

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Monday, March 30, 1970.

MR. CHAIRMAN: We're dealing with the Department of Agriculture Estimates. I believe that the Honourable Member for Pembina was continuing.

MR. HENDERSON: Mr. Chairman, I believe where I left off I was trying to relate the sale of wheat to politics, and I am convinced that our trade policy is directly involved with our federal politics. If we haven't got the right type of federal politics and they don't believe in trading, we just can't trade; and no matter how many excuses we make I think this is really where it comes right back to. It's our federal politics. And wheat is politics and we can't really separate the two. And while we make excuses for the Wheat Board -- and I'd like to say here now that I believe that the Wheat Board is a good thing; I believe maybe it's made some blunders all right and it needs some correction, but I am in favour of the Wheat Board. And I'd like to read an article here, and this is from The Omaha World Herald, Wednesday, March 25, 1970. And here is the headline: "U.S. Sets Record Japan Wheat Sales." Now, gentlemen, this just goes to show that while we're still making excuses, other people are going out and are making sales.

Marketing of grain is one of our main problems in farming today. I sincerely hope that the Minister is serious when he talks about marketing and research because this is two very important parts of the Minister's duties. The Minister from Morris has put it so ably that I don't think I will try to improve on it at all. I just want to say that this is a buyer's market today and that we cannot expect to sell grain by just saying "We have the produce here; come and buy it." We must get out and work if we want to do it. We must go out of our way to find and to develop markets. We cannot have strikes that are of our own making while ships are tied up in our harbours, paying demurrage. We must do all we can to make our customers feel that they are necessary to us and that their business is appreciated by us. I am not saying that this is easy for anybody to do or that it's even possible, but I do know that we have made so many mistakes that we should feel it our obligation to make amends and to restore the confidence of other countries in us.

I'd like to end up by asking the Minister of Agriculture to do what he can for the people of the Morden area who have lost their income from special crops. I have here a copy of the Morden Times and here's the headline in here: "\$250,000 Question - What To Do With The Morden Cannery." This is a serious question to the people of Morden. I know this comes under the Department of Industry and Commerce but still it affects agriculture because these people that are growing the crops are involved in agriculture. This is also affected by the Pembina Dam which comes under the Minister of Mines and Natural Resources, and I spoke about this last year and I'm very interested to get my Returns in which I asked for the correspondence between Ottawa and Manitoba in this connection, because I have here another article from the Morden Times and it's got in here: "U.S. Urges Canada To Speed Up Settlement On Pembina Dam." Now who's dragging their feet? This is what I'm wondering. Is it the Provincial Government or is it the Canadian Government? Bad enough if it's the Canadian Government but why should we in Manitoba drag our feet because by the time this cost would be shared with the Canadian Government and with the U.S. Government it wouldn't be such a terrific cost to us, and it could mean a lot to this area not only for row crops but for tourism and for recreation. We all know that these days recreation is becoming a far more important thing, and so is tourism. The people in the south are very anxious about this and I wish that the government would do what it could to do something about the Pembina Dam. Surely we haven't got to put all our effort towards the north. I notice the Minister of the north is looking at me again and we seem to be at odds occasionally, but it happens to be that he's from the north and I'm from the south and I'm going to try to hold out for something for the south.

The question of what can be done for the cannery is a very pressing one and something must be done soon, as this is necessary if the people are going to plant special crops. These peas have to be in the ground in April and something has to be decided with this cannery before that time. I know that the Minister is busy, but this is something that I don't think can wait. We should try real hard to solve this question now because it's little use in calling the doctor after the patient has died.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. J. R. FERGUSON (Gladstone): Mr. Chairman, thank you. It seems that we have had a considerable run of speakers on agriculture. I'll try to keep my remarks fairly brief and give some of my colleagues an opportunity to speak - also the opposition. I'd like to congratulate you, Mr. Minister, on your reassuring or carrying on in your office of agriculture. It's taking place in a very trying time and I'm quite sure that you will be doing your utmost to further the agricultural industry in Manitoba for the benefit of not only the farmers but also the urban dwellers as well.

In your opening remarks, Mr. Chairman, I find that the Minister of Agriculture has some statements that I can agree with and some that are not quite so agreeable. I kind of go along with his livestock diversification program. It has been discussed several times so I will not go into the details of it. Actually, to a great degree in Manitoba, we have made the switch. Our hog industry I believe has increased roughly in an area of 40% and we've already been informed that we can expect a drop in prices later this year by the Minister. The build-up of our cow-calf operation, even with the incentives that are offered, will be a little slower process; it will take between three and five years to get up to an operation that's functioning smoothly; and one wonders what guidelines will be used to ensure that we are not heading for a surplus production in the livestock industry and also what market researching is being done.

The stockgrowers, in their brief, it was stated the other day in the Speech from the Throne that they recommend the 7% increase, and I think that they should be fairly informed on what the industry will carry, and with the increased livestock herds will come an increasing demand for veterinary surgeons. As the Province of Manitoba now has only 26 practising vets and as an increasing cow-calf operation, much more than any other phase of the industry, will require many more. I would like to enquire as to what steps have been taken to ensure that there will be an adequate supply of vets. Veterinary clinics have been mentioned but building a veterinary clinic will not put vets in it. I know in our own particular area there is one vet between Minnedosa and Portage and this is one of the heaviest livestock concentrations I believe that there is in Manitoba.

Turning to the federal acreage payment the Minister has stated that he felt it was a step in the right direction; he seems to be all for it. I have yet to talk to anyone who is impressed with it at all, and with the thought that he is going to Ottawa I would think that there are better proposals that could be put forth, even if it entailed only a straight acreage payment; or if the government is anxious to pump money back into the western economy and reduce the wheat acreage, why not take a straight lease on the land than to do it this way? At least they are going to be sure that they are in control of the land and this way the money will come in and the acreage will be reduced.

Now the grain glut, in my opinion, can be traced to about three causes; a world surplus -- the U.S. and Australia, though, seem to still be in a position, as the Honourable Member from Pembina said, of stepping up their sales while we seem to be in the position that we're taking a very negative approach, and the repercussions on the economy in western Canada are going to be terrific. The fuel dealers, fertilizer dealers, repairs, machines - it's going to entail an awful lot more than is just meeting the eye.

The next would be the inability to get grain into position and out of the country. Now during the 1968 season on the east coast, through the grain marketing system, we spent over 120 days of actual tie-up time in strikes. At the west coast we are running into much the same conditions. Now I do not believe that we can go along with this sort of a situation as we are losing customers and also our reputation of not being able to meet the commitments to our customers. Something must be done to stop strikes at the ports - anti-strike legislation or some reasonable method of arbitration. Automation of grain handling facilities would ensure, to a large degree, that when we have sale commitments to meet they would be met promptly. --(Interjection)-- I was just going to come to that. We cannot continue to pay demurrage on ships or lose sales due to labour strikes, and I certainly agree with the Honourable Member from Churchill that the port facilities there should be expanded as the handling is considerably confined - just the business of getting it there, loading it and getting it out of the country.

Now today we also find ourselves in the unenviable position of having no grain sales for it. Again the Honourable Member for Pembina quoted the drop in our sales. I'll quote them again quickly: oat sales, 51% to 5%; barley sales, 35 to 14; and our wheat sales 30% to 19%. This is dating in '67; they are worse today than they were then. I believe that we must continue to have the Wheat Board handling our wheat due to the international nature of our agreement. However, we cannot afford the luxury of having a Wheat Board, a Grain Exchange, a

(MR. FERGUSON Cont'd)... Canada Grain Council, and - now the Honourable Otto Lang. Large amounts of both the farmers and the federal treasury are being wasted on storage, interest and administration. It is costing the farmer roughly 50 cents a bushel to handle wheat. Our present marketing system has failed. I suppose there are numerous reasons for this. The Member for Morris, the Honourable Minister as he is called more or less brought forth the fact that tariff restrictions and tariff fields were affecting us. However, I believe that the money that we are wasting on administration, boards and the rest of this bureaucratic setup, if it was spent on possibly marketing for a sales agency, much as any other product is sold - put our salesmen on salary and commission; still adhere to the international agreement but have somebody out in the world that is going to take some responsibility, not just sitting in bureaucratic little ivory towers and doing more or less nothing.

I believe that oat and barley marketing - and I certainly know that the Minister will not agree with me here - but I believe that it should be returned to the free market. This could still be done in an orderly way by having a floor price and by retaining the quota system, as is done with the marketing of flax, rape seed and rye. And I don't believe that there is any comparison between the three grain products that I quote here as against the three that are being handled by the Wheat Board. As we can plainly see today, rape seed and flax seed are on an open quota, rye is on a pretty good quota, eight or 10 bushels per seeded acre, and the rest are more or less in a bind. And I find this just a little beyond comprehension.

