations that were made in the event that the Minister of Agriculture will see fit not to give us a report. "The conference report put together overnight, after 19 seminars have revised the preliminary report on their three days of discussion, concluded with a list of general objectives for Canadian agriculture,

"(1) Separate programs for commercial and low income farmers.

"(2) A voice in decision making by agricultural producers." This is something that has been advocated for a good number of years by the farmers of Western Canada, as a matter of fact for all of Canada, to have greater actual producer representation on the various boards or commissions or whatever the case may be.

"(3) Better promotion of agricultural products.

"(4) More market information for producers.

"(5) Net farm incomes to be commensurate with the contribution of agricultural producers to the national economy."

Mr. Chairman, for a good number of years the cry has been from Western Canada that they are not enjoying a fair share of the national income. It has been that way 20 years ago to my knowledge and it is still so presently. I submit, Mr. Chairman, that one of the reasons for asking for a subsidy, or the implementation of a two-price system, would be in order to bring this about, whereby the farmers in that manner could receive a fair share of the national economy or income. Perhaps the Minister in his reply will be able to give us a run-down on his position and the blueprint that he has in mind for coping with this low income problem.

Although I was happy to hear the Minister make reference that there will be additional coverage under the Manitoba crop insurance program, I too at this time would like to join with others to express my disappointment that the government and the Minister did not see fit to bring about the crop insurance program which would have a special clause in it to deal with hail damage and hail coverage. I think the Member for Gladstone has outlined yesterday that this program, if we are all honest and sincere, will not gain the respect and will not fulfil the objective which we had when he first brought it in until such a step is taken. I believe we discussed this matter fully at some earlier time and the former Minister of Agriculture had made the remark that the private sectors are providing this. Well, Mr. Chairman, as you probably know, many farmers today are carrying two insurance policies. They are in effect trying to make it possible for two insurance corporations to exist; their own, the Manitoba Crop Insurance, and the private companies with which they have their policies with.

There are a few questions I would like to direct to the Minister. It is my understanding from a news clipping that the western Manitoba Farm Business Group and the farm and business groups who were apparently in the past operating independently of the Department of Agriculture programs have now been brought under this department, and I was just wondering whether or not the Minister could elaborate further on that.

He did make reference to the fact also that the damp grain situation has now eased off and he thought that most of the damp grain had been dried now. However, he failed to mention, or at least he thought there was no spoilage, but he failed to mention the fact that in The Pas area there has been substantial quantities of damp grain spoiled about five or six weeks ago.

(MR. KAWCHUK cont'd)

He also made reference to the fact that the greatest challenge that is facing agriculture today is the co-ordinated efforts of not only producers but also processors, suppliers and the like of that. Well to my knowledge, Mr. Chairman, this has been the intent of many past ministers of agriculture, and personally I'm not just too clear in my own mind what the Minister is trying to convey, what message he is trying to convey in this instance. Is he trying to tell us that by so doing that he will be eliminating what is commonly referred to as the family farm, or is he trying to tell us that the farmers today should process their own product right down the line until it appears on the counter of the chain store, or just what? Perhaps he can further elaborate. Apparently he had made this remark while addressing a gathering in Dauphin, and there is a headline in the local Dauphin Herald, "All Farm Interests Must Band Together to Survive," says Watt", and he went on to explain this challenge.

However, even some of his own supporters in that area apparently saw exception to that statement, and one of the fellows who was addressing that meeting too, a young chap, as a matter of fact a classmate of mine back in high school days by the name of Mr. Robson, I would like to quote what he had to say, and perhaps it might be a lesson for my honourable friend the Minister of Agriculture just to get a sampling of the thinking of the rural people, even though they might also be a supporter of his Party. "No other industry", he said - Mr. Robson said this, and I'm quoting from the Dauphin Herald, the March 28th issue of 1969 of course - "No other industry has increased its productivity as much as the farmer in the past few years, but the benefits of these technological advances are going to everyone but the farmer." Well I think, Mr. Chairman, the Barbour Commission report had similar things to say. I think Mr. Barbour in his report had indicated that although there have been tremendous dramatic technological changes, the farmer could not benefit from these but the consumer did.

And I would just like to go on and quote another paragraph that Mr. Robson mentions. Mr. Robson said, "It was totally unfair to expect the Canadian farmer, who only comprised nine percent of the population and very little political influence, to compete in the world market with the subsidized produce of other countries." Then he went on to say, "if the farmer who through his own initiative and increased productivity is in effect providing the cheap foods for the consumers so that he can afford the luxury items and the government can collect the taxes." Mr. Chairman, the point that Mr. Robson was trying to make here is that perhaps the time has now come where the farmers of Western Canada are entitled to subsidies, the same as has been enjoyed by other sectors in our society for the last hundred years, and I would urge the Minister to make a position on this issue.

Perhaps, Mr. Chairman, I can make further reference and comments as we go along item by item and allow the Honourable Minister of Agriculture to reply.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I addressed myself to the Agricultural estimates last night, however, before the Minister does reply, I would like to add one or two items.

