

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock Monday, June 12, 1972

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. McKENZIE: Mr. Chairman, on a point of order. At 5:30 I was speaking and I had not completed my remarks. I thank you, Mr. Chairman. I did have a few more remarks that I'd like to ask the Minister in the debate on his Estimates and I'm not sure where I left off but I'll start back at the Pleasant Valley Dam project which the Honourable Minister likely understands is a low level flooding area that has great potential for a sanctuary or wildlife. I'm sure that in some place along the line the Minister will remark, even as privately in the hall, and indicate to the people out there either the Federal Government or the Provincial Government will work with those people. There is a very active wildlife group there and game and fish group who are looking for some guidance as to what will happen in that particular area.

The other points that I think and I guess this is the one I was speaking on is the compensation factor where many of the farmers especially of the rural areas of Manitoba year after year after year suffer losses due to birds, animals, ta da. I know it's been debated in here at great length over the years, I'm not going to pursue that debate. I just hope that the Minister has some type of a statement to indicate what we can expect in the year ahead as far as that program is concerned.

The other point that I would like to dwell on a little longer is the matter of beavers, the number of farms that are flooded by beavers and the Minister understands this quite well. I have another letter in my desk today, came in from a man by the name of Mike Balak from Ashville who hasn't got his crop in yet due to the beavers have flooded this man's farm. He's been in touch with the department, he was badly flooded last year, again this year. His crop is not seeded as I understand it today. He phoned me last night. I well understand the difficulty of this particular problem. The former Minister and I have had some letters back and forth and I know of farmers who have in fact been told by the department that - look we can't do nothing about it. Well if this is the policy of the department and the government that you cannot control the beavers in this province, for gosh sakes let us know because I can show you five or six professional hunters that will take that project on and will clean up that problem. I hope the Minister will say -- if you can't do it let me know and I'll get you the professional hunters that can do it. It's something that maybe doesn't affect the southern part of the province, it's a real problem up in the Ashville, Ethelbert, Pine River areas, even Minnedosa, in there. It's a matter which I think deserves some consideration by the department and the Minister.

A couple of more questions, I shall not be very long in these remarks because most of it I can deal with it in correspondence with the Minister. The problem of the watershed area up in the north part - of course again this is the watershed 105. I have a letter today from Water Control telling me that, in reference to a man -- that flooded up there, that the farmer has a third order waterway on his property and it's unfortunate that there is no policy for a man that has a third order waterway on his farm. It goes on to say that the area is drained by a natural waterway and it's related to a river regime and headwater control management. It goes on to say, they regret because of money that at this time the branch will not be able to relieve you of your problem.

Now surely with the remarks that the Honourable Minister related to Leaf Rapids a little while ago that there's no money, I just can't buy that in answer to this man's letter. The other one -- I'm aware of certain study that's taking place in my constituency, Mr. Chairman, regarding the Saskatchewan-Nelson basin study and I know a study has been done on the Shell and that there's a proposed dam -- Leonard Dam -- that's scheduled and also one a Zelena Dam. I wonder if the Minister would be kind enough to either let me know as the MLA or let the people know in that area what the study revealed and what the future holds for those people that live in that area regarding the Zelena Dam and the Leonard Dam.

On more brief question, Mr. Speaker, and that is the report of the slope failure of the Shell River where they tried to build the buildings there in the Asessippi Provincial Park and no doubt there's others, maybe private entrepreneurs that may be going into that area to do some development now or in the future and I wonder if the Minister would be kind enough to table that report so that those that -- maybe private entrepreneurs who want to go in there and build some buildings will understand what they're dealing with regarding the soil conditions

(MR. McKENZIE cont'd) . . . . and the slide. With those few questions, Mr. Chairman, I thank you and I yield to the other members of the Assembly.

MR. CHAIRMAN: The Honourable Member for Rupertsland. May I draw to the attention of honourable members that there are fourteen minutes remaining in the department.

MR. ALLARD: I'll be very brief, Mr. Speaker, since I saw another member who wishes to ask something. There's two points I wish to bring up. I had forgotten this afternoon. It seems only fair when it deserves to be done that it should be done. I think that government, department, the Minister deserves to be commended and praised for setting up the ambulance service in the north. I regret, Mr. Speaker, that the Minister is not listening when I'm directing compliments his way rather than insults or questions. I was very happy to see the ambulance service being set up in the north and in the way in which it was set up. The Minister is congratulating himself and I congratulate him. Of course I hope that he realizes that my remarks are self-congratulatory as well since I was involved at that particular time in helping to set it up. And also the increased efficiency that has come into the Manitoba Government Air Service in their dispatching setup and things of that nature.

The other point that I wish to bring up is not of a congratulatory nature. Now in the Leaf Rapids, when Leaf Rapids was being set up a great many agreements were entered into, the government invited a great many proposals. One of the proposals it invited was a proposal for a hotel licence in Leaf Rapids through the Liquor Control Commission. Four groups of people got together and were interested in that particular licence. They went to the expense of hiring architects, of getting plans drawn up, of hiring accountants to make projections in terms of earnings and things of that nature. They did so in good faith. Now lo and behold one fine day someone made a decision that it would be the government that would be running this hotel or the local corporation, something of that nature.

Now when these four groups made these proposals they did so on the understanding that one of them would end up with that licence and on that basis it would have been fair, that was the risk they were taking. But I think that when not one of them was going to be considered that then it becomes unfair. As a matter of fact, if it was done willfully it becomes deceit; if it is not, the unfairness remains and I would like to know whether some measure of compensation would not be something that would be reasonable to look into insofar as they expended some thousands of dollars each on that particular attempt to get licences. -- (Interjection) -- Not that I know of. With these few remarks, Mr. Speaker, I will yield to the floor to the Member for . . .

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. J. R. FERGUSON (Gladstone): Thank you, Mr. Chairman. I haven't a great deal to add to the Estimates. There's one or two questions I would like to ask the Acting Minister. The first would be the Whitemud Watershed again. I'm not aware of whether or not a chairman has been appointed. I was phoned by two reeves on Sunday and apparently they have no information as to whether one has been appointed and things seem to have come to a standstill. I think that the chairman will be appointed by the province and consequently I think most of the municipalities involved have their committees set up and are ready to go and they are wondering just what the next step is going to be.

Something else would be this beaver problem that the Member for Roblin was talking about. I think it's becoming quite common across the province. It seems to be something in these wet years that the trapping just doesn't seem to be able to control them. I know in many areas that they are causing considerable damage.

Another point that I would like to bring up, Mr. Chairman, would be again this factor of jacklighting. I know that we're talking about a Federal Act or whatever the case may -- treaty rights and all the rest of it -- but what is definitely happening in my area from No. 4 Highway down to Carberry, is the fact that these people are coming in with searchlights that will cover about half a mile; they're shooting from the road and in some cases you can pick up a whole box of empty cartridges on the road. The Mounted Police have been called in several instances and come out and apprehend the people and they've more or less been laughed out of the place. It's getting serious, I think that what went on in Manitou last year, in La Riviere was a pretty good example and I think that someplace someone is going to have to take the responsibility because the general public isn't going to stand for this much longer. If they're not going to have any protection from the law why I think that possibly there is going to be cases that's going to be taken in their own hands and something will happen I think and then consequently there

(MR. FERGUSON cont'd) . . . . probably will be some action on it.