Now, one of the facts that I would like to quote here also is that even today if I, as a farmer, deliver oats to my own elevator, turn around, drive back to the driveway, I can buy it back again. I can deliver it for 45 cents and buy it back for 70 cents. Figures for buying are more or less comparable - 67 to 90 cents. Now this year, for the first time, we have had no payment on coarse grains so one must assume that it's costing us between 20 and 25 cents to market these grains. At a time when the world demand is increasing for feed grain, our share of the market has declined, as I quoted earlier, to nearly zero.

Now there's no large world-wide surplus in these commodities, and Manitoba could and should be taking advantage of this situation. I feel that we have the facilities in Manitoba, the technical know-how, the land, to be in a position to compete with any country in the world on a non-subsidized basis, but we must, as I stated earlier, get a sales force that is going to be out to sell our product, not just to hold meetings and do nothing. A perfect example of this lethargy would be last year, where our barley market, to single out a particular product, to Japan and Britain we lost a sale of barley to Japan of 30 million bushels due to a price differential of 10 cents. Now with - and I would like to stress again - with an aggressive selling force and a flexible price system, these fields could be consummated and money could be put into our economy.

Now, Mr. Speaker, or Mr. Chairman rather, our Minister of Agriculture has signified that he will be in contact with his counterparts from the other provinces and federally in the very near future, and, as a farmer in Manitoba, I feel that there will be an increasing opportunity for us in the coarse grain industry to, at the expense of probably reducing our wheat acreage, to capitalize on the world market. But, as I said before, I believe that we must adopt a more vigorous selling program and a more flexible pricing system. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Well, Mr. Chairman, I would like to say, to begin with, that I'd like to commend the Minister for the position that he holds as Minister of Agriculture for the Province of Manitoba, and listening to the many comments in the House this afternoon and this evening, and at the same time considering that portion of the Throne Speech that refers to the Department of Agriculture, as I said in replying to the Throne Speech that there are many things that I am concerned about and I am wondering what road we are going to follow in solving the many problems that face agriculture.

I can think of one that I may start out with. He speaks of the veterinary clinic and the changes in the veterinary services that are going to be provided to the farmers of Manitoba. This is one of the things that with the program that they are trying to follow in the increased production of livestock in the province of Manitoba, I think this is one area where that service is definitely needed, and at the outset with what information I have, I want to commend the Minister on this particular part of his department, but Mr. Chairman, I become very concerned until I have heard all the details as to how this is going to operate.

(MR. EINARSON Cont'd).

For example, being a farmer myself, I am wondering, if I have an animal that weighs a thousand pounds and becomes ill, whether I am going to be able to call on the veterinary as I am at at the present time, or do I have to take that animal to the clinic to have it diagnosed and find out what's the trouble. This is something, Mr. Chairman, that I hope the Minister realizes. He, being a potato farmer, I am not sure whether he does. I leave that as it may, and I will probably have something further to say later on when he deals with his estimates, item by item. We've also heard a good deal about the federal grain policy, that is the acreage payments that the Federal Government is coming out with, and both the Minister of Agriculture and the First Minister I think have pretty well stated their position insofar as their stand is concerned, and while there may be some farmers who are going to benefit by it, I think probably more so in the Province of Saskatchewan rather than in Manitoba.

My colleague, the Member for Morris here, explained it very very well in going back to relate why we have the problem that we are faced with today, and one of the things that I would like to touch on and I want to bring forth to the Minister's attention that wasn't mentioned this afternoon, and that is the grading system of our wheat that we are embarking on. And here, again I take you to the Federal Government. I am sorry that we have to embark on the Federal Government because it is federal jurisdiction, but at the same time I think that the contribution that we can make as agriculturalists in Manitoba, if we can offer some constructive criticism I hope that it will be accepted in the light that we give it, and that is that we are about a year and a half to two years behind when we talk about marketing our wheat and we are concerned with the grading system. And we hear now of selling a bushel of wheat where you have to have the protein content at a certain percentage level in order that you are going to find the market overseas for that particular wheat, and I understand that in Australia and the United States they have been working on this for almost two years, whereas we haven't done a thing in Canada about this very important matter.

I shudder to think, Mr. Chairman, and I say to the Minister, what could happen to many farmers in Manitoba whereby they may find themselves producing a commodity that is just not going to be saleable in the world, because, as I understand it, in Great Britain they have a computer system so devised that they are trying to establish a percentage of that high protein quality of wheat whereby they can mix it with a lower grade quality of wheat they can buy, say, from the United States or other countries of the world, and in this way produce a cheaper loaf of bread and yet at the same time satisfy the customers of those respective countries. And this is something that we are faced with at the present time and are going to have to deal with in the immediate future.

Now when the Minister stated that the federal Minister, Mr. Otto Lang, if I understood him correctly, called on all the respective ministers of the provinces to come to Ottawa to discuss this matter with them and hoped that they would keep the political arena out of it, I couldn't help but wonder and couldn't understand why the federal Minister would make such a suggestion to our provincial Minister because, insofar as I can see, it's politics all the way down the line. If we're going to gain, and they talk about the amount of money that this involves in the acreage program that they're embarking on, I don't know whether I'm sticking my neck out or not, Mr. Chairman, but when they talk about 100 and 140 million dollars for Western Canada, and when I try to surmise what Manitoba's going to get out of this, I'm going to stick my neck out and say if we get two or three million out of it we'll be very fortunate, very, very fortunate, Mr. Chairman. And the reason I say that, Sir, is because I've talked with so many farmers, and I don't know whether the Minister has or not, but the farmers in Manitoba have been already embarked on decreasing their wheat acreage over the past two years, and some of them can't go any further, because we have to consider this whole program, what is going to happen a year from now. It's all fine and well to say that this is what we'll do for this year, but, as I understand it, the federal program is a one-shot deal. Is that Step One, Mr. Minister? What in the world can we expect for Step No. Two? We have to be concerned about the following year. How are we going to pay our bills in 1971-72 if we're supposed to grow nothing in 1970, because the \$6.00 that you talk about won't begin to cover the total expenses. They won't begin to cover it. Almost half of that in many cases is involved in taxes alone. And so there are many aspects of this whole acreage program that I don't have the answers for but I hope the Minister does in dealing with his estimates, and will be able to give us a report on this whole program.

(MR. EINARSON Cont'd).

Another thing that I was hoping that would happen, that the Agricultural Committee would have been called by this government over the past number of months to deal with many programs that had already been embarked upon and that we hoped would be continued, and that is our farm machinery program, I think that we had come a considerable ways on, but now I am lost in the wilderness and I don't know where we stand so far as that aspect of it is concerned. Also in our cattle industry we have met with groups, as other of my colleagues have mentioned, farm organizations such as the Stockgrowers Association which are a good solid group of agricultural people in the Province of Manitoba. I don't just single them out. We have our Manitoba Farm Bureau. We have many other organizations that are equally as good. But I am reminded of the Stockgrowers of Manitoba where they held their annual meeting in my constituency, Mr. Chairman, which I was honoured to have them - in the City of Pilot Mound - only to learn the first evening that the President of that organization had to announce that the Minister was unable to attend as the guest speaker, and it was then he had to make a visit to Rome and they wondered whether he felt the visit to Rome was more important than the visit to Pilot Mound. I can't help but wonder, Mr. Chairman, whether there's some significance with the federal Prime Minister and my worthy opponent the Minister of Agriculture. I don't know.

Also, I had become concerned with this government, probably, I might say, on a sympathetic note, that the Minister finds himself as the only agricultural individual. I don't know about my good friend over here from St. George where he fits in the picture.

MR. USKIW: Have you ever worn a pair of coveralls?

MR. LAURENT L. DESJARDINS (St. Boniface): Answer it - come on.

A MEMBER: Tell him about the time you were seen out at the farm on the back porch.

MR. EINARSON: Well, Mr. Chairman, yes, I think the Honourable Member from St. George, I believe it is, probably could come to my constituency and learn a few things about agriculture, but from what I have heard over there I think possibly they'd do well to do just that. In all seriousness though, Mr. Chairman, the Department of Agriculture, I think that it's -- and the Minister holds a very important and a responsible role insofar as all the departments that we have. I don't say this or single out facetiously that it's more important than any of the others. It's a two-way street, I'd like to think it feels that way. Our urban folk depend on the rural people; also it's the other way, our rural folk depend on the urban people; and I think that we could do well to improve our knowledge, shall I say, between the urban and the rural communities in the Province of Manitoba as well as in Canada. Probably that's a good Centennial project if someone wanted to follow that.

However, Mr. Chairman, as I said, there are many things in the Throne Speech and there are some things in the Minister's estimates that are very vague and require explanation on his part before I'd like to make any further comments, so with these few remarks, Mr. Chairman, I will sit down. Thank you.