When I discussed the special crops yesterday, or last night, I did not mention Triticale. A year or two ago we heard quite a bit about Triticale in this House, however it's rather quieted down, and when I look at the Annual Report of 1967-68, I find that it is not even mentioned in the section dealing with cereal crops and any new varieties that are on the horizon. The only place where I see it listed has to do with the matter of movie productions. I find that half a dozen colour black and white feature films were produced. These films include: The Winnipeg Floodway; Fresh for Flavour - that's Manitoba vegetables; Farm Landscaping; Combine Cleaning; Gully Stabilization; and Triticale. Apparently at that time Triticale must have been of real importance to the people in the department otherwise they wouldn't have made a special film of this particular cereal. And apparently from reports that I have seen and read, the Triticale seed is very productive and can be used as a feed without any harm, and apparently the cattle is making out very good, that they gain weight just as well as from other grains. So why do we not hear more about this? What are the objections? Why is it not licensed and distributed in Manitoba? Surely enough if you can get better yields from this particular cereal, I think it should be licensed. And again I've come to this point, why not have a provincial licensing agency that could do such a thing if the federal authorities object to it - if that is the reason. I would like to hear from the Minister on this very point.

Then too, I notice from the report, and also from the actual visitations that a person makes at the various community fairs, that these fairs take on a completely different nature.

(MR. FROESE cont'd) It used to be that they were really agricultural fairs and that the exhibits of livestock and so on were present and that these formed the bigger attraction of these fairs. Nowadays apparently it has changed and they've become more of a social gathering than to see the actual exhibits of livestock and so on. What is the department's attitude on this matter? Are we going to continue them, continue supporting them even though they get away from the original principle? What are we working toward in the matter of supporting fairs? Is it 4-H Club work? Surely we see the different rallies that are taking place at these fairs by the young people in this connection, and I would say that they are valuable, but just what is the future of the fairs in rural Manitoba? Where do we go from here and what can these people who are running these shows expect from us in the future?

There was one other item that I would like to discuss and that has to do with the matter of milk producers. I raised the question earlier in the session because we find that in our particular area that the producers of milk are at a great disadvantage in this Province of Manitoba, that you have other areas that can come into our area, bring in milk and sell at reduced prices, and yet when our people want to sell in their markets they are prohibited from doing so. I feel that this is very unfair competition, that if the people in the Winnipeg area, or some of the other areas such as Brandon and Portage, can come to the southern part of the province and sell milk at discount prices, why can't our producers do likewise and go into their areas. I feel this is an area that has to be looked at, that changes have to be brought in in this connection.

I note there is a report on the last and second last page of the annual report in connection with the Milk Control Board of Manitoba, but this deals with matters that I think happened prior to -- no, the year ending September 30th- that's right - of 1968. There is no mention of this matter in their report. They have increased the milk prices in some of the other areas, I think the western area of Brandon and Portage, but what about the southern area? Does the Minister have an answer to their problem? I know the people have been in to see him. They sure would like an answer to their situation and I think an answer should be forthcoming. I feel that this thing has to be rectified in that the producers in the southern area will be on equal terms with other producers in Manitoba.

So these were a few further remarks that I wanted to make under the Minister's salary because some of them don't lend themselves to any particular item in the estimates.

MR. CHAIRMAN: 1 (a) -- The Honourable Minister of Agriculture.

HON. J. DOUGLAS WATT (MINISTER OF AGRICULTURE) (Arthur): Mr. Chairman, I'll make a few comments. I was hoping I'd get my salary passed before I went on answering your questions but I guess I'll have to deal with the Honourable Member for Ethelbert Plains and some of the boys around the House before I do.

Mr. Chairman, first I'd like to reply to some of the questions that were posed by the Honourable Member for Rhineland. In his remarks last night, and particularly with the new Credit Corporation we have developed in the province, and this question was brought up by other speakers so I'll be answering the committee in general. The Member for Rhineland suggests that the structure of the new Credit Corporation is not adequate and will do little for agriculture in the Province of Manitoba, and of course I disagree with this. I think probably, Mr. Chairman, it's more because of lack of understanding of the program that we are offering, and I can quite realize this because it has not been too widely advertised up to this point or probably too well explained. There are others, of course, who are probably in the position to explain it a little better than myself, but I will attempt to outline roughly what the program does involve.

Insofar as the benefits are concerned, under the present setup and the present arrangements with the banks and with the recognized loaning agencies, which includes credit unions, the rate of interest that will be charged by the banks, Mr. Chairman, will be simple interest, and I think herein lies a very considerable saving to the borrower. While this program was being developed we did get actual figures - if I have them here with me right now - from a particular farmer in the Province of Manitoba who divulged the debts that he had incurred in his farming operation. Sorry if I haven't got that with me - yes, I have it here, Mr. Chairman. I think that just to give you an idea of what benefits would result from the centralization of borrowing and through establishing a single line of credit - and I'll say a few words on the single line of credit in a moment - but I want to give you some figures here and these are actual figures from a farmer in the Province of Manitoba of his outstanding debts that could

(MR. WATT cont'd) be consolidated under the new Credit Corporation plan.