Another thing I think that I would like to draw to the Minister's attention would be the fact that over the past four years we've had very wet conditions, in many cases drainage has been impossible. I think that as the situation stands now, it could change overnight of course, but it appears that we could be heading into a bit of a dry cycle. I think that a lot of the ditches and drainage are not big jobs, possibly in a lot of cases very small jobs, not costing too much money, but they are jobs that could clean up and certainly benefit to a great degree quite a segment of the public. I would hope that notwithstanding the fact that the watershed has been formed, it's not going to be operative this year, that possibly some movement could be made to clean up some of these small projects especially -- in my constituency of course I'm talking. We have the Loch drain, we have the Pembina drain and we have the Dead Lake Drain, there's three or four small jobs there that if they were done immediately, the weather was dry enough, it would certainly be of benefit to the people involved. I think that rather than wait -- if it gets rained again of course you can't get your equipment in, but I think that in the next six weeks there would be certainly good opportunity to do this. I know now that the Minister will want to reply to the many questions that have been asked, we're running out of time, so, thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Minister of Mines, Resources and Environmental Management.

MR. EVANS: Mr. Chairman, it's just impossible for me to reply to all the questions although I understand we're on a new system and maybe we'll be back in the department. I don't know. -- (Interjection) -- Well I'll be as brief as I can and maybe somebody else wishes to speak.

I just want to comment very quickly on a rather entertaining -- and I have some other answers I have for the honourable members from Roblin and Rupertsland and for Rhineland. But before I do that I want to say this, that I felt rather entertained this afternoon by the very striking remarks made by the Honourable Member for Morris; I think on the surface they were very entertaining, in fact even amusing. But on reflection, Mr. Chairman, the remarks made about the Leaf Rapids Development Corporation were very destructive, in fact seriously destructive. I only wish that the Member for Morris whose powers of logic and respect for the truth equalled his oratorical eloquence. He's not a bad fellow but his remarks about Leaf Rapids this afternoon were full of innuendo, they were full of half truths and figments of his imagination. But his main point was that I as a Minister was being inconsistent and therefore we as a government were being inconsistent, that we were following two divergent policies of development: Leaf Rapids compared to Flyer Industries Limited.

Mr. Chairman, I want to advise all members of the House that the principle is the same for both, and the principle is this: sound investment for the benefit of the people of this province. Leaf Rapids is not a giveaway but a sound prudent investment and one we're all proud of; that any capital gain shall accrue to the people of that community in particular and to the people of this province.

With respect to Flyer Industries, it's the same principle. The people of Manitoba have put the great bulk of money into it, they're taking the greatest risk and therefore we're going to take a chance at the profits. What we're going to do is run Flyer Industries through a board which will be -- the operation of that company has to be based upon prudence just as the operation of the Leaf Rapids Community Development corporation is to be, and is presently being conducted. We would be less than responsible, Mr. Chairman, if we were to jeopardize the investment of the people through Flyer Industries any more than we want to jeopardize the investment of the people in the Leaf Rapids Development Corporation. Now, Mr. Speaker, I wanted to make that clear because there is no inconsistency, it's the same policy.

Now the Honourable Member from Rhineland was very concerned about water development, water supply, drainage, etc. He did remind us that we did not yet table the drainage program for the year. I am advised that this has been done in previous years, and certainly there's no intention not to follow previous practice of tabling that document, so the honourable member, all honourable members will have a copy of the drainage program for the province.

Just passing on quickly, the Honourable Member from Roblin expressed some concern, which a number of farmers do have about the compensation for farmers, and I think he's particularly thinking of inter-migratory birds. This is a Federal responsibility but I can report that we have established a committee of deputy ministers of resources in the three prairie

(MR. EVANS cont'd) . . . . provinces to look into the question of a program of compensation for damage caused by birds, by inter-migratory birds, and the Federal Government for the first time has indicated that they are prepared to put some solid cash into this. So a program hopefully will be developed with the Federal Government assuming responsibility hopefully for compensation.

The honourable member mentioned beaver dams, I can only say that in answer to him, I know he has a particular problem in his constituency. He's not listening at the moment but I think the answer is the one that I've given him in writing, and that particular individual some time ago, namely, the beaver dam itself can be broken up by that individual. There's nothing preventing that individual from taking action if he deems it advisable.

The Honourable Member from Rupertsland mentioned something about people putting money into a proposal to run and operate a beverage room, or a hotel rather at Leaf Rapids. All I can say is that's the nature of the system; you put up your money and you take your chances. However, I don't want to get into a debate on that because I'm not that conversant with that particular situation.

The Honourable Member from Gladstone among other things mentioned the Whitemud conservation district. I am advised that not all of the participating municipalities have yet appointed their members and therefore we cannot officially appoint that particular Board. However, as far as the chairman is concerned it is laid down in the Act that the chairman shall be a civil servant and therefore I can advise you this will be the case. It will be a civil servant who has expertise in the particular problem and particular area of water control but this is in keeping with the Act that was passed governing this, so -- (Interjection) -- no he has not yet been appointed but it will be announced in due course.

One other point, Mr. Chairman, on matters of air pollution in the St. Boniface area, the Member from Radisson asked questions about what the Clean Environment Commission might be doing with respect to odour control. I can advise him that this summer 1972, that we have 20 air pollution monitoring stations in the St. Boniface and East Elmwood area and I hope with this information, we will be able to - in co-operation with everybody concerned - work towards elimination of any problem in that respect. Thank you.

MR. CHAIRMAN: Order, please. The time allotted for the department has expired. We have now completed the first run of the estimates. There are 8 hours and 20 minutes left to consider the following departments: Agriculture, Resolutions 13-21; (both inclusive) Executive Council, Resolutions 6 and 7; Highways 72-73-74; Industry and Commerce 75-79; Health and Social Development 63-68; Municipal Affairs 95-102; Urban Affairs 115 and 116; Education Resolutions 55, 56, 57; Tourism, Recreation and Cultural Affairs Resolutions 107 - 114 inclusive; Mines, Resources, Environmental Management 89 to 94 and there are two resolutions, Resolutions 117 and 118 dealing with flood control and emergency expenditures in the special ARDA agreement. The Honourable House Leader.

MR. PAULLEY: Mr. Chairman, if I understand the rules correctly when there is a credit for the consideration of the Committee of Supply and if I heard you correctly there's a credit of about 8 hours.

MR. CHAIRMAN: Eight hours and 20 minutes.

MR. PAULLEY: Eight hours and 20 minutes. We will call the resolutions that have not been concluded; you indicated that Agriculture still has a number of resolutions to deal with - and it's my understanding that we will call all of the resolutions of the departments which have not as yet been completed and if it is the desire of the members of the committee to spend the credit hours of 8 hours and 20 minutes on any particular subject, starting with the first one Agriculture, that will be accepted and acceptable to us. So therefore, Mr. Chairman, I suggest that you call the Department of Agriculture to complete their estimates.

MR. CHAIRMAN: (The remainder of Resolution 13 was read and passed ).  
Resolution 14(a) (1) -- The Honourable Member for Rhineland,

MR. FROESE: I would like to know from the Minister on this point on this resolution just what is being done - could he inform us what is being done under marketing - does this involve the Federal Government's administration and does this involve the proposal that he put forward on the stabilization plan - does that come under this item?

MR. CHAIRMAN: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Chairman, I didn't

(MR. USKIW cont'd) . . . . . hear the last comment of the Member for Rhineland .

MR. CHAIRMAN: Can we have a bit of order in the Chamber so the Honourable Minister can hear the question, and so the Chair can hear the question.

MR. FROESE: Yes, Mr. Chairman the question I put up to him was just under this particular resolution dealing with marketing and its administration and development and research and so on - does this include the negotiations that they have with the Federal Government as to the proposal that this government put forward in connection with the stabilization program?