MR. HARRY ENNS (Lakeside): Thank you, Mr. Chairman -- (Interjections) -- Mr. Chairman, I would like to continue the tradition of the past estimable members of Lakeside to bring up the very important matter of Pang's Disease and the Horn Tax. -- (Interjection) -- No. Blueberries was brought up by the Member from Gladstone, if I remember more correctly. No, Mr. Chairman, seriously, I wish to make a contribution at this particular time to congratulate the Minister of Agriculture in his position and in wishing him well in his full control and direction of the department, as he indicated in his opening remarks, that he now has the opportunity to do. I would have rather hoped that he would have assumed that control in the last session but I can appreciate his bowing to the wisdom of the day in recognizing that the estimates that he was asked to bring to the House in the last session were not all that bad, despite the fact that they were Tory estimates; the programs that he was asked to bring before the House during the last session were not all that bad despite they were Tory estimates; and that he saw no reason really to change them appreciably at that time.

Mr. Chairman, before I continue I'd like to take just a moment of the committee's time to make some particular remarks about the Department of Agriculture, because I have some privilege of having had the pleasure of being associated with that department for a brief period of time, and despite the abuse that I took in the House while Minister of Agriculture, I myself had no difficulty in appreciating the tremendous contribution that the Department of Agriculture

(MR. ENNS Cont'd)...makes to the Province of Manitoba; because Mr. Chairman, it is a department that stands out among all the services that this government provides to the people of Manitoba, as being a truly all-embracing department that concerns itself with all aspects and always has concerned itself with all aspects of human development, a term, by the way, that is now very popular and very vogue with the New Democratic Party, the New Democratic government that we have. But I've always felt singularly pleased with the fact that the Agricultural Department has always considered itself far more than simply a department involved with the production of food with the disseminating of agricultural information, with the meeting ground of farmers to assemble and associate with. It's been involved with our young people in one of the most imaginative programs that we have in our 4-H programs throughout the province. Would that we had more of those programs. Would that we had somewhat similar programs in our urban centres. Perhaps we would not have quite the difficulties that we sometimes have in our urban centres if we had these kind of programs available through the rest of our province. A program, a department that has concerned itself with the time that our ladies, our women in the province have -- and the contribution that they want to make in the province; the department has actively supported the Women's Institute and the various organizations affiliated throughout the province, and these number many. In fact, I used to get a rise out of cabinet meetings when I would indicate to the colleagues that were on the cabinet that indeed we had a position on women with respect to this particular matter.

We were the forefront in the government services in recognizing the total community development that was needed in bringing about some of the total approach to government problems, and I refer specifically to the role that the department plays in the development-type programs, the area development programs such as are being fostered under the ARDA-FRED programs in the Interlake, the active sponsorship of the various agricultural advisory council groups that are throughout the province, the active sponsorship of the different fairs and organizations that are so much, such a big part of the Province of Manitoba, particularly the rural part of Manitoba. So I take pleasure, Mr. Chairman, in commenting on these things, and I would like to think that the present Minister of Agriculture would be statesmanly enough to suggest, or to be able to accept the fact, that a great deal of what he now presides over, namely the Department of Agriculture of the Province of Manitoba, has been brought by the forward, the progressive kind of leadership that was displayed by the Progressive Conservative Party over the past eight or nine years in helping to create the Department of Agriculture as we know it today; and I see nothing, Mr. Chairman, in the estimates before us that would lead me to believe that the present Minister, or indeed this present government, intends to change a great deal or deviate a great deal from those programs that we are, I think with some justifiable reason, proud of having put on the Legislative books of this province. I would like to think, Mr. Chairman, that unlike a sister department such as Industry and Commerce that in this particular case we do not face the kind of ideological problems or ideological disputes that indeed have led up to the resignation of senior members of the department, that we are not facing this kind of a situation in the Department of Agriculture, that the Minister is prepared to accept the fact that the Department of Agriculture has always been a very socially conscious department, that we have attempted very much so, particularly in the latter years, the years that I had the pleasure of being partly associated with the department, to concerning ourselves with people, with particularly that segment of people that are under the lower income bracket in farming and that we have been attempting to rectify or to pay additional attention to these areas.

Mr. Chairman, I would like to take issue at this time on a few specific areas. The one that has already been mentioned so capably by my colleague, the Member for Morris, is the questions of market research versus production research, and I am troubled to some extent by noting a reduction in the estimates, a reduction in the estimates, a reduction to the funds normally supplied to the Faculty of Agriculture at the University of Manitoba, of some \$40,000.00. Perhaps the Minister in his reply can indicate precisely what this reduction accounts for. I possibly can see that it maybe involved in a transfer of responsibilities, that is that the Department of Education has assumed some of these costs, but I would like to think, and I would like to dwell on that for a little while, that it is not the intention of this department to in any way weaken the very capable Faculty of Agriculture that has been developed over the years at the University of Manitoba; because, Mr. Chairman, I'd like to make a confession to you right about now. One of the reasons, one of the reasons why in formulating agricultural policy in this province we have been reasonably successful -- now they may want

March 30, 1970.

395

(MR. ENNS Cont'd)...to argue with it, but I say reasonably successful in the terms that government policy has not been too far out of step with what the leaders in agriculture and the academic agricultural community have thought -- is primarily because of the acknowledgement and the substantiation of the fact that we have recognized the faculty of Agriculture at the University of Manitoba as being the research arm essentially for the Department of Agriculture, and we have used it to that extent. When I think of the work that Dean Shebeski and his company carries on there, it has been a tremendous assistance, tremendous contribution to agriculture, not only through the Department of Agriculture but independently as such. When one reads the calendar of events that take place through the Faculty of Agriculture at the University of Manitoba one has to acknowledge the tremendous contribution that the University, and university life is making to the farm community. They have a complete group of farm management, farm business groups working directly with the university; the university is contacted by individual producer groups to do special studies. This is good, and this is the way it should be.

Mr. Chairman, you see, one of the failures and one of the problems that I had when I was Minister of Mines and Natural Resources is that I can't say the same thing about the relationship that existed between our efforts in government and the Civil Service of government in formulating policies with respect to our natural resources, with respect to the use and development of our natural resources - I did not have that kind of a backstop at the university, belatedly, and I was very keenly interested in seeing that one of the last measures that the government that I was part of, we were instrumental in providing the University of Manitoba with a kind of a foundation grant of some \$25,000 or \$30,000 in setting up an Institute of natural resources or natural resources studies at the University of Manitoba. And I think that this is long overdue. In fact, had a similar relationship existed in the fields of natural resources, water resources, mines and so forth, as exists in the field of agriculture, I would not have found myself in the position of finding the whole academic community or a good portion of the academic community so completely at odds with government policy on such a very important matter such as the development of our hydro resources, such as the what to do about South Indian Lake and so forth.

I put to you this in a serious way, Mr. Chairman, in hopes that the current Minister of Mines and Resources while we're now on his estimates, would continue, would take a leaf out of this particular book and do his utmost to see that the program that's under the leadership of, I believe it is, Dr. Sol Sinclair, be supported in much the same way, in much the same way that the Faculty of Agriculture receives its support from this government. Because I think in a province with limited resources as we have, it's very important that we utilize, and that we milk, so to say, using an agricultural term, all that can be milked out of those resources that we have, and those include our academic resources. I think we are doing it in the field of agriculture, because I think essentially there is no estrangement between the Department of Agriculture and the Faculty of Agriculture, because I know, and I would like to think - I have no reason to believe that it has changed - that degree of co-operation, that degree of working together and the Faculty of Agriculture at the University is often the avant-garde in agricultural policy. We in the government service are sometimes pedantically a step or two behind, but we're walking in the same direction, we're walking in the same direction; and this is only as a result of the fact that over the years the Faculty of Agriculture at the University of Manitoba has received the kind of support, the kind of confidence that it deserves and I would like to think that we by and large have received full payment as persons responsible for the expenditure of public funds for the monies that were invested in this direction.

So, Mr. Chairman, I'm a little concerned about the fact that I see in this set of estimates before me a reduction of some \$40,000 to the University of Manitoba. And perhaps there's a reasonable explanation for it, but I would think that at a time that it's particularly important that we think very hard about the additional kind of research that were needed -- we're in trouble in agriculture, we know that -- and this is not the place that you start cutting corners. Oh, I know, Mr. Chairman, that perhaps it's politically more astute to offer farmers a fast dollar for not putting in an acre of wheat or something like that, or for some other kind of a program, but I'm sure, Mr. Chairman, if I can recollect correctly, the speeches that you've made about the importance of research on another matter, such as the field of education, that you would have to concur with me that cutting back or reducing research rarely pays off in the long term. So, Mr. Chairman, I would hope that the Minister of Agriculture in replying to some of these opening statements would give us some indication about the position that he and

March 30, 1970.

(MR. ENNS Cont'd)...his government are taking with respect to the Faculty of Agriculture at the University of Manitoba.

Mr. Chairman, the Minister has on numerous occasions spoken about the need for market research. Yet, Mr. Chairman, I'm rather surprised, I note no increase in the estimates in those particular areas where I would perhaps assume it to be in: The Manitoba Marketing Board - \$6,000 for salaries last year, \$6,000 this year; \$14,900 for other expenditures this year, \$14,900 this year, so there's no strengthening, no strengthening of the area there.