This farmer was indebted to the amount of \$1,500 to a feed company; \$1,000 to local stores; to an elevator company - I assume that this was probably fertilizer - \$3,000; to an implement company - \$5,500; and to building credit - \$3,000; and to finance company - \$5,740; making a total of \$19,740. Now the interest rates charged against the indebtedness of this farmer were 12 percent interest in the case of the \$1,500 feed account, 12 percent interest -- now these are figures that were compiled on the basis of interest compounding and they actually added up to 12 percent in the case of the \$1,500 debt, to 12 percent in the case of the \$1,000 debt, 8 percent in the case of the \$3,000 debt, 12 percent in the case of the \$5,500 implement debt, 17 percent in the case of the building credit debt, and 15 percent in the case of the finance company. These figures come out to a total of \$2,410 that this farmer was paying interest on - \$2,410 annually was the interest charge on the total indebtedness of \$19,740. With simple interest, and we're using a figure here of 8 percent - I can't say for sure today what the bank rates will be, but we assume with government guaranteed loans that they will be somewhere in a reasonable area so we are using a figure here of 8 percent of simple interest - and the total interest that the farmer would pay for an indebtedness of \$19,740 would be \$1,520, or exactly, on an annual basis, \$890.00 less than what he was paying at present with his debts scattered around in five or six different places.

So I just point this out to honourable members of the committee, Mr. Chairman, and to point out further the advantages that will accrue from consolidating the debts of a given farmer and confining it into one single line of credit, and I don't think that in any sense of the word that a farmer will be restricted in his borrowing. In fact I think that it will increase his borrowing power because he will be required to bring all his indebtedness before the particular loaning agency. They will know what his operation is, and in all probability, and in fact I believe in some cases that are being processed now that the Credit Corporation are saying that probably in order to safeguard the money that he has asked for that he should be borrowing further and expanding and developing his operation.

The honourable member has made a comparison between our old long-term credit system and the present, and he indicates of course that this is costing more money. We're not talking about long-term credit, we're talking about short and interim credit here. Insofar as the old line of credit was concerned, long-term, we dropped that, because as I have pointed out in the House before, the federal program has been upgraded to the point where you can borrow more money, the maximum is higher, and on long-term credit the federal rates are lower. If you want to make a comparison between the federal farm improvement loan, their rates are bank rates and adjusted on a semi-annual basis. We looked at this possibility and it was rejected on the grounds that every six months we would have to sit down with the banks and with the credit unions and re-negotiate an interest rate. But in any case it would be bank or credit union rates.

So I think that we are justified, Mr. Chairman, in the course that we have taken on this, and I must say that I do not agree with the Honourable Member for Rhineland when he says that this will not contribute a cheaper line of credit and an increased line of credit to the farmers of the province. I think probably the honourable member was under a misunderstanding when he indicated that possibly this would restrict the farmer insofar as federal credit is concerned, that is long-term credit insofar as their farm improvement loans are concerned. It will not affect the borrowing power of the farmer here any more, and insofar as the farm improvement loan is concerned, it would be included in the maximum that a farmer could borrow. Our maximum limit now, as you are aware, is set at \$50,000.

I think that was the only question that the honourable member really had, direct question in his remarks last night, anymore than he asked about crop insurance. I believe that he has a copy of the Crop Insurance Report for 1967-68 and the Corporation is in the black - I think it was suggested here last night it might be in the black or the red or the pink or some such name - anyway, it is in the black, if he likes to look on Page 19 and 21 there. And I think maybe I should point out that in the Crop Insurance Report there is a surplus on Page 20, 19. There is shown there a figure \$2,854,800 to which should be added on Page 21, the Crop Re-insurance Fund Manitoba and Re-insurance Canada, these two figures are totalled to the figures on Page 19 - correct? --(Interjection)-- I'm sorry I can't give you that figure at the moment; I could give you a rough figure but it's not compiled actually.

Insofar as the licensing of the United States' varieties of different types of grain and

(MR. WATT cont'd) seed, this is really in the hands of the federal government and I believe the Canadian Seed Growers Association. You mentioned this afternoon the Triticale. Actually this is under review in Ottawa now and we are awaiting word from Ottawa what will be done here.

The honourable member mentioned credit unions. I must admit Mr. Chairman, that I don't know very much about credit unions, and after listening to the Honourable Member for Rhineland last night I was more confused than ever when I left. So I simply point out to him that there are no changes contemplated by way of amendments to the present Act, but I think the honourable member is quite aware, Mr. Chairman, that our department and the credit union people are working on the draft of a new bill that we hope and expect will be ready to be considered by the House at the next session.