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: No, Mr. Chairman, it does not include that particular subject matter, as that is a matter of policy rather than application of a departmental program or branch program. The marketing section here deals with the whole operation of the newly established marketing branch and the marketing board which has been long in existence. As members opposite would know, we have four or five additional staff members added - well I shouldn't say added, we put them into this branch about a year ago, and they are involved in market development throughout Canada and throughout the world. So that these funds are allocated for the purpose of market development, and are very much involved in a number of trade missions, a number of promotions with respect to the pork industry, rapeseed industry and so on - so these estimates cover the expenditures of that group of people.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I wonder if the Minister would elaborate whether any negotiations with the Federal Government, whether any progress has been made and whether there is any hope that something will come out of it and that a stabilization program will be brought about.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, I think the subject matter that the Member for Rhineland wishes to discuss is one that is properly the subject matter for the Minister's salary. However I don't mind answering the question. We have had a number of discussions and meetings and conferences with the Government of Canada, so have all other provinces. We have yet to have some final determination at a future conference on some aspects of the new grains policy, namely the application of the two-price wheat system, that is the formula that might be devised for the next crop year and so on. So those discussions have not concluded and we really don't know at what stage of readiness the Government of Canada is at the present time to conclude those discussions, although they did indicate to us that we will be further consulted on those questions before any plan is implemented.

MR. CHAIRMAN: (Resolution 14 was read and passed) Resolution 15 in the amount of \$280,600 . . . . . The Honourable Member for Gladstone.

MR. FERGUSON: I wonder if the Minister would indicate whether or not there are going to be any changes in the grants to the fairs.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Chairman, we have had some change brought about about a year ago in the system of grants to Agricultural Societies, based on new concepts which members opposite did spend some time discussing a year ago, and that is the concept of multi-use facilities related to Agricultural Societies. We are much more prepared to make larger contributions towards the agricultural societies that launch projects that have a community benefit if you like, or a multi-use benefit. If it's putting up a building, for example we would be more favourably inclined to increase a grant where it's going to involve the whole community rather than just the agricultural section. We have made a change with respect to the grants to the Red River Exhibition, in that we are now providing grants for promotion of agricultural products. A consumer sales job in other words, as opposed to livestock shows which were traditional for many years at the Red River Exhibition.

I think it makes a great deal of sense to move in that direction because it's obvious that there has to be a greater degree of communication and liaison as between the farm exhibits and the consumer. It is important to the agriculture industry to have the consumer fully knowledgeable to what the process of product development and what uses are made of the primary products produced on the farm. So to that extent we last year had what is known as Pork Chop Plaza at Red River Ex, which cost about \$10,000 or \$12,000, which we paid for and it was a resounding success - a lot of participation, a lot of consumer interest. This year there will be another program. I think it's going to be beef, but I'm not sure - and each

(MR. USKIW cont'd) . . . . . year we're going to do something else, we are going to promote another commodity through the Red River Exhibition system. The Agricultural Fair or the livestock shows we hope will remain with the Brandon Fair, Brandon Exhibition, because that is in fact recognized as Manitoba's main agricultural fair of the province. So we think it is a good saw-off in programming as between the Red River Exhibition and the Brandon Fairs. So that in my opinion it's gone a long way from tradition but an important distance towards the development of consumer interest and understanding of the agricultural industry, which was not the case a few years ago.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, is the Minister going to continue to support Class C Fairs.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Chairman, I think the Member for Rock Lake poses that question because of his own assumption that there is some question about whether C fairs are going to be supported or promoted, and I want to indicate to him that there's been no policy in the direction of phasing out Class C fairs. In fact the reverse was true - we are giving consideration to increased grants even to C fairs where they demonstrate a multi-purpose interest and where they develop multi-purpose facilities. So it's a question of what the nature of the project is, and on that basis we make a decision on what the amount of grant should be for any particular community.

MR. CHAIRMAN: (Resolution 15 was read and passed) Resolution 16 in the amount of \$2,720,100 . . . . . The Honourable Member for Rhineland.

MR. FROESE: On this particular resolution dealing with the Agricultural Credit Corporation, I wonder if the Minister could inform us as to how much do they borrow per acre. Is there some level of the amount that they lend on an acre basis, or is it not considered on that way? I note also that the interest cost as allocated for is lower by 200,000 roughly. What would account for this? And then also under the third item is the Farm Loan Incentives, which is doubled. Just what are we providing under this item? What incentives are we giving here?

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I was wondering if the Minister would explain if there's been any difference in policy. When we were in the country on agriculture hearings, we heard that it caused a great deal of trouble to some farmers when they took a mortgage on their total acreage when they were only possibly buying a quarter section. And I'm sure the Minister can recall some of these things and I was wondering if there'd been any change in policy in this regard.

MR. CHAIRMAN: The Honourable Minister of Agriculture. The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Chairman, I'd just like to ask a couple of questions before the Minister gets up. I believe we've discussed this item in net interest cost in Committee. I wonder if he could indicate if this is going to be a continuing subsidy for years to come. And far loan incentives - if he could indicate how many people are getting the farm loans under this program.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, the Member for Rhineland posed I believe it was three questions, one having to do with the increase in the second figure - the decrease rather. That, Mr. Chairman, represents a reduction in interest cost to the province which therefore results in less subsidization, the reason being that monies loaned for over a decade were loaned for at lower interest rates than in the last three years; but in the last year there's been a drop in the interest rate and we show that as a drop in the actual cost of subsidizing the program. That also answers the question that was put by the Member for Thompson. He wanted to know whether the subsidy on interest rates is something that is going to be with us for a long time to come, and I can tell him that if we stopped lending money tomorrow that we will continue to subsidize those interest rates for decades, until those original loans are paid off - because these are loans that were made, some at 4 percent way back in 1959 or 60 and thereafter, and interest rates of 6-1/2 percent, and 6-3/4 percent were quite common for most of the 1960s. We now are financing at the rate of 8 to 9 percent, somewhere thereabouts, and we find that there is going to be a resulting deficit showing up on the books as long as this condition continues.

(MR. USKIW cont'd)

If on the other hand we have a reverse situation and the money market is such that we can borrow money for less than we have been borrowing at in the last three or four years, then you will see those figures reverse themselves. So I have to say that my expectations in that respect, Mr. Chairman, are that we are going to continue to subsidize those interest rates for some time to come.

There is also a good genuine, positive reason why they should be subsidized as well or at least a portion of them, and that is the incentive program to establish young farmers, which was a policy of the previous government and is a policy of this government is a sound one from my point of view and from the government's point of view. We think that it is in the public interest to give some encouragement to young people that want to get into agriculture, money being as costly as it is - the fact that it's very difficult to get into the industry without some support either through a credit system or combination of a credit system and in fact the parents of any young individual wanting to get into the industry. It's not an overly simple project these days, it does require a great deal of sacrifice and capital and personal input to launch one into farming today. So I'm not unhappy about the fact, Mr. Chairman, that we are providing that degree of subsidization.

The question of loan incentives: the Member for Rhineland points out that the figure is double for the coming, or for this year over last year, and that is so. We have maintained an incentive program for the livestock people for over a year, a year and a half. This year because of the new market share agreement in the dairy industry, we have brought about a change in policy that would allow people converting to manufactured milk production an opportunity to share in these programs. They would be eligible for the same grants for the purchase of additional facilities, buildings, equipment, livestock, what have you. Again a program designed to further diversify Manitoba's agricultural economy. I think it's the right thing to do. It's public money well spent from our point of view. There is a need for expansion in the dairy industry in Manitoba and an opportunity which did not exist in the last number of years and we think we think we should make full use of it, and hopefully in the long run we are going to feel very good beneficial economic impact from this program. Obviously that kind of impact cannot be felt immediately, although there is an immediate economic spin-off effect through the activities of cattle purchases, equipment, material, which are of an immediate benefit to Manitoba as a whole.