MR. USKIW: Take a look at 6 (c).

MR. ENNS: Well now we come to 6 (c) and we see some additional monies there. \$53,000; \$20,000 - emergency policies.

MR. USKIW: 6 (c) Mr. Chairman.

MR. ENNS: Let me find the spot and I'll see it. 6 (c) Marketing and Statistics - yes there is indeed a considerable increase there. But Mr. Chairman, marketing statistics, expenses in that area always leads me to believe that if in fact the Minister really wants to make an input, I would think that on the Manitoba Marketing Board is one area surely where he would want to begin with in terms of some marketing strength - now he's shaking his head, he's talking about some restructuring. I would think that probably the minister is taking the easier way out and suggesting that we find suitable employment for various marketing research economists and compile some more and some more and some more statistics.

The Minister's statement recently about the computer program that's going to be available to Manitoba farmers leaves me rather cold, because it's a program that's already been offered to the farmers of Manitoba by the Federal Government, and we have a degree of duplication here which I would like the Minister to explain when we hear from him. But really it's not the bolts and nuts of it that I'm worried about, it's the philosophy that I'm concerned about. Because Mr. Chairman, when he has that information, what is he going to with it? What is he going to with it? Aside from assuring the fact that Churchill Forest Products Industries Ltd. will have an access or an outlet for some additional paper to be used in the printing of reports? Because I'd like to really come back and reinforce the point of view that the Member for Morris set out later on this afternoon. I am very fearful of the kind, the kind of misleading that this government may well be engaged in towards the farm community when they start talking about marketing problems. Because, do they seriously suggest, as I think the Member for St. George honestly expects them to, and believes them to, that they are going to, you know at Day Z there will come the announcement after all this additional \$60,000 research, that the Province of Manitoba can in fact produce sixty million pounds of turkeys or twenty million pounds of turkeys and no more - and if we do that, we can sustain our price, and we have no problems. And we can do the same with hogs, we can do the same with wheat, or we can do the same with cattle, the same with broilers, and we're out of difficulty. Is this the kind of marketing that we're looking forward to? -- (Interjection) -- No, I think this is a legitimate question, because Mr. Chairman, many of, you know the whole question of marketing boards, you know this is what it boils down to, and I'm saying that you are deliberately misleading farmers and primary producers in this province, if you're suggesting that you can in any way sustain a healthy agriculture industry, other than, that it is based on the ability to produce competitively, on the ability to produce a better product, and on the ability to sell the thing once you've produced it.

Mr. Chairman, we've heard in this Chamber not so long ago that the State of Idaho, is it, or Iowa produces as many hogs as all of Canada does. And we're on a North American market here. Mr. Chairman, are we to believe that if some task force that the Minister sets out decides that from a very parochial point of view if we put blinkers around ourselves and balkanize this province, that our industry as we have it in this province can sustain such a growth, or that particular agricultural primary product, that that's what we should limit ourselves to producing? The Member from St. George is smiling at me because -- I know something about the Member from St. George

MR. USKIW: The only thing is the production of hogs is half as much as Canada, not as the whole amount of Canada.

MR. ENNS: Well that's here nor there, Mr. Chairman, here nor there. --(Interjection) -- What's 50%. Right. All right so I cut the deception down by 50 percent. So you're only deceiving the farmers by 50 percent. That's still a pretty good rate of deception I would say, Mr. Chairman, I only want to point out during the estimates at this time, the futility of following that kind of a course; the futility of suggesting to Manitoba farmers -- and this is

March 30, 1970.

397

(MR. ENNS Cont'd)....a futility, and this is a tragedy that this government is pursuing in actively supporting, actively supporting, the current wheat production program in Canada and the Province of Manitoba.

Mr. Chairman, I said so earlier in the Speech from the Throne, that the Manitoba farmers are useful people, they want to be useful people, and that they will make their re-adjustment, as painful as it is, as painful as it is. It's up to the Minister of Agriculture to bring forward the leadership, to advise, to make possible, as he is in the Credit Corporation program to ease the way of readjustment. But, Mr. Chairman, to actively suggest, actively support a program of cutting back or cutting down, a program that doesn't in any way even make economic sense - that is economic to the farmer - by the time he's paid for the cultivation of his field, keeping it in summerfallow and pay the taxes on it, the higher **assessed taxes** on it that are coming out this year - Mr. Chairman, there's just no dollars in it. **I can predict**, Mr. Chairman, and other members have predicted, and we know what's going to happen, that it's going to be very interesting, Mr. Chairman, you know, one of the few times that you could be a clairvoyant and look in the future, **I can predict with extreme confidence that there will be little or no direct effect of the wheat reduction program in Manitoba.**

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MR. USKIW: You said there would be.

MR. ENNS: Oh, we'll horse around with it a little and we'll play around. Right now, you see I've got a couple thousand acres of lake front there in the Interlake and I'm wondering right now how I can run a disk over it in a hurry and kind of brown it up a little bit and collect six bucks off the government. But I can't do it because I didn't have it in summer fallow last year. But these are the kind of thoughts that no doubt will run through some of the farmers' minds and farmers have always been known to be reasonably astute in figuring out ways of getting around certain government programs. -- (Interjections) -- But I say, Mr. Chairman, it's really a tragedy that government leadership, government leadership has come to this point.

MR. MACKLING: What point are we...

MR. ENNS: Government leadership has come to this point.

MR. MACKLING: We're at what point?

MR. ENNS: Well where we've given up our hands, we've thrown up our hands, we've said...

MR. MACKLING: You did. There they are.

MR. ENNS: Well, I suppose - I suppose the best way to... to say that the hands are there as our Prime Minister is skiing down the slopes, and the Minister of Agriculture here has got his hands on his chin as he is contemplating the fact that yes, we'd better go along with this...

MR. USKIW: Who said so.

MR. ENNS: Well, Mr. Chairman, I'm sure that he just... that he said so.

MR. USKIW: You must be reading your own speech. -- (Interjection) --

MR. ENNS: Mr. Chairman, I'm concerned, I'm worried that at the time that the agricultural political voice is without a question weakening, that agricultural needs all the sympathetic understanding that it can get from that 93 percent of our urban population, that we do not get that sympathetic understanding from Montreal or from Toronto, or Vancouver, when the headlines blaze "Western Wheat Farmers to Receive \$130 million for Sitting on their Behinds." And that's essentially the headlines they are reading about.

MR. G. JOHNSTON: They're false.

MR. ENNS: Sure they're false, but... I'm sure even the First Minister will agree from time to time the headlines that appear in newspapers are not always the ones that we'd like to see or in fact are sometimes misleading. But it's very clear to me, Mr. Chairman, that this is precisely the kind of reaction, the automatic reaction that the overwhelming number of urban Canadians, yes in fact, Mr. Chairman, it's the kind of reaction that our First Minister of this country had when he couldn't really understand the bitching that was going on in western Canada about the farm situation when, after all, the farmers are driving 17,000-dollar tractors or something like that. -- (Interjection) -- Well I'll wait, Mr. Chairman, for your correction.

MR. CHAIRMAN: ... the member used the word "complaining"

MR. ENNS: Complaining - complaining. -- (Interjection) --

MR. CHERNIACK: It's okay in Swan River, Harry.

MR. ENNS: Mr. Chairman, I'd like to get off that particular subject for a moment and suggest to the Honourable Minister a new program. We've been taken to task on this side of the House for not suggesting alternative programs, for not providing that active opposition, that - although I haven't heard it from the front bench, but...

MR. MACKLING: Hear, hear.

MR. ENNS: ... from the back bench I've heard it, that this has been missing. Let me suggest to the Minister of Agriculture at this time a particular program that I think he should consider very seriously and one that we in Manitoba are particularly suited to foster and take advantage of if it can be brought about.

We're in a period of time where we want to encourage livestock production in the agricultural industry; the Minister of Agriculture has by his actions made very definite and significant moves in this area by singling out livestock production for special attention in the credit programs. We know that in the livestock industry it has probably been one of the last ones to take advantage of some of the genetic advances that have been made in other areas such as poultry and hogs. Belatedly in the last few years there has been a tremendous amount of interest in the cattle industry in the importation of different breeds and different strains from the various countries of the world, and I think it's rather sad that all of this activity is centred in eastern Canada. Western Canada has since time began been renowned for the resource base

(MR. ENNS cont'd.)... of beef cattle. Now we have a program -- (Interjection) -- now we have a program that belatedly recognizes that we need some of the hybrid vigour of other beef cattle such as the French breed, the Charolais, the L... , Brown Swiss, various other breeds that are being looked to bring to our cattle industry a degree of genetic, you know regeneration that we could well do with if we are to be competitive in this industry, and I'd like to suggest to the Minister, has he made any approaches or would he consider to make a very firm approach to the Federal Government towards the establishment of an import station here in the prairies, centred in Manitoba, for the importation of these cattle which has become such a lucrative business, such an exciting business to cattlemen not only in this country but indeed throughout the whole North American continent. Now that we have broken down those reserves in bringing foreign cattle to our country, having first of all established the know-how and the knowledge of quarantining them, ensuring the fact that we're not importing any diseases into our country, but why really, Mr. Minister, should all of this activity, all of this action take place off the coast of Quebec? Why can't we seriously consider an import station here in the prairie provinces....