The honourable member mentioned the programs under ARDA and I just want to mention briefly here because we'll be coming to that later on in the estimates. I think he referred to the money that was being spent up in the north and I think particularly the Interlake region. But he did suggest Mr. Chairman, that too much money was being spent in the north and I'm quite sure that when he brings in a resolution advising the government to spend less money up in the north that the Member for Churchill no doubt will be up seconding his motion. I just mention that in passing. But I would like to point out to the honourable member that insofar as the

MR. USKIW: A point of privilege. I don't believe I suggested that too much money was being spent, Mr. Chairman.

MR. WATT: I was referring to the Honourable Member for Rhineland.

MR. USKIW: Oh, I'm sorry.

MR. WATT: I would like to point out to the Honourable Member for Rhineland that if he wanted to have a look at the exact amount of money that the provincial governments and federal are contributing to the ARDA programs, or to the FRED programs insofar as the Interlake region is concerned, that it is less than one-half of one percent of the total provincial budget.

Last night the Honourable Member for Gladstone had a whole clutter of questions that I should answer here today and I'll attempt to answer a couple of them. He wants to know the position of the government insofar as family farms are concerned and as they are related to corporate farms, and I simply point out to him that the crop insurance program and the present new credit corporation established now, the old credit corporation long term loaning policy where we loaned out upwards of \$50 million to farmers throughout the province is a clear indication of the position of the government insofar as the farmers in the province are concerned, particularly a family farm.

He had mentioned hail insurance and I remind members of the House that there is a resolution on the Order Paper referring to or involving hail insurance, or a rider for hail insurance and crop insurance and I will be making some remarks at that time.

The honourable member wants to know what I know about tractors coming from England. Frankly, Mr. Chairman, I don't know very much, any more than what I read in the papers, that some farmers down there went over and paid cash for I believe a dozen tractors and brought them back to Canada and are supposed to have brought them back a lot cheaper than they could buy them here. Now, I say I have just read about this and while I don't intend to stand up and support particularly the machine companies here I think I should point out to the members of the committee that if I were in a position to go out and buy 12 tractors today without a trade-in and for spot cash that I'd likely be making a pretty good deal on them; but I'm not prepared to say that it would be less or more than what these farmers did bring tractors from England. My understanding is that they're tractors that were built there and that they probably would be difficult in servicing in Canada. These are things of course that I'm not sure of, but I have seen some English makes or some overseas makes of machines come into this province and they've been more of a headache than they have been an asset.

The honourable member was reading some correspondence between myself and him last night in relation to land clearing in the West Lake area I believe it was. I couldn't find my correspondence this morning but I recall the correspondence as it affected one particular farmer up there who had applied for assistance under the ARDA program and I think my answer to him at that time was, or if it wasn't it should have been, that the program only allowed for so much money to be spent on ARDA programs on different projects in any given year. That amount of money has been taken up by that time and no further cost sharing agreements could

(MR. WATT cont'd) be entered into and it is not the policy of the government to enter into cost sharing agreements that will apply in another year's quota of money, if you want to put it that way.

But the honourable member seemed to, or did express the opinion last night that why didn't we go all out and if anybody wanted to go into a cost-sharing agreement let him go to it and said why not put up the money and I simply say that there is a limit to the amount of taxes you can raise in this province, and these 50-50 cost-sharing programs -- we could go broke trying to keep up with the cost-sharing programs in other provinces -- and I'd just like to read you a portion of a story here in Monitor Times that might be of some interest to members of the committee referring to ARDA programs. And while I don't want to take up the time of the committee to read this whole piece in this magazine, they do state here some of the advantages and some of the disadvantages in the ARDA programs, and they say: "The most basic of these is the 50-50 spending formula under which ARDA programs are drawn up with the federal and provincial governments splitting the costs down the middle. The economic facts of life in Canada dictate that the poorer provinces no matter how desperately in need of ARDA money they may be do not have the resources to take on the financial burden on the large scale ARDA program imposes. A predictable irony has arisen. Ontario because it can afford the costs of participation has been gulping down the lion's share of federal ARDA money." I just point that out to members of the committee. I'm sure if the honourable member's constituent applies for assistance in the coming year that it will be considered.

I think those were the only questions that the honourable member posed last night in his remarks.

The Member for Brokenhead has again brought up the Congress held in Ottawa, and I think I clearly pointed out to him the position that the Government had taken at that time. Insofar as government policy is concerned it will be decided as the meetings progress; insofar as the Congress and the Task Force reports are concerned at that time whatever position or policy the government established will then be announced.

The Honourable Member for Ethelbert Plains has made his usual remarks and he's called for a blueprint for agriculture for the province of Manitoba, and I've listened to the NDP Party calling for this year after year for all the ten years that I've been sitting in here and I have yet to hear that party or the Honourable Member for Ethelbert Plains in particular come up with any suggestions for a blueprint for agriculture in the province of Manitoba. I would just like to hear him come up one of these times with something that is really constructive and something that we could sit down and really seriously have a look at. That is about all I have to say as far as the remarks that were made by the Honourable Member for Ethelbert Plains.