I think there was another question. -- (Interjection) -- Credit policy, yes. The Member for Rhineland wanted to know what our credit policy was on an application for a loan on land, I believe it was. There is no limit but every opportunity I have I cautioned the Board and the Management that we ought not to be loaning money to people that are willing to pay exorbitant rates for land. It is not in the public interest from my point of view, and from the government's point of view, to get us back into a situation similar to that which existed in the 1960s when under the same credit corporation we had a lot of easy money, we had a period of heavy grain sales, combined with low interest rates which resulted in a lot of pressure on land prices, which in fact put a lot of people into financial bankruptcy, people that borrowed at that time on the assumption that things looked very well indeed; the grain was moving quite rapidly for those two or three years, and that people did bite off a bit more than they should have and as a result we have had a number of foreclosures in the last year or two, a number of people that are far in arrears on their program, and we are paying a very high price for mistakes made during the 1960s. It's my hope that when pressure on land, when we turn around the economy and the pressures begin to be felt on land prices that it's a sound credit policy to hold a tight lid on values and credit so that we are not the instrument that is responsible for pushing up land values far in excess of its productivity. We would like to maintain some rational approach to this whole business of value on farm land.

This year we have been put in a position of having to foreclose on probably eight or ten people; loans that were made five or six years ago, arrears far beyond three years, people that abandoned farms and we had to end up picking them up and trying to find a new owner, or a tenant, or whatever. And we have fortunately been successful in reallocating land resources in most cases, although there are some parcels that have not been and it looks like a year is going to be wasted without any production whatsoever. I think, Mr. Chairman, that is an area that probably would lend itself towards the development of some form of land policy. You can call it land banking, or land use, or land tenure, or what have you. Probably that is one instrument that we might develop towards bringing about opportunities for young people that

(MR. USKIW cont'd) . . . . don't have capital to buy land but that would have the expertise, and would have the help of their parents by way of use of equipment and buildings, and so forth, and we might be able to launch a number of young people into the industry without a great deal of capitalization. So I think this is something that we will be developing over the next number of months and probably it will end up being some form of land-use policy that will bring about new opportunities, opportunities for people that perhaps may want to phase out of agriculture gracefully, and opportunities for people wanting to enter the industry. But that is yet to be developed; it's something that we are looking at, and will respond in accordance with what we consider to be the need and the public interest of the people of Manitoba.

The Member for Pembina raises a question of people having to mortgage the entire farm holding when they are borrowing a small amount of money for the purchase of a small parcel of land to add to an existing farm unit. That question has come up once or twice. It has been a problem to myself. I think that there's some revision advisable in that area. I have discussed it with the Board on a number of occasions and at this point we have not developed any change in policy, but we are looking at that particular question quite seriously.

I think that covers the questions that were put by members opposite, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Birtle-Russell.

MR: GRAHAM: Thank you, Mr. Chairman. While we're dealing with the farm loan incentives, Mr. Chairman, it would indeed be a little more enlightening for members in Opposition if the Public Accounts of the department were presented in the same general format as the Estimates. However, we find that's not the case and I would like to ask the Minister of the estimated \$300,000 which was allocated last year for farm loan incentives, how much of it was actually spent, because, Mr. Chairman, it has been brought to my attention on more than one occasion that those farmers that entered into the program of purchasing livestock where there was a 20 percent forgiveness clause after a specified length of time find that through one technicality or another that they don't get their 20 percent back, and I was wondering if the Minister would give us the actual amount of money that was returned in the incentive program.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: I had another question in connection with Agriculture Credit Corporation, and I don't really want to find fault with them and their appraisers but I really think it would be a mighty good idea sometimes when somebody has applied for a loan and they don't intend to go through with it, if they'd come right out and say it so the thing doesn't hang on for such a long period of time. Now I know there's two sides to every story, and maybe I haven't been given the whole truth, but I know of a few occasions where farms have been listed and before they really get to know, it's just . . . the very end of the time limit. And I would suggest that if they know what they're going to do, that they up and tell them regardless of whether it's yes or no.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. CY GONICK (Crescentwood): Mr. Chairman, I'd like to ask the Minister to give us an evaluation of the extent to which his credit programs and his marketing programs have been successful in reducing the extent of exploitation of the farm population by Agro business in the population of Manitoba, if you have a report on that. I know that that's one of the policies of the Minister.

MR. CHAIRMAN: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Chairman, before the Minister gets up, I wonder if he could just clarify a little more his farm loan incentives. It went up from 300,000 to 600,000. First of all: how many farmers were involved? And No. 2, is there a limit? In other words, can it be a million next year and two years from now a million and a half? What kind of a limit is there within the department?

I'm not sure this is the right place regarding the Ilford Co-op. Is this the proper place to ask the question? We've had difficulties there. If he could indicate how that the Ilford Co-op is coming along. Have they solved their problems and are there fishermen out there working?

MR. CHAIRMAN: The Honourable Member for Rupertsland. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I'm not sure that I can give the Member for Birtle-Russell a complete answer. I think the answer he's looking for is in Public Accounts and if not sufficiently, an Order for Return probably would give him that kind of information. At least I don't



(MR. USKIW cont'd) . . . . have it handy. I know that there were 730 applications under the grant program and that I know that the livestock population increase in the last year in Manitoba was about 12-1/2 percent, which is due in large part to that particular program, and that's based on February 29th, the figures are based on the date of February 29th, so there's been some change since that time.

The Member for Crescentwood wanted to know what success we have had with our marketing program and the change of policy of the government with respect to the introduction of greater bargaining power for producers of farm products. I want to say to the Member for Crescentwood that in my view we have gone a long long way in the last three years in bringing about measures that would stabilize the industry. Certainly not enough, but we are well on the way to rounding out very firm programs and marketing policies that will bring about to the producer a bargaining position unlike something that has - or I should say like the areas of jurisdiction covered by the trade union system. We are involved in discussions with other provinces to the west of us in particular in an effort to develop more concrete marketing systems on a regional basis, on a regional basis, so that we might put our producers of hogs or feed grains, or what have you, in a very strong bargaining position with the Agra-Biz industry if you like. We have had a great deal of static on these programs but the static comes mainly from the processing companies. You know it's very interesting that the processing companies will argue that there is no advantage into moving our producers towards marketing boards, and so does the Member for Morris argue that those measures are not going to be beneficial, in fact they are going to be harmful. But at the same time they all cry out about the additional costs to their industries that are going to result from these kinds of developments. So I want to say to both the industry and the Member for Morris that you can't have the argument both ways. If the effects are nil, then there is no need for controversy and debate. There's no need at all. It's a waste of time, and time which might be allocated for much more beneficial discussion. But I suspect that the members opposite are falling into the same old game that they have for a good number of years, and that is in the game of putting on a front that they are supporters and friends of the primary producer while they are allowing the processing industry to take complete control of agriculture and in fact make slaves out of the farmers of this province.

And, Mr. Chairman, Mr. Chairman, I indicated on one occasion that if I have anything to do with policy, with agricultural policy, one of the cornerstones has to be the philosophy that our farmers of Manitoba are not going to become gas station operators for huge companies, and this is something which my honourable friends opposite -- (Interjection) --

MR. CHAIRMAN: Order, please.

MR. USKIW: I think members opposite would like me to perhaps relate an interesting little story. One of the processors who was not too happy about the way in which we were proceeding to develop a marketing system and improve marketing system for hogs . . .

MR. CHAIRMAN: . . . for Morris.

MR. JORGENSON: The question that was raised, I presume, had to do with the Manitoba Agricultural Corporation which is the item under discussion and I'm surprised, Sir, that you have not made an effort to keep the Minister dealing with that particular item which appears on the Estimates. The question that was raised by the Member for Crescentwood, a very penetrating question, asked what the Manitoba Agricultural Credit Corporation had done to remove exploitation in the farming industry. I should like to tell the Member for Crescentwood that one of the things that it has done is that the Manitoba -- (Interjection) --

MR. CHAIRMAN: Order, please. Order please. The Honourable member is on a point of order not answering questions for the Member for Crescentwood.