A MEMBER: Hear, hear.

MR. ENNS: ... one that would bring cattlemen from Alberta, Saskatchewan, North Dakota, from the heart of the continent to us? There's a tremendous amount of interest in this, Mr. Minister, and I think that we have every reason to make a very hard hitting approach to the Federal Government, supported by provincial funds if need be insofar as supplying the physical facilities. In fact, Mr. Chairman, I'm sure that if only the government indicated its support and concern for it this wouldn't cost them a dollar. I know enough cattlemen that are interested in this program that would set up the facilities, set up the land, set up the corrals, set up the men to handle it without any cost to the government, if we can bring in some of these cattle directly from France, directly from Switzerland into Manitoba and run the quarantine program here because the additional expense of flying them over from France to the islands off Quebec, quarantining them for three months, then bringing them to distribution points across the country and across the provinces. The trouble is, Mr. Chairman, half of them never reach the major cattle growing area here. They're siphoned off by the Texas cattle barons before they ever get across the Quebec-Ontario border. And we could really establish ourselves, we could really establish ourselves as a major cattle producing, a major cattle breeding area....

A MEMBER: Hear, hear.

MR. ENNS: by forwarding that kind of a program. Now talking about cattle breeding, Mr. Chairman, reminds me of artificial insemination, on which I've taken a few positions in the past. I'd like to ask the Minister, I'd like to ask the Minister exactly what is he doing about artificial insemination in this province?

MR. USKIW: That's your job.

MR. ENNS: Well, Mr. Chairman, I've asked him the question, I expect his reply in due course. I'd like to suggest to him that in keeping, in keeping with the suggestion that I just made, -- and I regret the Member for Crescentwood is absent again from his chair because he was the one that was particularly critical of our side of the House for not ever making any positive suggestions of alternative programs. But I suggest to the Minister that we have, as we know and he knows and I know, a continuing conflict with respect to the artificial insemination program in the province, that this could well be associated with or be part of a major, you know, cattle centre where in fact the province -- and they've indicated no hesitation to get equity into some of the good action that's going on in the province, whether it's in industry or elsewhere. And let me tell you, Mr. Chairman, that you wouldn't believe that a young bull can sell for a \$100,000 in the cattle industry and that's pretty good action, Mr. Chairman. So it may well be that the Province of Manitoba might end up owning half a bull or a quarter of a bull, you know -- (Interjection) -- in fact the Member from Rock Lake here is prepared to donate a bull to this centre, he's prepared to speak highly of his semen and so forth, so I think the Honourable Minister should seriously consider the idea of establishing, as a focal point, as a focal point for a program that I endorse, a program that I'm with him on in terms of building up Manitoba livestock industry - Manitoba livestock. I see no reason why we can't, you know, get in on the first floor on this import program, because Mr. Chairman the cattle that we have been accustomed to seeing in our fields, in our farms are going to change drastically over the next ten years. The same change is going to take place in the

(MR. ENNS cont'd.)... cattle industry as has taken place in the poultry and the hog industry, as I said earlier, belatedly; and if in fact the Minister wanted to make a contribution in this direction I would question whether the contribution of ready credit or easy credit with a deferment of interest costs as is implied in this program, the establishment of this kind of a program might be just as worthy in the long term, in terms of what it could do for the cattle industry and for the reputation of Manitoba as a cattle centre here on the prairies. So, Mr. Chairman, I leave that with the Minister as a positive suggestion in his livestock program. I would appreciate hearing from him as to how he receives the suggestion and how he reacts to it.

Mr. Chairman I'd like to offer him another positive alternative to the program that has been criticized to some extent, a program that could possibly involve the wheat reduction program, that is the acreage payment to farmers right at this time. I think that many of us in this House particularly at this time when we have become more and more conscious of the rapidly disappearing habitat for our wildlife, the rapidly disappearing puddles for ducks and geese in this country, that the Minister who rejected in the last session a resolution of mine dealing with - well somewhat unrelated but fairly close to the subject, and I wish to reintroduce at this time in broadening it to include these things that I've just mentioned, the question of wildlife problems, hunting problems on farm properties and so forth like that. -- (Interjection) -- Well, maybe you're considering it, eh? Fine. You've accepted the good advice that you got in the last session. But I'd like to extend it much further. Mr. Chairman, we're going to spend a \$100 million, \$130 million in asking farmers not to grow wheat. Mr. Chairman on every farm in Manitoba, on every farm in Manitoba, for the ecology of this province we should be prepared to maintain those remaining few 20 - 30 acres of bush - through outright payment if need be. So if we're prepared to pay \$120.00 to tell a farmer not to grow wheat, you know, why not ease off on the tax load, why not encourage that farmer to leave that 20 acres standing in bush so that our wildlife has some habitat left. Why not pay, why not pay that farmer, for if he's got a quarter section and he's got five acres, ten acres there and potholes in it, and with the high pressure of taxation, he has to drain it, Mr. Chairman, he has to drain it to pay for his taxes and pay for his operating costs. But why not come out with a . . . program. We're already in the business now of paying money, but why not pay him for every lousy pothole that he's got on that farm. And if he can substantiate it with the game warden that there are 200, 300 ducks coming down to take advantage of the slough that he has on his farm, well certainly Mr. Chairman, we've arrived at that point in time where that's become important to us, and it should become important to us, because these are disappearing scenes of our rural life and scenes that we will sorely miss if they in fact become extinct.

Mr. Chairman, you know a few years ago that might have been kind of a foolish suggestion to make, but how foolish is it now when you have a position where the government is prepared to put out 120, 130 million dollars not to do something with your land, and at the same time, and at the same time has deliberately cut back on a program which they announced - now I recognize that this is a Federal program but I'd like to bring your attention to the fact - here's a program that was announced by the Federal Government. "Dollars from Wetlands, a program to preserve North America's most important waterfowl production areas and enable wetland owners to share in revenue produced by this resource. Canadian Wildlife Service, Property of Indian Affairs, Northern Development."

This is a program that the Federal Government heralded very widely, prior to their last election I might add, prior to the last election I might add, and it gives you in detail that a farmer can apply to the government, if you have some land that is subject to periodic flooding, that rather than put the pressure on the Provincial Government, rather than put the pressure on the Water Control Department to have that drained, that if he's prepared to sign an agreement the Canadian Wildlife officers will come and visit the land in question and will make a deal with the farmer and will offer him X number of dollars to keep that land in its natural state. Well, Mr. Chairman, I want to tell you something, this program at a time that the country's all worried about ecology for the preservation of our natural resources, preservation of our natural heritage in these areas, this was one of the first programs to be cut by the Trudeau administration in its current austerity drive.

Now that's a little blast at the feds but I speak to my friend the Minister of Agriculture. Before he runs down to Ottawa and says fine, let's accept this \$6.00 an acre, or let's accept the \$12.00 an acre, tell the farmers not to grow wheat - and by now he should know, by now he should know that the farmers really aren't that interested. . . . They're really not that interested.

(MR. ENNS cont'd.).... Divert your attention and if need be, if you want to get on a . . . stick this one up: Raise your sights. Look up unto the mountains and the hills from where your help comes, and what have you, and do something about it. Mr. Chairman, this is, you know, I'm speaking off the top of my head, imaginations, ideas like this are just coming to me. Imagine, imagine the kind of progressive ideas that would be coming from me if I were sitting on that side of the House. I apologize for the efforts, for taking up your time at this particular time. I apologize, Mr. Chairman. But I'm suggesting, oh yes -- and this, Mr. Chairman, and members opposite better begin to understand it, you are going to get step by step as we go through the estimates, as we go through the proceedings of the House, and if you want to add up and add that up to the Hansards and read that Hansards, you are going to get the alternative programs that we can offer the people of Manitoba. Mr. Chairman, we just have no time to spend on the traditional type of rhetoric that one has come to expect from when that government was on this side, to such traditional things as the Throne Speech, or other things. We will make our points as we're making them now, as we go through the estimates, as we go through the programs point by point. Oh I admit, Mr. Chairman, most of it, most of it will be lost; most of it won't catch the headlines; most of it will be lost perhaps to the press media or so forth, but I'm satisfied that we will impress at least on the members opposite that there are fertile ideas to be gleaned from this side of the House. Mr. Chairman, I commend this program.