I think Mr. Chairman, that I've pretty well covered the major questions. I'll be prepared to answer any further as we go along, item by item.

MR. CHAIRMAN: The Honourable Member for Hamiota.

MR. EARL DAWSON (Hamiota): Mr. Chairman, I wanted to ask the Minister a question which is of some importance to my area and all of Manitoba. I wanted to know if there will be any revisions made in the Act for seed cleaning plants. As you will recall that this is one of the election promises that was made in 1966 that we would have seed plants placed in appropriate localities throughout the province, and we have only one seed plant in all of Manitoba that has been built under the Act. I don't know if you recall Mr. Chairman, last year I raised this point where there was a group in Shoal Lake who had raised the necessary money and the necessary membership and were waiting for the Minister to make the then promised revisions in the Act and it did not come about. I'm not saying that the Minister promised these people that there would be changes made during his reign but he did infer that changes were being looked into, and I wondered in your position now as the new Minister if you are giving any consideration to making it easier for farmers to build seed cleaning plants in Manitoba.

The situation right now is that the monies that are available through the provincial government are not sufficient enough to get a plant off the ground. One of the suggestions that has been made by many of the people that are interested in setting up seed plants is that there should be an outright loan which in all probability there would be forgiveness payments each year in the form of a grant. I think it's an excellent suggestion in view of the fact that the people in your department, your cereal crop specialists, etcetera, are continually telling the farmers to sow clean seed, and I think this is stressed at many of the agricultural meetings

(MR. DAWSON cont'd) and all the literature produced by your department stress the same thing. So I wondered if the Minister could tell me because it is my understanding that the people in the particular area that I mentioned are thinking again of trying to get a seed plant located in their area and can only do it if there are some revisions in the Act.

MR. USKIW: Mr. Chairman, there is just one item that the Minister either intentionally or perhaps by omission did not respond to, and that was the question of the crops that were lost last year and what his intention was. In that connection, Mr. Chairman, I just want to draw to the Minister's attention that in 1959 we had similar circumstances in Manitoba where we had substantial losses in that area and where the government undertook some responsibility, indeed this government, Mr. Chairman, and did provide some form of assistance and I'm trying to establish the rationale today as to why they are neglecting that particular area in recognition of the fact that the circumstances are very much the same but that the crops were not insurable last year.

Now just to draw a parallel Mr. Chairman, I draw to your attention the fact that in southern Manitoba, I believe it was some time last year, we had a tornado whereby people were given some assistance from this government to cover some of their losses. As I recall it, Mr. Chairman, and you may correct me, that it was to the extent of \$4,000 per one individual, or that was the maximum of outright cash assistance. Now this was assistance to pay for the loss of buildings and the like that were insurable, Mr. Chairman, that the people in question could have had coverage through a normal fire insurance policy provided that they had the extended coverage endorsement. Now the government saw fit at that stage of the game to provide some additional assistance -- I'm trying to rationalize in my own mind just what their basis or their criteria is of determining where there is a need and where there isn't, and if you draw these into focus, Mr. Chairman, I find that there's some contradiction and I would like the Minister to explain the basis of that decision.

MR. WATT: I'm sorry I forgot to answer the honourable member on that question, but I think that I did make it clear in the House yesterday and prior to that that we would not be paying cash assistance to the vegetable growers, or to the potato growers in this particular case, and I have written a letter to the President of the Vegetable Growers Association, Mr. Connery at Portage la Prairie to this effect.

The honourable member makes comparison with the assistance apparently that was given in 1959 when he says the situation was comparable. The situation was not comparable in the province at that time, it was confined to a local area. As I pointed out in the House it is a fact that insofar as field crops are concerned that there are other farmers throughout the province that are really in difficulty this year insofar as their cash position is concerned and it is the decision of the government that no indemnity would be paid, that we would provide crop insurance for the potato growers for 1969; further, that we have instituted credit assistance through our credit corporation where money may be made available to these people to plant their crops again.

I point out to the Member for Brokenhead, Mr. Chairman, that he is right when he says that the cost per acre is high insofar as production is concerned, but it is not any higher I don't think relative to the cost of production to income or expected income than possibly any other crop in the province, so I don't think that that point is relative here. I simply say that it has been the decision of the government that we will not be paying indemnity to the potato growers.

MR. CHAIRMAN: The Honourable Member for Brokenhead.

MR. USKIW: ask a question. On what basis then was it decided that those people that suffered losses as a result of the tornado, on what basis was it decided that they should receive some form of assistance where in fact they were in an insurable position, that they could have had coverage for that kind of protection.

MR. DAWSON: Mr. Chairman, I asked the Minister something in regard to seed cleaning plants and the Act, if there was to be any revisions to this. I want to point out that last year your predecessor promised a delegation that there would be revisions and I think in fairness to myself and these particular people I'd like to know what your policy is this year.