MR. JORGENSON: . . . the Manitoba Agricultural Credit Corporation I ask you to keep the Minister on that item.

MR. CHAIRMAN: The Honourable House Leader. ORDER!

MR. PAULLEY: Mr. Chairman, on the point of order, it's very interesting to hear my honourable friend from Morris who normally is so expert in the -- (Interjection) -- I qualified that by saying normally, so expert in the rules of order and the rules of this House to raise on such a "trivolumous" point of order. Because certainly, the Minister in his references, the Minister in reply to the Honourable Member for Crescentwood was talking of -- (Interjection) -- marketing, yes, which is a very vital part of the Manitoba Credit Agricultural Corporation. So I say to my - as my Premier says on numerous occasions, I say,

(MR. PAULLEY cont'd) . . . . Mr. Chairman, to the little red hen, we are concerned. I'm sure that the Minister of Agriculture was answering properly the item under consideration.

MR. CHAIRMAN: The Honourable Member for Lakeside on the same point of order.

MR. ENNS: It may do well to remind you, Sir, that just before the supper hour adjournment, several times points of orders were raised by that side of the House - particularly by the Member for Inkster - admonishing us on this side to contain ourselves to the specific question under consideration at that particular time, and certainly if that was a matter of order at that time then the matter of order raised by the Member from Morris is in order at this time.

MR. CHAIRMAN: The Honourable Minister of Agriculture to Resolution 16.

MR. USKIW: Perhaps the members opposite have not been following with a great deal of interest the overall planning that has gone into the development of an agricultural policy in Manitoba during the last two or three years. But I want to cite a number of examples which relate the credit program to the marketing question for the benefit of my friendly Member for Morris. Only, only a week ago a million dollars was approved by the way of a guaranteed loan to the egg producers in order that they may set themselves up into a marketing system that will stabilize the egg industry. That's one example.

Last fall, Mr. Chairman, a million and a half dollars was guaranteed in favour of the turkey producers who had marketing problems and needed some leverage in the bargaining process. And that was provided for by the Manitoba Agricultural Credit Corporation. Now I know that members opposite during the term of office which they had the privilege of serving never realized that the instrument of government could be used in such a way as to encourage and develop producer bargaining power that would provide in fact some equalization of bargaining power in the market place. -- (Interjection) -- That's right. The Member for Lakeside is suggesting that the consumer is going to wake up one of these days, and I suggest that they should be awake and they should realize the fact that the producers of primary products have not been sharing properly in the wealth of this province and in the wealth of this nation, because they did not have any bargaining power in the marketplace. And these are corrective measures that are being brought in - and with the assistance of the Manitoba Agricultural Credit Corporation so that there can be some stability brought about towards the producers of all agricultural commodities produced in Manitoba. And this is a major reform in credit policy in Manitoba which members opposite - members opposite would prefer to ignore, Mr. Chairman - would prefer to ignore because on reflection the past 10 or 12 years when they had the responsibility they completely, completely ignored that particular role as a government which should be responsible for the welfare of the rural people of Manitoba in that they didn't provide for ways and means for producers to establish themselves sound bargaining positions in the marketplace.

So I want to relate to my friends the members opposite and in particular the Member for Morris, the importance of a combination of things that have to be done by way of government policy and initiative to bring about a well rounded agricultural program, one aspect of which compliments another. That it's not a matter of prices; it's a matter of credit; it's not a matter of prices; it's a matter of developing national agricultural policies or at least having some input into the development of these policies. All these aspects, Mr. Chairman, go towards making a . . . .

MR. CHAIRMAN: Order, please. The hour being 9 o'clock . . . ORDER! The hour being 9 o'clock, Private Members' Hour time has arrived. Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of Supply has adopted certain Resolutions and has instructed me to report the same and asked leave to sit again.

#### IN SESSION

MR. SPEAKER: Order, please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Rose, that the report of the Committee be received.

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

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Private Members Hour, first item on Monday is Private Members' Resolution. I would like to indicate that the Orders of the Day do not indicate that; Members will find it on page 7 of the Orders of the Day. Before we proceed I should like to state that on Friday afternoon on Resolution 27 of the Honourable Member for Assiniboia -- the Honourable Member for Morris.

MR. JORGENSON: Sir, I wonder if I should not rise on a point of order at this time. Well, my honourable friends opposite are not interested in following the rules as they appear and as they are laid down -- I am, Sir, Friday last we were discussing Rule No. 27. I realize that there was some debate concerning the proposed amendment by the Minister of Colleges and Universities. Notwithstanding that, Sir, it is my opinion that we had dealt with that particular resolution during the course of the hour's consideration; that this resolution in fact should be at the bottom of the Order Paper, and your discussion or your ruling on the motion as presented by the Minister should be dealt with when next this particular resolution comes up for debate. I believe, Sir, that I am correct in my interpretation of that particular rule and that we should have been in fact dealing with the next one on the Order Paper, Resolution No. 20 standing in the name of my good friend the Member for Crescentwood.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, on the Point of Order raised by the Honourable Member for Morris, I was not present at the time of the debate as to the admissibility of the amendment as proposed by the Minister of Colleges and Universities. However, I have had the opportunity of reading Hansard which was tabled for our consideration this afternoon. And as I read Hansard, Sir, the question of the admissibility of the amendment to the resolution was taken under advisement by yourself. And if one takes the time to read Hansard of June 9th, page 2863, at the bottom of the page, the Honourable the Minister of Colleges and Universities said: "Mr. Speaker, agreements and points of view on this matter may I suggest to you be taken under advisement if you so desire, and can rule on it the next time we deal with Private Members' Resolutions" -- although the word "resolutions" is not contained within Hansard. And, Mr. Speaker said on the same page: "I thank honourable members for their contributions to the point of order. I shall take the matter under advisement." I suggest -- the Honourable Member for Lakeside agrees with the point. I suggest to you, Mr. Speaker, if there hadn't of been any question of order as to the admissibility of the amendment at that particular time, the amendment would have been the subject matter of debate. But, Sir, because you took it under advisement it was more or less and I suggest terminated at that time until you rule. And I think it is in its proper place on the Order Paper for tonight, and I suggest, Sir, that the point of order raised by the Honourable Member for Morris is invalid because it was taken under advisement by you, Sir. And the subject matter of the debate is before us now following your ruling, and there is no difference in the resolution in the place that it is because if the debate had of been terminated, Sir, or talked out on Private Members' Hour it would have gone to the bottom of the Order Paper in accordance with our rules. But because of the point of order being taken under advisement, Sir, by you it was not talked out and therefore is in its proper place on the Order Paper of tonight.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Notwithstanding the incorrect interpretation of the rules again by the House Leader -- our rules, Sir, are very simple. They say that a Private Member's Resolution remains at its place in the Order Paper for one hour. If the debate has not been concluded at that time it drops down to the bottom, whether or not there are amendments proposed to that resolution; whether or not there are considerations taken onto the advisability of an amendment by you, Sir, or whatever -- notwithstanding anything that my friend the Minister of Colleges and University Affairs has said. He suggested -- that admittedly in Hansard he suggested that it be taken under advisement, to be raised at the next time that resolutions are introduced in the House. My Honourable friend I'm sure would not have committed himself to changing the rules without the unanimous consent of the House. I suggest to you, Sir, that that Resolution belongs in its proper place in the bottom of the Order Paper to be taken up when next it comes up. The House was adjourned at that time. Simply by unanimous consent we had a few minutes left; and rather than going on to the next motion in deference to my friend the Member for Crescentwood, because if his resolution had come up in the 5 or 6 minutes that was left that

(MR. JORGENSON cont'd) . . . . resolution then would have dropped to the Order Paper, and in order to make sure that he had sufficient time to introduce his resolution we adjourned early and we've done that on one other occasion. And the following resolutions then came up to the top of the Order Paper. Sir, the House Leader again is wrong and I suggest, Sir, that that resolution belongs at the bottom of the Order Paper to be taken up when its proper time comes.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, on that same point of order, I certainly agree with the Member for Morris that the resolution should fall to the bottom of the order paper -- not only the resolution but also your comments with it that should be made when the resolution comes up.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I'm amazed -- on the point of order -- at the lack of comprehension of the rules of this House or any other House of the Member for Morris. I thought that he, who so often mimicks John Diefenbaker, was so knowledgeable of the rules of House that he wouldn't come out with such utter twaddle and nonsense as he did tonight.