Now before you make that -- in fact, Mr. Chairman, before -- I think he's got a program that he wants to embark on to encourage the farmers to get even deeper in debt. The Federal Government has an advanced program of some \$6,000 and this government says, well, we'll get the farmer a little deeper in debt. We'll go for another two or three thousand dollars -- interest free, or something like that. Well, Mr. Chairman, I'd like to . . . that he considers some of these alternatives. There are other revenues of resources, or other sources of revenue for farmers, and at this particular time, at this particular time we should be using all our brain power, all our grey matter, into developing these other schemes, rather than simply taking the easy way out and saying, "Look it; we've got too much of what we have. Let's cut back and do nothing." Let's cut back and do nothing. That essentially, from a philosophical point of view, that's what I'm concerned about, the current approach that I see in agriculture. It's a concern that I have when he talks about marketing. You know . . .

MR. CHAIRMAN: . . . remind the honourable member that he has about five minutes left.

MR. ENNS: Well, Mr. Chairman, I've taken probably too much of the Committee's time as it is, but -- (Interjections) -- I want to indicate to the Minister that I will be pursuing his estimates as he goes through. There are a number of interesting areas where the estimates show a decrease and where they show a rise, and I would of course, as my prerogative, ask him for an explanation at that time.

There is an area that I haven't touched on at all that's very close to me and that was raised briefly by the Member from The Pas. That is the ARDA-FRED program, particularly as it relates to the Interlake. I would have to agree with him that one of the failures of the program has been its ability to reach our native populations, and I couldn't agree with him more. He is not quite correct, he is not quite correct when he says, when he expresses that in all totality, because there have been programs involved in terms of the industrial in-plant training centre that is set up at Pequis Reserve; the Hnusa Fishing Plant essentially is geared principally in a sense that 65 - 70 percent of our fishermen are of native population in that area. The land clearance projects that are carried on on the Reserves certainly is part of it, but I accept the fact, and of course there have been the efforts in terms of the manpower programs, the training programs that have been carried on, the heavy equipment programs that have been carried on at Pequis Reserve and elsewhere -- these are all programs under the FRED-ARDA agreement that have taken . . . The hard facts about it is the difficulty, constitutional difficulty in terms of the -- and I make this no excuse. The unfortunate thing is that the Reserve, the Treaty Indian falls in the middle of two schools. The Federal Government claims, through its Indian Affairs Department, it has the jurisdiction of Indian affairs, of the Reserves, and the Provincial Government quite correctly, constitutionally, says, well really, it's not our responsibility. And who suffers? The guy that's sitting in the middle, the guy that's not getting the attention from the government, and I couldn't agree with the honourable member more. But I would ask that he -- and he did, of course, direct his attention to the

(MR. ENNS cont'd.) Minister in this way, that we somehow try to resolve this problem. It's not an easy one to resolve because it involves several jurisdictions. Both the Indian community itself has very firm ideas about this - they're not rushing onward in any big rush to join us provincial fellows holus-bolus before they see what they have to give up, and on the other hand the federal people, and the people of Canada, certainly have an over-all responsibility to all our native people, and it's not correct that a province, particularly the Province of Manitoba who has a very heavy population of these people, should be expected to carry the load all by itself. I think all Canadians, all Canadians, share in this responsibility, and all Canadians should share in the costs involved in righting the situation.

So those are the few remarks that I would make at this time, Mr. Chairman, on the FRED program relative to the native populations. Mr. Chairman, I thank you for your indulgence. I'll be up on my feet again on several occasions before we leave Agriculture.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. McKENZIE: I hope the Minister isn't closing debate, Mr. Chairman.

MR. USKIW: There's no such a thing. Mr. Chairman, I don't indeed intend to close debate because I think there's a lot that can be said and in particular a lot can be said on the part of myself and the Government of Manitoba. The honourable friend, the former Minister of Agriculture, of course expressed a great deal of concern about where we are heading in the Province of Manitoba and in particular in the area of crop insurance. I want to indicate to my honourable friend that there will be a bill introduced subsequently to the estimates of this department and that bill will contain a provision for additional coverage which will be coverage insurance against hail damage, on a non-subsidized basis. That's going to be a question which will be determined some time in the future, or that is, will become public some time in the future, and I have to indicate to my friends opposite that I'm not about to reveal the rate structure of the hail insurance program in time for the private sector to do something about it. I think that -- (Interjection) -- Yes, it will be opened. When your crop insurance agent calls on your door, Mr. Chairman, you will have all the knowledge that is reasonable and necessary to understand the rate structure and how it has been arrived at, but I'm not in a position at this time, for obvious reasons, and that is that we are, we do have a private sector in the business and we cannot indicate at this point what the rate is going to be in any given area, and it will be kept that way until we are in the field of selling the program.

MR. WATT: Mr. Speaker, I wonder if I could ask the Minister a question on hail insurance while he's on it right now. Will hail insurance be provided for the farmers for the crop year of 1970?

MR. USKIW: Yes. My honourable friend the former Minister has also mentioned that he fails to see how the First Minister was able to make the point that the credit program has been fully utilized in the absence of any direct exchange of money or any funds flowing through the system, and I have to remind my honourable friend in that connection, Mr. Chairman, that he knows that it does take time to process loans. I did indicate in my opening remarks that the first application was received on January 8th. It is not an unusual thing to have the process take a month or two, and in particular during the winter season, when sometimes it's very difficult to do a complete analysis of the feasibility of the proposal, or the request for credit, on the basis of whether or not there is a cash flow on proper assessment of the farm repayment potential. The question of taking a look at assets is sometimes hampered by winter conditions and it's very much in keeping, as my honourable friend opposite knows, with the fact that we are unable during the winter months to do too much processing other than doing the book work and making the applications ready, once the snow is off the ground and so forth.

There has been a great deal of interest and the applications that we have are some 220 in number, totalling some \$10 million, and the point the Premier was making was that there was a tremendous response to the program, far in excess of what we expected, and indeed far in excess of what we provided for under Capital Supply. Now I assume part of these will be rejected but I'm sure that well over the amount that was allocated in Capital Supply will likely be accepted.

The Member for La Verendrye mentioned that there are many things in the current estimates that he appreciates, and the fact that he thinks that the intentions of this government are good, and I would hope that they are, otherwise we really shouldn't be here. The question of vet clinics has come up on a number of occasions by a number of members opposite. I want to say that if you look at the estimates that there are some \$150,000 provided which will

(MR. USKIW cont'd.) allow for the establishment of some 10 vet clinics throughout the province in this fiscal year, or in the next fiscal year, and that a total of 30 clinics will be eventually established across Manitoba. At least that is the tentative goal at the moment, but for the fiscal year starting April 1, we hope to have the establishment of 10 of these clinics. And the question has been raised as to whether or not the establishment of clinics is going to do something about the service; whether or not that indeed is going to provide the veterinarians that the countryside requires, and I think that I can only say that that is a tremendous incentive to encourage veterinarians to come to practice in the Province of Manitoba, and indeed a tremendous incentive to get our students to come back from college and practice in Manitoba. In line with that, of course, we have a scholarship fund, as you are aware, which is being increased from 500 to 750 dollars a year per student, and we expect to enroll some 24 students in the coming year, this fiscal year, so that there is a well-rounded-out program in this area and I'm rather looking forward to some very exciting developments in the field of veterinary medicine.

Soil testing reports were down, and my honourable friend the Member for La Verendrye is quite accurate, that one could be disappointed because of that, but I have to point out that there was an obvious reason for it and that was that we had the very wet conditions of 1968, and subsequently in 1969 a very heavy summerfallow operation in the Province of Manitoba, which really adds up to the reduction in the amount of soil testing done, and I don't think it's anything to be alarmed about. I think our farm community is well-versed and opinionated on the need for proper soil analysis in the production of any crop.

The member also mentioned that he was happy that we are doing something for the fur farmers that have run into some temporary difficulty. I want to say that the least we could do is to assist them with some term financing, provided there is equity against which this can be done, and I'm sure my honourable friend will recognize what I'm trying to suggest.

The question of whether or not we can -- and I'm getting back to hail insurance. I'm reading the notes as I've taken them, Mr. Chairman. The Member for La Verendrye raised the question of whether we couldn't have gone further in improvement in hail insurance because of the reserve fund that has been built up. I want to say in that connection that this isn't a simple matter, that this involves a consultation with Federal Government in that they are a participant in the program, funding it by 25 percent in premiums and 50 percent of administration costs. And I think you will recall a few months ago there was an announcement of some reduction in rates across the province of some magnitude, and in particular a substantial reduction in southwestern Manitoba where the loss ratio has been rather favourable to the producers. And that new rate was established by means of moving the history -- yes, the previous 25-year period up another 10 years, which brought us into a better relationship to current production in terms of yield and so forth.