MR. WATT: We're contemplating no change in the Act, Mr. Chairman, and I will probably be better prepared to make a remark on that when it comes to that item.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. VIELFAURE: Mr. Speaker, I'm sorry I didn't hear the question last night from the Honourable Member from Rhineland, but from what I understood a while ago the Minister was explaining a loan that had been made to a farmer to consolidate his debts. Now my question would be, will the corporation consider a loan simply on the basis of debt consolidation for a farmer? Let's say a farmer has a loan with the federal plan and he has other debts owing, as the Honourable Minister mentioned awhile ago, and that a loan would be made simply for the consolidation of his debts. Now would this be permissible under the Act? Could a farmer come to the corporation and ask for a loan simply to consolidate his debts?

MR. WATT: Well if I left the impression that this farmer was applying for a loan simply to consolidate debts - no. If I left that impression that is wrong. The intent of the program is not simply to consolidate debts but it does involve the consolidation of debts but with the view that a farmer would be able to consolidate and to borrow further to expand. Now in the figures that I have given, that I say are authentic figures from a farmer in the Province of Manitoba, does not necessarily mean that this farmer is applying for a loan.

MR. VIELFAURE: have to be more than the simple purpose of debt consolidation to be able to have a loan from the corporation, it would be for a matter of extension or buying land or building plus consolidation of debts, but no loan for consolidation alone.

MR. WATT: Well it is not the intent of the program to just simply consolidate debts, but I say that the consolidation of debt would be involved.

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MR. CHAIRMAN: The Honourable Member for Burrows,

MR. HANUSCHAK: Mr. Chairman, I rise to participate in this debate, not as an expert in agriculture because in our caucus we do have men far better qualified than I am to discuss matters of production, marketing of agricultural products and other matters related thereto, but I wish, Mr. Chairman, to make a few comments on the agricultural problem as it affects the urban dweller, as it affects the worker in a city and a town as he sees the agricultural problem of the community around him.

One point which had been made more emphatically than I could possibly make it, and with more information to back up the statement, is the problem of distribution of food. I think, Mr. Chairman, we all realize that in our world we have the haves and we have the have-nots. We have them within our own province and country and we have them outside the boundaries of our country, and I make reference to that because I would like to impress upon the Minister the answer to the hunger problem in the world, which many organizations are tussling with today, and one of the key words in answer to the problem of over-population is control, is limiting the growth of population. And this may be a solution to the problem. I am not denying that it is, Mr. Chairman, but I suggest to you that the greater problem that we are faced with is not one of over-population but rather the problem that we are now saddled with of the inequitable distribution of food. That, Mr. Chairman, is the basic problem, that's the problem that we have to come to grips with. And I mention that, I stress that point - I stress that point in the light of statements made related to marketing, related to trade, made by the Honourable Member from Brokenhead and from Eitelbert Plains. They dealt with that matter and I just wish to impress upon the Minister that that is a very serious problem, and a solution of it, a realistic approach to it will certainly go a long way to solving the food shortage problem that so many millions, in fact hundreds of millions of people in this world are faced with today.

One other problem that the urban dweller sees, reads about - I had mentioned this earlier under questions before Orders of the Day - is the rural urban shift of population. Now certainly, Mr. Chairman, our towns and our cities must grow, our industry must grow, provided that the growth is a planned one; provided that as the population moves off the rural areas into our urban centres that there is activity underway to house these people, to provide gainful and worthwhile employment for them; but if one runs ahead of the other, Mr. Chairman, then you do not have the most desirable economic situation for our community. So here again I mention this point to impress upon the Minister the need for his department to work in very close co-operation with other departments that might be affected, be it Industry and Commerce, Municipal Affairs, Education, Health and others, to deal with this problem effectively, because the problem is coming and I don't think it is one that we could very well stop. We might decelerate the movement to some extent but the trend has already been established, it's gained momentum and it is continuing in that direction. So now it is a matter of how best to deal with it; how to best meet that situation rather than stopping it. Secondly, I am not convinced that it should be stopped. If that is the population shift and it is desirable, it provides the people of this province a better standard of living, then perhaps it should continue.

But by the same token, Mr. Chairman, having said that, I do appreciate the important role that agriculture plays in our community and the need to maintain our agricultural industry. I would like to hear from the Honourable Minister, when he gets up to reply, what measures are being taken to ensure that type of control of our agricultural industry that we feel would be most beneficial to us, and I am thinking in terms of Canadian control. Co-operative farms come to mind. Is this the answer, or is it at least a step in the right direction? In other words, if what is being left behind on the farms are people in possession of land, of a parcel of land which are uneconomic farm units, should they be banded together into co-operatives? This has been done in other parts of Canada. I have some old reports on how successful they have been, some of them more successful than others. I don't know how that type of structure would fare in this day and age, but is it a factor worth considering?