MR. SPEAKER: Order, please. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, if my honourable friend . . . it is argumentative that he is my honourable friend on occasion but I have some affection for all members of this House even when they're wrong. But if the Honourable Member for Morris would only take the time to read Hansard of June 9th, he could not help but come to the conclusion that the point that I raise is valid and correct because, Mr. Speaker, at the bottom page 2863 . . . actually, yes, in this case, and if you fellas are so ignorant of the rules . . .

MR. SPEAKER: Order, please.

MR. PAULLEY: . . . I forgive you for your lack of knowledge, particularly the Member for Lakeside. And I enjoin my honourable friend from Lakeside to read Hansard because he said, "It is recorded", Mr. Speaker stated, "I thank the honourable members for their contribution to the point of order. I shall take the matter under advisement." The next resolution is Resolution No. 4 -- The Honourable Member for Sturgeon Creek with the Member for St. Matthews. And then, Mr. Speaker went on to list the members who have spoken on Resolution No. 4, and you stated, Sir, that the floor was open. And then, Mr. Speaker, on page 2864, put the question on the resolution as amended, and it was passed on division. The Honourable Member for Morris spoke and said: "I think, Sir, you would have to move the motion to adopt the amendment first before -- because I don't think that the amendment has been voted on. It has been debated and if you would put the question on the amendment first, then we would have the motion as amended." Mr. Speaker: "Very well." "Mr. Speaker put the question on the amendment to the resolution and declared the amendment carried by division."

Now the Member for Morris, tonight said: "The business of the House was not concluded". I suggest, Sir, that by the presentation of the resolution as recorded in Hansard, that the business was concluded and you still had under advisement the resolution as proposed by the Member for Assiniboia dealing with the establishment of the northern college. And therefore it's in its proper place, because there was no conclusion of any debate on the resolution, but when the amendment was put forward by the Minister of Colleges and Universities in effect are you saying, Sir, that it would be taken under advisement -- it stayed in its position. Had a debate taken place? Had a debate taken place on the amendment proposed by the Minister of Colleges and Universities? That's right, the former Speaker has not supported the position, Mr. Speaker, that I take. Because there was no debate on it. You, Sir, took it under advisement and it stays in the proper place that it is at the present time.

MR. SPEAKER: Order please. Order please. The Honourable Member for Morris.

MR. JORGENSON: It's quite obvious that the House Leader is wrong because when he's wrong he shouts louder and uses language that is not becoming to the House. But here is the rule. You'll find it under Section 22 on Page 13 of our Rule Book, Sir, subsection 2. It says, "Where a resolution of a private member is reached for the first time on the Order Paper during Private Members' Hour and it is not disposed of within that hour, the resolution shall be placed on the Order Paper at the bottom of the list of resolutions of that type." Sir, I submit, we have no alternative but to place that resolution at the bottom of the Order Paper instead of changing the rules in midstream as the House Leader is now attempting to do. If he would read the rules a little bit and . . . we wouldn't have so much trouble arguing rules in this place.

MR. SPEAKER: Order, please. Order, please. I should like to indicate to honourable members instead of debating the procedural point that we have before us, I was going to indicate after I had given my ruling that the matter would go to the bottom of the Order Paper. I can indicate to you that although we had not gone the full hour we had gone for the full limit of two members speaking, which is 40 minutes out of the 60. Now I am in the hands of this Assembly. If you think that we can take the 20 minutes and utilize it tonight and then use the remainder for another resolution. But on the merits of what had occurred Friday night I would suggest that the 20 minutes be forgiven and that resolution go to the bottom of the Order Paper after I have given my ruling on the amendment. Is that agreeable? The Honourable Minister of Labour.

MR. PAULLEY: Well, Mr. Speaker, in all due deference, I have reservations but in order that we recognize that you are the presiding officer of this House, I am not going to challenge your suggestion, but I would like to meet with you to further the arguments that I have placed before you. I also want to say that it is my intention -- (Interjection) -- Who in the hell are you, and you're not even in your own seat! -- (Interjection) -- When I listen to a little poppycock who hasn't -- can't speak in his own seat when we're talking of the rules of the House, it does aggravate me and I think I'm fully justified. But I was going to say, Mr. Speaker, it is my intention to recreate the Committee on the Rules of the House so that I may continue the edification of the Honourable Member for Morris.

#### MR. SPEAKER'S RULING

MR. SPEAKER: Very well. I shall once again ask of the House, do they wish to have the ruling on the amendment tonight? -- (Interjection) -- Well, we were discussing on Friday the Resolution No. 27 in the name of the Honourable Member for Assiniboia, and the Honourable Minister of Colleges and Universities proposed an amendment. The procedural point was raised as to whether the amendment was in order. I wish to thank the honourable members for their contributions to the points of order. I should like to indicate that I have given this matter both thought and analysis. I have given considered various authorities, in particular Beauchesne, Citation 203, Clause 1, which states: 'It is an imperative rule that every amendment must be relevant to the question on which the amendment is proposed. Every amendment proposed to be made either through a question or through a proposed amendment should be so framed that if agreed to by the House the question or amendment as amended could be intelligible and consistent with itself. The law on relevancy of amendments is that if they are on the same subject matter with the original motion, they are admissible but not when foreign thereto. The exception to this rule are amendments on the question of going into Supply or Ways and Means.

The topic of the resolution in the operative part deals with the establishing of a university in the North and with specific instruction that it specialize in the teaching subjects appropriate to the North and to northern living. And the whereases of the resolution indicate the various needs thereto. The amendment also in this operative section indicates that there is already available university level of instruction in the north and it too qualified that the courses offered, and can continue to be offered, be appropriate for northern living and development, and also that it be continued and expanded. I find the topic in the amendment relevant to the topic of the resolution. I cannot agree that the same result would be achieved as the amendment if the resolution was negated. Therefore I rule the amendment in order.

Now we shall proceed on to Resolution No. 20. The Honourable Member for Crescentwood, Order please. The honourable members that have spoken on this resolution are: the Honourable Member for Crescentwood, the Honourable Member for Riel, the Honourable Member for Flin Flon and the Honourable Member for Charleswood. The floor is open. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, if I appear somewhat confused it is because I had fully expected that there would be another honourable member speaking to this resolution -- (Interjection) --

A MEMBER: Aw, you're the most confused man that there is in the House, and you know it.

MR. GREEN: Mr. Speaker, I think that possibly the Honourable Member for Morris has to share with all the honourable members the state of confusion in which we are now in -- not to blame it on one particular person.

(MR. GREEN cont'd)

But I was of the impression that there would be another honourable member speaking to the resolution and therefore I wasn't exactly certain of where we were. However, the fact is that I too intended to make some remarks with respect to the resolution that has been presented by the Honourable Member for Crescentwood because I think that the resolution as presented does give us an opportunity to look at the various approaches to the development of northern Manitoba, as distinguished by what has happened in the past, to see whether there has been any change by virtue of the installation of the new government.