I want to say that with respect to questions that were raised opposite on the whole business of can we overdo livestock production, I have to say that on that particular point one is really not talking about an increase in production as much as we are talking about increasing the amount of finishing in the Province of Manitoba. I think production is a North American business, pricing is a North American business, and we recognize that we are totally insignificant in this area, and we recognize that we can tremendously increase our feeding capacity in the Province of Manitoba, and in particular because of the current grain surplus situation, but rather than selling our feeders across to the United States and Eastern Canada, that it is well for us to do the finishing here in Manitoba because of its high multiplier effect in the economy, but also because of the fact that, and this is part of it, that we do have packing facilities in Manitoba, which are vastly under-utilized. Our packing plants are crying for produce to be processed, and they are at the present time not most efficient in their operation, operating at some two-thirds of capacity, and this in itself should be a major reason why we should be pushing livestock production in Manitoba.

I'm not going to repeat the incentive programs offered; I've said this once; and I hope my honourable friends opposite appreciate the emphasis that the Province of Manitoba is placing in this particular area.

The question of market research, Marketing Branch, the question of whether indeed this government is adopting new attitudes. I have to say that I disagree entirely with the position adopted by some of our former Ministers suggesting that there is really nothing in the estimates, suggesting that they are just a continuation of programs that were well underway; I

(MR. USKIW cont'd.) have to say to them that I have to refute this particular statement on the basis that there was never any indication that there was going to be some activity on the part of their government in expansion in the area of marketing research, the establishment of a marketing intelligence system within the department, never any indication. In fact, there were a number of votes on the question of including hail insurance under the Crop Insurance Program which I recall introducing as resolutions and I recall members opposite voting them down, as government of the day.

The question of development of national agricultural policies, I think it is true that this is something that I have taken a very strong stand on in the past being a member of the opposition, and in keeping with that stand I have to say that I'm sure you will agree with me that we are involved as much as is possible or as much as we can be in a dialogue with our Federal counterparts towards the establishment of national goals in agriculture. I have made a number of trips to Ottawa, have met on a number of occasions with our Federal people and other Provincial Ministers at which meetings these matters were discussed at some length. And we will continue to do so. At the present time of course we are dealing with a number of areas, one is the feed grains question, the other is the question of when are we going to get a look at the Task Force report on agriculture, and, of course, the Wheat Inventory Reduction program which is proposed by the Federal Government. These are three on-going things at the moment in which we're very much involved. I believe that we are playing a very substantial role in trying to encourage the kind of national policy that will do something for agriculture and indeed for agriculture in Manitoba.

I want to say in connection with the question of technical and financial assistance to municipalities, I've mentioned in the Throne Speech in relation to the Resource Conservation Act that is yet to be introduced, that this is an area which we are not going to go into on a very vast scale initially. The Act will be brought in as a basis for activity, but for this particular fiscal year that it will merely amount to a reallocation of funds, existing funds, some ARDA funds that are still available and that there's not going to be any dramatic input here, but that we are laying the groundwork for this kind of a program. And indeed I don't expect that if we were quite prepared to inject back some of the money in this area, I don't believe that at the present time too many municipalities would be equipped to respond. But this is the beginning of a major program that is very important, but which really is in its very initial stages; it's a matter of making a start in that direction, a very important one, Mr. Chairman.

As far as the question of the Turtle Mountain area, a question was raised on Orders of the Day this afternoon, I have to say that that particular program is at an end. It was set up as a pilot project some time ago; it has been completed as such and there will be no renewal of that particular pilot project, but that any program dealing with conservation measures will be dealt with relative to legislation which will be introduced under the Natural Resources Conservation Act after it is introduced sometime during this session. So that is my answer to my honourable friend, the Member for Arthur.

The members opposite talked about the need for government leadership in the area of diversification and I have to say that diversification means not only diversification from grain to livestock, but really diversification means growing commodities which are saleable regardless of whether they are livestock commodities or other crops. This is what we're really talking about when we talk about diversification, trying to achieve an optimum in the production of all things that there is a market for and trying to show leadership in a way which will deter or which will at least indicate that we shouldn't be overproducing in certain area.

I don't expect members opposite to endorse all positions that this government is taking. After all, that's why we're on opposite sides of the House and I would expect from accepting the basis of your criteria for the development of this province that there ought to be opposition, simply because we don't see things the same way; and because we have criticism of our programs doesn't mean that I have to shrink from carrying these programs out, but indeed I have to argue my point through and convince members opposite that our approach and policy position is the right one. It may be difficult as my honourable friend the Attorney-General suggests, but this is the role of government and you have a role as an opposition. . .

MR. ENNS: The point is, you don't have to convince us, you have to convince the people.

MR. USKIW: That's right. We have done so so far and I hope to continue to do so, Mr. Chairman.

MR. MACKLING: The point is when he said people to his back bench. . .

MR. USKIW: A lot of mention was made of Manitoba's position with respect to the question of feed grains, the question of the rate which was submitted to a Standing Committee in the House of Commons, and I want to point out to you that all the points that were raised were raised out of context. In fact I don't believe any member opposite has really taken this submission seriously enough to read the recommendations and relate them each section to the other. In other words, no-one has taken a complete package approach of this particular proposal but has chosen to take it out of context and to criticize certain points mentioned within the brief. But I want to for the record, Mr. Chairman, indicate that this is a very positive document, that this document has been well thought out and I believe in the best interests of the people of Manitoba and indeed the farm community of the prairies. It is no doubt that there has been a great deal of undermining in the price structure of feed grains throughout the prairie provinces and it isn't a question as to whether a certain group in the industry is to blame. I don't blame anyone in the industry, Mr. Chairman, I blame the lack of initiative on the part of government through their marketing agency, farmer through his marketing agency in not dealing with a problem and the results are as we see them today, a complete undermining of the price structure.

I think members opposite ought to recall that during the last session I had indicated to the House that we were doing a study on the whole question of feed grains, pricing and marketing, that it was a very lengthy study, and it is largely based on that study that we have prepared this submission, because the study revealed to us that notwithstanding the fact that the prices of feed grains dropped very dramatically in the off-board sales area, that this drop in prices to farmers was not reflected in the price of mixed feeds that were supplied by the feed mills throughout the province, that really the pricing policy of feed mills was one which related to the current prices of the Canadian Wheat Board and never did relate to off-wheat board prices, and the recommendations contained in that particular report advocate a strengthening of marketing organization to overcome that particular situation and indeed to restore the kind of bargaining power to the grain producer that is rightfully his. I think that the least that could have been done before the Wheat Board regulations were relaxed or watered down in the 60's was that the farm communities could have been more fully consulted by referendum or something along that line, but that there should have never been an arbitrary action taken on the part of government in such a very important area.

Now let's take a look at the recommendations which were made, Mr. Chairman, by the Province of Manitoba to the Federal Government. I just want to read them into the record, Mr. Chairman, lest anyone take them out of context. I want to read the recommendations (1), (2) and (3) as follows, Mr. Chairman: "It is recommended that the sale of feed grains within the designated area as defined by the Canadian Wheat Board Act be brought under full control of the Canadian Wheat Board. This would mean that the Canadian Wheat Board would assume authority over sale and pricing of all feed grains moving into feed mills within the regions. Farmer to farmer sales should be excluded from control as at present." And that's for obvious reasons, Mr. Chairman. "The exception should not be extended, however, to include large feed lots or other livestock production units which are owned or controlled by non-farm corporate business."

MR. ENNS: Discrimination .

MR. USKIW: That's right, I believe in discrimination from time to time.

MR. ENNS: I know you believe in discrimination, that's what worries me . . .

MR. USKIW: "In the view of our government, the only manner in which minimum floor prices for feed grains can be maintained is through the adoption of this recommendation; a continuation of the present situation under which increasing amounts of feed grains are being sold at distressed prices can only lead to further discontent and weakening of the position of the Canadian Wheat Board in its role as a sole marketing agency for wheat and for its grains.

In recommending that the sale of feed grains be brought under full control of the Board we would wish to add that Wheat Board pricing of these grains must be done on a competitive basis. It is recognized that if prices for feed grains sold to mills are set at non-competitive levels, mills have no alternative but to look to other sources in western Canada for their feed grain supply." And here, Mr. Chairman, I want to point out that the Wheat Board can be flexible and still have complete control.

MR. ENNS: Would the Minister permit a question at this point? Would the Minister not agree that the market place decrees the degree of competitiveness that there would be in the industry?

MR. USKIW: I'm sorry, Mr. Chairman, I didn't get that.

MR. ENNS: Would the Minister not agree that the market for feed grains in this particular case would not dictate the degree of competitiveness, or in fact the pricing policy of it?

MR. USKIW: Well I think I have to say, Mr. Chairman, that we are dealing with markets within Canada, within the prairie region and without Canada and that we have to take a flexible approach in marketing of any product whether it be grain or other commodities which are going to meet the competition.

MR. ENNS: So why regulate it? You know, if you're going to deal in a market place then why regulate it?