I am also concerned, Mr. Chairman, about the matter of the non-resident corporate farm ownership. I am sure, Mr. Chairman, that the Minister is well aware that this is a problem taken very very seriously in many parts of Canada. I believe that in the State of North Dakota the Farmers Union there was perhaps even more concerned about that problem, or was more vocal, more aggressive in displaying its concern about this problem than what I have seen happen anywhere else. But may I remind you again that I am speaking as an urban observer, and what I say I did not see happen in Manitoba, perhaps maybe in fact it did, but not being

(MR. HANUSCHAK cont'd.) involved in that type of activity and not being directly affected by it, hence it may have passed me by unnoticed.

I am also concerned, Mr. Chairman, about what attention we pay to research and development into new breeds, new varieties of grains, of food products. The other day I came across an article that there is a new variety of rice produced in the United States which will be seeded in the rice growing countries in many parts of the world, and in some parts that presently buy wheat from Canada. Now what effect would that have on our wheat market? Is there a need - and I think that there is because I think our Honourable Minister has mentioned this and others have - that we must shift our emphasis from one type of farming, from grain to beef. I don't know whether that's the present trend but I think that it was at one time, that beef raising was promoted. Well, will the demand for wheat continue? Will the demands for foods remain what they have been in the past or should the farmers change their farming operations to meet the current need?

I am also concerned, Mr. Chairman, about the advent of synthetically produced and factory produced food products containing ingredients other than the natural ones, and we have many of them on the market today. Practically every pre-packaged food contains all sorts of chemical substitutes for ingredients that many a housewife would normally use in their natural form in the kitchen. What effect does this have on the market? Should the government - should the government, Mr. Chairman, impose any checks or controls on the development of the industry of this type? Now it may be true that it's the chemical research and the development of chemical industry of this type that enables my wife to buy a package of cake mix cheaper than what it would cost had the ingredients been from farm produce, or had all the ingredients or most of the ingredients been from farm produce. That may well be, but let's look at the overall picture. Is this healthy? Is it desirable for our economy? I haven't the answer; I do not know. As I said, I'm simply raising this question as an urban observer.

I noticed the other day that in the United States a frankfurter is appearing on the market containing a very high chicken meat content, and this has raised the ire of the Consumers Association in the United States; in fact the American Government is raising its eyebrows at the sale of this type of food commodity. Now I think that the Consumer Association's chief criticism is that here's a way of selling a commodity containing something other than what the consumer believes is contained therein. If it is sold in quantity in the supermarket, well perhaps it could be appropriately labelled, but if that type of food commodity finds its way into restaurants, lunch bars, drive-ins, shops and that sort of thing, how's the consumer to know that he in fact is eating what he thinks he has bought. -- (Interjection) -- The Honourable Member from Elmwood suggests that "look for feathers". Well, I think the practice is to pluck poultry before they are processed. I think that used to be done years ago when I was on the farm and I think it is still done.

But, Mr. Chairman, if this commodity, and there might be others which the American authorities would disallow the merchandising of on their markets, it's quite conceivable that the manufacturers, the producers of those commodities would seek a market elsewhere and Canada might be -- it's certainly the nearest outlet and those foodstuffs will be dumped on our market. Now perhaps this is -- I realize that this, or the matter of water content in meat, is probably and should be more of a concern for the Honourable Minister of Consumer Affairs. I realize that, but from the point of view of protecting the producer, from the point of view of being in charge of a department related to agricultural product producers, I do feel that it is a matter which ought to be of equal concern to the Minister of Agriculture.

The last point that I think all of us are concerned about, the urban dwellers and farm dwellers alike, is the effects of the use of chemicals on foodstuffs. Does the use of chemicals have any adverse effect on the health qualities of the foods that we consume - and I'm thinking of all chemicals, I'm thinking not only of insecticides and pesticides but I'm also thinking of weed killers; I'm thinking of fertilizers, of chemical fertilizers; I'm thinking of feed supplements that are fed to poultry and beef animals, dairy cattle and so forth. Now I realize that as desirable as these may be to the farmer to increase the productivity of his farming operation, but let's assess the overall results of that type of activity. Is it desirable or is it not? If it isn't, what should be done about it, or should any checks or controls be imposed; and if they should be, what are they?

Lastly, the question of safety. Now I believe that there is a committee dealing - or there was, I don't know if it has been reconstituted - dealing with the question of safety of farm

(MR. HANUSCHAK cont'd.) implements. But I'm thinking of safety beyond that. I think seldom a year goes by that we do not read of fatalities occurring in open wells, abandoned wells, dugouts and the like. Now here again I do not wish the agricultural community to misinterpret me, that I am attempting to impose some further demands on them. I don't know the cost of digging a dugout. Perhaps the Honourable Minister - or the Honourable Member for Lakeside could assist me. How much would it cost to dig a dugout the size of this Chamber? -- (Interjection) -- Whatever depth it is.

MR. CAMPBELL: Six and a half cents per cubic yard.