Now, Mr. Speaker, I think that it was a fact that up until 1969 that the government in dealing with northern Manitoba, as a matter of fact in dealing with most questions, indicated that it was more or less wedded to a certain pattern of development. And I think that that pattern of development, and I hope that I won't arouse the ire of honourable members by referring to a particular transaction but I use it for example purposes only and not to be provocative. I think that the Honourable Duff Roblin in dealing with the Churchill Forest Industries Complex indicated that they were prepared, Mr. Speaker -- and I think he made these remarks before the Enquiry Commission -- that they were prepared to investigate all options and did in fact, Mr. Speaker, investigate all options. I think that the former First Minister said that there were roughly 100 private firms that were approached as to the feasibility of a development in northern Manitoba. And when the subject was addressed to him, and I'm sure that members on the opposite side will be directly aware of this, as to whether it should be proceeded with by way of a Crown corporation that that option was also looked at and that in effect after looking at all the options, and after looking at the option of a Crown corporation, that the previous government -- and I am going to make my interpretation -- that the previous government made an ideological decision. They said that despite the fact that there is going to be a tremendous amount of public monies invested, that there is going to be a possibility of failure and a possibility of success, that this will have the effect of developing the north, exploiting the resource, providing jobs for northern Manitobans, but at the same time it is not the nature of our administration to do this by way of a Crown corporation and therefore they opted, they opted for the choice, Mr. Speaker, of financing a private development rather than financing a Crown corporation.

Well, Mr. Speaker, I think that when you look at the various ideologies, or economic theories, by which development takes place that one can look to the theory which I think makes sense -- I don't happen to opt for that type of theory myself but I think it makes economic sense to say that there is a developmental opportunity, there is an entrepreneur who wishes to use his imagination, who wishes to invest his capital, who therefore should be given the opportunity of exploiting that opportunity, and if his exploitation is successful because he has taken that risk, because he has used that imagination, and because he has moved, he should be the one who is entitled to reap whatever benefit comes by virtue of that exploitation.

Mr. Speaker, I have no great argument with that as an economic theory and I think that it is one of the economic theories which has good foundation, it is well documented, and that there are numerous economic writers and economic and political economists who will opt for that theory as being a way of making a development to operate.

Then of course there are other economic theories who say that if a resource is public, if a resource is owned by the public, and if there is an opportunity of developing that resource in terms of making a profit from it, then rather than having an imaginative person, or an imaginative private person, use his imagination, take that risk and take the profits from that development, that it makes more sense for the public to take what is already theirs, use its imagination, risk its capital, and on the basis of that risk, if a successful operation is established, take whatever profit comes from that risk, or if there is a failure then take whatever failure that a private person would have taken.

Now, Mr. Speaker, one can agree with either one of these forms of development, and one can disagree with either one of these forms of development, but both, both have sufficient authority to be considered as proper means of operating and I would say that, Mr. Speaker, in the Province of Manitoba that for many years, and at the present time to my knowledge, that the first form, that is the form which permits a private person to look at an opportunity, use his imagination, develop that opportunity and make a profit, is available, has been available, is available and for the foreseeable future as far as I'm concerned, will be available, that nobody has ever been prevented -- oh the Member for Rock Lake is waving his finger -- that

(MR. GREEN cont'd) . . . . nobody, nobody has ever been prevented from investing money in Manitoba, taking a risk and earning a profit if that risk materializes. That has never been prevented to any person and I don't see that it will be prevented in the foreseeable future.

Mr. Speaker, -- (Interjection) -- well Mr. Chairman, with regard to automobile insurance, the -- (Interjection) -- that wasn't the development of a resource. You know, with regard to automobile insurance no risk is required, no imagination is needed. The insurance company starts taking in the capital that it costs them the moment that they open their doors. It's one industry where no capital investment is required. The monies start coming from the premium holders immediately and it isn't paid out for a period maybe averaging two or three years. It is the best possible business for somebody who doesn't want to lose money to get into. That's not what I'm talking about. I'm talking about a person seeing an opportunity to develop something, taking a chance on losing, using his imagination, and if he happens to win he's entitled to a profit. And nobody has ever been prevented from doing that in Manitoba. Mr. Speaker, the fact is that under the previous administration I think that it is quite true that it was ideological, ideologically "doctrinairely" against their position to use the other economic system.

Now, Mr. Speaker, as I said, either one of those two ways of proceedings makes some sense and whether the Honourable Member from Portage la Prairie agrees with one or the other, they both have substantial political economic authority on their side. But, Mr. Speaker, I don't think that you could find any substantial economic authority on the side of saying that the public should take all of the risk by putting up the money, by giving it to a private person, and if that venture happens to be successful that that private person takes the money and if it's a failure the public takes the loss. And probably one of the most eloquent expressions that I have heard of the ridiculousness of that particular position was put by the Honourable Member for Ste. Rose, the former Leader of the Liberal Party, when he got up in this House and he said, "Gentlemen, Mr. Speaker, I am not a socialist but if the government puts up the money, the public puts up the money, the public should earn the profit." Now that didn't come from the Member for Crescentwood as the Member for Rock Lake would like to point out; it didn't come from any of the members that the Honourable Member for Morris would like to refer to as doctrinaire socialist; it came from what I consider a pretty hard right-winger, because I consider the Member for Ste. Rose a pretty hard right-wing politician. And he stood up in this House and he said, "Mr. Speaker," -- (Interjection) -- the Member for Ste. Rose -- "I am not a socialist but if the public puts up the money, the public should make the profit". I don't think that the honourable members on that side of the House could find a single political economist, could find a substantial economic theorist, or authority, who would say that it makes sense for the public to take the risk and for a private person to make the profit. It is only, Mr. Speaker, it is only doctrinaire hidebound ideological people who would say that we are so wedded to our doctrinaire ideology that regardless of whether it works or not, we are going to pay thousands and millions of dollars to stick with that ideology even if it means losing everything. And I say that that's where the previous Conservative administration had got to when they refer to us as the doctrinaires. I have to smile because, Mr. Speaker, we have in northern Manitoba kept all of the options open, and I suggest that that is the difference with our policy. What has been the characteristic of northern development in the past in the Province of Manitoba? What we do know about that characteristic, Mr. Speaker, is that it has resulted in a very small return from the development of those resources to the people of the Province of Manitoba. And I think that with regard to our royalties we were earning something like 2 to 3 million dollars a year on royalties even with one of the biggest nickel mining companies in the world as the developer of that particular resource.

And I can remember the Member for Portage la Prairie saying that why go into a mineral exploration company limited? If you want more money increase the royalties. But, Mr. Speaker, we came to the House and asked for increases in royalties and at that time did we get the approval of honourable members opposite? Well, my recollection is that most of them said -- and I don't remember the particular position of the Member from Portage la Prairie -- but I remember most of them said if you increase these royalties they're going to stop mining in Manitoba. So, Mr. Speaker, you cannot have it both ways. You cannot say that you can get more money by increasing the taxation, and at the same time saying that if you increase the taxation they're going to leave.

Now, Mr. Speaker, there's only one other way of handling this situation and that is for

(MR. GREEN cont'd) . . . . the people of Manitoba to do exactly what the mining companies are doing. If there is something wrong and I have always felt -- contrary to the opinion of certain other people who have spoken on this question -- I have always felt that it is not fair to let somebody else do all the work and then just tax them. I think that that happens to be the easy way out; and if it is the easy way out or the so called easy way out, it happens also to be the wrong way out. That it just doesn't speak of justice to say that you're going to let somebody else put up all the money and if they strike something and earn a profit you're going to take it away from them. I've never been of that opinion and I've never spoken that way. I've said that if the public would like to get a greater return on their resources and if they are looking at the balance sheets of Falconbridge and International Nickel and Sherritt-Gordon with envy, then they should say that they should be prepared to do what those companies have done. And therefore, the Manitoba Government has looked at northern development, and I say that this is the only difference; and this difference doesn't come forward as articulately as it should in this resolution. That this is the only difference. That the previous administration was doctrinairily hidebound to a particular pattern of proceedings. And they said that they would use that pattern come hell or high water and whether it was good or not.