MR. USKIW: The purpose of regulation, Mr. Chairman, is to make sure that we as farm people sell our product as a unit as one producer and not cut each other's throat in the market place as is being suggested by my friends opposite . . .

MR. McKENZIE: A question, Mr. Chairman.

MR. USKIW: . . . and would result in only one group of people taking full advantage of it, and that is the industrial area.

MR. McKENZIE: A question, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Would the Minister be prepared to compete in a market place in the U.S.A.?

MR. USKIW: Mr. Chairman, the Wheat Board ought to be in a position to compete anywhere. This is the point that we are trying to make in our submission, that while we recognize that we must retain full control of the product in the best interest of the Canadian producer, that at the same time we must make sure that we are flexible in a market place, that we have a capability, Mr. Chairman, of meeting market situations in eastern Canada that may be separate from the prairie region, in western Canada that may be separate from the prairie region, and in parts of the world that may be separate from our domestic situation; and in keeping with that kind of position, Mr. Chairman, if we would have had this position we could have prevented the intrusion of other competing grains into markets in eastern Canada a few years ago. -- (Interjection) -- The reason that we lost sales of feed grains, Mr. Chairman, is because we weren't prepared to compete. I say that the Wheat Board has to have the flexibility to enable it to compete and it must have a flexibility to establish price levels which may be different in different areas.

MR. EINARSON: Mr. Chairman, would the Minister permit another question?

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: I'm just wondering if I get the significance of the statement or the explanation the Minister's giving in his brief here as to whether it's the responsibility of the Wheat Board in the past for losing say the sale of feed grains from western Canada to Ontario or whether it's the Federal Government now. I'd like to distinguish. Is he talking about the Wheat Board and what it can do if they adopt his proposal? Would the Wheat Board have been at fault in the past?

MR. USKIW: Mr. Chairman, I'm not about to enter a witch hunt. Whether or not the Wheat Board was responsible or not is insignificant at this time. My point is that we have to gear ourselves in the market place in such a way, Mr. Chairman, that we are competitive in all areas of the world and indeed in all areas of Canada . . .

MR. ENNS: In other words . . .

MR. USKIW: . . . we are doing it to other commodity agencies, they are doing it to other marketing board structures within the Province of Manitoba, and it can be done with cereal grains if we have the will to do it. And I'm suggesting, Mr. Chairman, this submission suggests this be made possible.

MR. McKENZIE: What about the dairy industry, Sam?

MR. USKIW: We'll get to that point later.

MR. ENNS: We'll take the horns off you later.

(MR. USKIW Cont'd).

Mr. Chairman, it is reasonable that Manitoba's position and the position of all the members of the Legislature ought to be the one that restores the greatest amount of bargaining power to the producers of grain in Manitoba. They should have the ultimate say as to how they market their products and it shouldn't be the politician or anyone else that determines the style of their marketing arrangements. And if need be, Mr. Chairman, I have no qualms about dealing with the matter through a referendum but at least we would get a true expression of producer opinion, and I think that we have to criticize very severely the fact that previous administrations at the Federal level and Provincial levels did not see it that way....

MR. MACKLING: Hear, hear.

MR. USKIW:....and that we have run into some serious difficulties as a result. Some members opposite have mentioned that they are concerned about our new credit program not having the flexibility to consider the credit needs of people that are in the upper fifties, early sixties. As I recall it I don't know that there is a restriction in that area. I think the restriction mainly is in the area of one's capability to repay the loan, but I don't recall placing an arbitrary age limit.

The question of loans to treaty Indians on reserves is a very reasonable question. I think I have to say in that particular area it also enters into the whole question of whether or not these loans can be secured because of the constitutional problems that are inherent with respect to Indian reserves; but again it's not an answer, Mr. Chairman, I have to admit that. I think that we have to arrive at a means around this particular problem. We have to recognize the Indian community is part of our community and that dialogue is going on between Ottawa and Manitoba with respect to all matters pertaining to the Indian community on Reserves. Just on that particular point I have to admit that I was very sad to have to tell the Indian community that their role wasn't very significant in the FRED program, that we had to say no to them with respect to monies provided for development of infrastructures such as roads and drainage and so forth, simply because it wasn't under the terms of reference of the agreement. But I have to say that it saddened me that day to have to tell the Indian community these kind of stories. I think too long, for at least a hundred years, for at least a hundred years, we have been telling these people that somehow they don't fit in. It is time that we took another approach; it is time that we enter into serious negotiation with the Indian people and the Government of Canada, to get around these road blocks to make sure that they participate fully in the development of this province and this country just the same as any other individual. After all, I think, they are citizens much - they're the earliest citizens I should say of this continent, and we should appreciate the fact that they have a contribution to make, and it is time that we recognize that they are capable of so doing. I'm happy to note in that context Mr. Chairman, that for the first time we are recognizing to the Department of Education the need to allow language instruction in Cree and in . . . and perhaps that particular barrier will help alleviate other situations such as I such mentioned.

The Member for Morris has indicated to us this evening Mr. Chairman, that some farmers are content with their lot, and that their pennies may be fewer, and that really we shouldn't be doing too much about situations in the countryside, situations of low income and poverty. I never indicated to anyone, Mr. Chairman, that we are about to force people off their farms, or to force people to do things that they weren't willing to do. I don't know where my friends opposite get that kind of connotation. I merely indicated in my opening remarks, Mr. Chairman, and in many speeches throughout the province, that we have to work seriously towards a program with the Federal Government, a program which would recognize the adjustments taking place within agriculture and the adjustments that are taking place to get people out of agriculture, And we should make it less painful for those people that want to exit out of the industry, we should facilitate that particular kind of adjustment as much as possible, so that they indeed can carry out the rest of their days in reasonable comfort. This is something that I'm looking forward to when we take a good look at the Federal Task Force on agriculture, their report and recommendation. Hopefully there is something in there that will deal with this particular problem. And we are pushing the Federal Government in this area at the present time.

One of the points that was mentioned by members opposite, particularly the Member for Pembina raised the question of the fact that the government of Manitoba is really not helping those people that want to diversify or want to borrow additional money, simply because we are forcing them into loan consolidation which is really against their interest in the sense that their interest rates on the total loan would be bumped up very significantly. In this particular area

(MR. USKIW Cont.d)... I want to say that he is probably thinking in very conservative terms when he makes this accusation because this was the policy of the previous government. Whenever anyone wanted an adjustment in their credit, the previous policy always was to redo the whole mortgage and reapply an interest rate which is current at that particular time; and that was a means of getting away from the low interest rates that were offered earlier or previously. I want to say that I took some pains to change this; I had some debate with members in our credit organization on this policy, and I insisted and the policy today is, that where there is a consolidation of credit taking place, that all credits will be to the person who is consolidating to make sure that they are not going to pay a penny more than they would have otherwise had they not consolidated and that they are getting the privilege of the low interest rate which they had under the existing amount, and we are carrying that forward. With respect to....

MR. GREEN: Mr. Chairman, I wonder if I may interrupt the Honourable Minister at this time, to move that the committee rise.

MR. USKIW: I just want to make one more statement on this and then we can leave it at that, Mr. Chairman. With respect to transfers of land or transfers of property, Mr. Chairman, I want to say that one can buy a farm from his neighbour and inherit the low interest rate that was there previously, one does not have to borrow its current rates. These are vast policy changes that were made by this particular government in credit arrangements.

MR. GREEN: Mr. Chairman I move the committee rise.

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

MR. DOERN: Mr. Speaker, I move seconded by the Honourable Member for Winnipeg Centre that the report of the committee be received.

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

MR. SPEAKER: It is now 10 o'clock. The House is adjourned and will stand adjourned until tomorrow afternoon at 2:30 o'clock.

MR. JOHNSTON: Mr. Speaker, before the question is put, could the Minister tell us, in case the Minister is absent in the next few days, what department will come up next?

MR. GREEN: Mr. Speaker, I did send a memo to the Whip of both parties. I'm sorry, they may not have received them yet, but we will be dealing with the Minister of Health and Social Services, followed by the Minister of Transportation, followed by the Minister of Education, followed by the Minister of Government Services.

MR. WEIR: Mr. Speaker, just for a matter of clarification. If the Minister of Agriculture is missing when we're finished with Health and Social Services, will we be going back to complete agriculture, so that we don't have things hanging in mid-air for too long or....

MR. GREEN: Mr. Speaker, as a matter of fact, we had hoped that the Minister of Health would just occupy a short period of time and the Minister of Agriculture would resume immediately that he gets back and then we would go back to the Minister of Health.

MR. WEIR: Mr. Speaker, you mean you are going to muck up both of them?

MR. GREEN: Well, Mr. Speaker, I don't think it will be that serious. There might not be a great deal of time to discuss the estimates tomorrow, so maybe we just better proceed and we'll see whether in fact it's being mucked up. Meantime, he's asked that the House be adjourned.

MR. WATT: Mr. Speaker, on the same point, will we be on agriculture tomorrow again?