MR. HANUSCHAK: Six and a half cents per cubic yard. Now if the Honourable Minister would ask the Honourable Member for Lakeside what it would cost to fence that dugout to at least keep children out, youngsters of the age group that we frequently sorrowfully read about drowning in them, should not this be taken into consideration? Now this is one that I am aware of, this is one safety item that is frequently publicized. Now there may be others and I would like to hear the Minister comment on them.

Those, Mr. Chairman, are in brief - as I said I'm not a farm expert - my comments on agricultural problems as I see them.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, another ten minutes to go - I feel that I have one or two things that I want to add. I want to thank the Honourable Minister for the reply that he gave me on some of the questions put. However, I still feel that I would like to have an answer in connection with that problem of the milk producers down in southern Manitoba. I feel this is a matter of urgency and is something that has to be rectified and the problem has to be solved.

Mr. Chairman, on this other matter of the licensing of varieties and so on, new cereals, I feel very strongly on this and I feel that we should not be limited just because the federal government has invaded a certain field that we should not be in it. I feel that we have a right in this area and that we as a provincial government should exercise it. I don't think we should be limiting our sphere of operations as far as agriculture is concerned in Manitoba just because the federal government is probably also doing certain things on behalf of agriculture.

I know the agricultural estimates come up year after year and more or less the same items appear year after year and we are allocating monies for the same purposes. Mr. Chairman, I feel that we should extend our boundaries here and go much farther. The Honourable member who just spoke mentioned some of the things. I feel that we should extend especially the matter of trade, as a province, to other countries. I know for a fact that British Columbia when they had the development of extending their railways they made barter agreements with other countries whereby they traded in certain items. They got their rails; they gave them paper and so on, materials of which they had a surplus, and in this way they bartered. Why cannot we do similar in Manitoba? Cannot we do likewise? We are presently building a large extension program as far as Manitoba Hydro is concerned; we are purchasing large generators, costly material, machinery. Why cannot we engage in some agreements whereby we can exchange goods? Why don't we exercise some of our authority in this respect? Surely enough we do have goods that we can barter with and I think we should go into this area and do likewise because otherwise once the session is over we'll be going home and the farmers will still be left with the same old problems, nothing has been accomplished as far as we are concerned. He will still be faced with the quota system; he will still be faced with the surplus of wheat; he will still be faced with the selling of his commodity and here we have our session and do nothing about it. Certainly we should use our imagination and do something in this respect and I feel that bartering could be used and should be used. I feel that the government should embark on this matter and use its imagination too and bring about programs whereby we can dispose of some of our surpluses, and especially when we make large purchases that we can exchange goods on this basis.

MR. CHAIRMAN: (1) (a)--passed; (b)--passed; (c)... The Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, my honourable friend was suggesting a few minutes ago that he couldn't carry on with that land clearing program because the province might go broke if they did it or something like that. Well there is a danger of the province going broke perhaps but it's not on account of this program. This program last year didn't cost the province more -- (Interjection) -- Pardon me?

MR. WATT: I said I was talking about cost-sharing programs not program.

MR. SHOEMAKER: Not this one in particular. No. Well this one in particular according

(MR. SHOEMAKER cont'd.) to the letter that I have from my honourable friend the Land Clearing Chief, he says that the whole program, the whole program for the Province of Manitoba was limited to 12,000 acres at \$4.00 an acre, of which Manitoba what? Paid half I guess. So that was only \$24,000 that they spent all last year and I simply ask that the program, in consideration of the fact that it was a good one -- you will recall, Mr. Chairman, last night that the former Minister of Agriculture said it was an excellent program, and I agree with him it was an excellent program and I said it should be expanded. My honourable friend says that -- (Interjection) -- it was expanded to 12,000 acres at \$4.00 an acre.

MR. ENNS: That ain't peanuts.

MR. SHOEMAKER: Pardon? I think my honourable friend the former Minister of Agriculture should get in this argument and answer for the program instead of the present Minister of Agriculture. -- (Interjection) -- They'll be changing again next year. Well it's this year that I'm concerned about and I certainly hope that my honourable friend will press the Federal Government if that's necessary for an expansion of this program. I think it is a good one. I agree with the former Minister.

Now I would like to know what the cost-sharing agreement is on this program. I would also like to know and so would the Honourable Member for Burrows that was talking about the cost of dugouts. What is the present program, the cost-sharing program on dugouts? Is it the same as it was and to what extent is it being used in this day and age. I know that my brothers and son-in-law have all used it in the past and I think it is a very good kind of a program too. So perhaps my honourable friend in the two minutes that are left could answer these two questions. -- (Interjection) -- No. No. No, no we got to get the answer to those two questions. If he allots one minute to each question it'll then be 5:30.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply wish to report progress and ask leave to sit again.

IN SESSION

MR. M. E. MCKELLAR (Souris-Lansdowne): Mr. Speaker, I beg to move, seconded by the Honourable Member for Pembina, the report of the Committee be received.

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

MR. SPEAKER: It is now 5:30 and the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.