And we have said that we would look at it, all forms of proceeding, and if any of them shows promise we will not be doctrinairily hidebound to proceeding in a particular pattern, we will choose that way of proceeding that promises the best results for the people of the Province of Manitoba. And by doing that, Mr. Speaker, we have established for the people of Manitoba a new option. And that new option really means an abandonment of the old traditional doctrinaire hidebound methods.

And what has it led to in northern Manitoba? Well, Mr. Speaker, one of the things that it's led to is the establishment of a mineral exploration company which is now engaged in mineral exploration. Now remember the previous Minister of Mines, now Member for Lakeside, said that \$500,000 a year means that we are not doing any mineral exploration; that if we talked about -- I can't remember his particular figure, but I think he talked about millions and millions of dollars per year; I think he used the figure 50 million, but maybe I'm exaggerating and I won't pursue it. What I want to tell the honourable member, that the figure of \$500,000 a year that we have started with is a very realistic figure, that it is a figure which compares very favourably with that amount of money that was spent by the Falconbridge Mining Company to establish their mine at Wabowden; that they spent roughly \$12 million in 7 years, which is not exceedingly more than \$500,000 a year; that a result of that expenditure they've started one mine in Wabowden and that they are opening up another mine in the Snow Lake area.

Now, Mr. Speaker, if we do the same in a period of 12 years -- and I'm not saying that we will -- all I know is that we've got the best people in mining operating that company for the people of the Province of Manitoba, and the head of that company has been told to me by people right throughout Canada as being positively one of the best people in this country to do that job. And I presume that as the law of probabilities works that those people will have just as much chance of developing the resource as anybody else.

And on that basis, Mr. Speaker, if the Manitoba Mineral Exploration Company Limited does indeed discover a mineral resource which can then be explored by the people of Manitoba, the people will have a bigger return than they have been getting on royalties -- for several reasons. One is that instead of looking at the royalties you can look at the production, you can look at the Falconbridge balance sheet or anyone else. But there's another important reason and it's a reason that the Leader of the Opposition keeps referring to when he talks about incentives.

At the present time no Crown corporation pays any Federal Income Tax. None at all. And the Leader of the Opposition keeps telling us that if we want corporations, if we want to give them incentives we should reduce their income tax. Well, Mr. Speaker, what could be a better incentive than to pay no tax at all. That means according to what the Leader of the Opposition says, if he was really concerned with incentives he'd be driving us to put every industry under a Crown corporation, because that way no Manitoba corporations would pay taxes and all the corporate taxes that go federally would come back to the Province of Manitoba.

The Member for Lakeside is smiling. The Premier of British Columbia did just that. When he asked, Mr. Speaker, for exemption from taxation for the British Columbia Power Company, the federal government refused to give it to them. Do you know what that right wing



(MR. GREEN cont'd) . . . . Social Credit, the Member for Rhineland, free enterpriser did -- do know what he did? He nationalized the power company -- (Interjection) -- He didn't --- no, he nationalized it; he wasn't, he wasn't as worried about the word as some of the people on this side of the House are. He nationalized the power company. And that was it. And, Mr. Speaker, the fact is that he did the same thing with the Ferry Company. And one of the things that Terry Reagan did who became the Liberal free enterprise Premier of the Province of Nova Scotia -- he nationalized the power company. And the Conservative Premier of the Province of Newfoundland during an election campaign, he thought it was such a good thing that he did it during an election campaign; he nationalized the pulp mill.

Now, Mr. Speaker, I'm not calling upon the Conservatives to support that kind of program although they apparently do in Newfoundland and Prince Edward Island. I am merely saying that the government in its development of northern Manitoba has looked at the options and has said that whichever option produces most for the people of Manitoba, that is the option that we will pursue. And that, Mr. Speaker, is the essential difference. It's not that we are the doctrinaire people, it's that they were the doctrinaire people. And that's all that we have done in the Province of Manitoba. Maybe this doesn't satisfy some people here on this side, but all that we have done is remove that hidebound adherence to a doctrinaire ideology which did not permit flexibility. And as a result of doing that we started the Manitoba Mineral Exploration Company, Mr. Speaker, and that will result . . . Is Mr. Speaker calling me to order?

MR. SPEAKER; Honourable member's time is up.

MR. GREEN: Well, Mr. Speaker, I am sure that there will probably be other members on this side of the House who will deal with some additional results that the flexibility has given us. So I'll take my seat.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. Well, Mr. Chairman, it's always a pleasure to have the occasion to follow on the heels of the Honourable Member for Inkster. I had looked at the resolution and I had assumed that we would be talking perhaps more to the particular subject matter that I'm sure the mover of the resolution had in mind, that is the establishment of a research council of sorts. I was reminded and I had myself mentally prepared to perhaps discuss the subject matter that was that I had some interest in -- and unfortunately I don't believe has ever gotten any further, but that's some time ago and I believe the Member for Inkster who just spoke had something to say about the establishment of a like kind of an institute. Perhaps I refer now to the subject matter that has been under discussion for some time, the establishment of a Precambrian Institute; which although I recognize perhaps not as broad in it -- could not have been as broad in its operation and scope as what the Member for Crescentwood now envisages with this resolution but certainly insofar as so much of the north lies underneath the Precambrian field, any research institute dealing with this subject matter would, you know -- could certainly have many of the same resolutions in mind that perhaps this resolution calls for.

The Honourable Member for Inkster, however, chose not to in my judgment confine himself to debating the merits or indeed expound the normal wisdom that he has in suggesting how a Research Council should indeed operate; or just what kind of a northern research council he had in mind; or that should be opted for at this particular time. He rather chose to debate again the question of ideological differences in terms of norther development.

And, Mr. Speaker, I'm always happy to respond to that kind of a situation and I know, Sir, that you would not rule me out of order if I spoke in similar terms that the Honourable Member for Inkster just spoke. I find the Honourable Member for Inkster's portrayal of the past usually fairly objective and fair. It's certainly true and I don't mind also using the example that he used by way of illustration as to the difference in our approach to development, redevelopment of the north in particular and that of the Forestry Complex already referred to at The Pas.

He's correct, Mr. Speaker, when he suggests that the government of the day did indeed search out all options, admittedly at least by the count 100 to 1. We showed perhaps our bias at that particular stage; but it's also correct that certainly the question of when faced with the necessity, apparent necessity of involving large, very large amounts of public funds, that the question of Crown corporation certainly was under active discussion -- as I'm sure the files would bear out; and even more so than that the files bear out, the verbal discussions that took place within departments and so forth.

(MR. ENNS cont'd)

Now, Mr. Speaker, the difference that the Honourable Member for Inkster chooses to point out to us and how we found ourselves bound by doctrinaire in making a decision; and while they were not, I would have to refuse. Mr. Chairman, we had in that government demonstrated our willingness to go the route of Crown corporations in fairly significant ways. We were not at all concerned, Mr. Speaker, to take on the monetary and the banking institutes which in so many instances -- and perhaps, you know, if you really wanted to look at a focus point of monies established, private entrepreneurial system, then surely our banking system comes under that scrutiny. Mr. Speaker, that concern was not one that we had any great deal of hesitation in tackling when we established the Manitoba Agricultural Credit Corporation. Why? Because we simply felt that in this particular instance the private sector was not in fact doing a job. And we established in direct competition with every major money institution of this country both in the province and in the country at large, a private, public bank to aid and assist the farmers in the development of their farms in the Province of Manitoba.

Mr. Speaker, long before the auto insurance debate took place we had no hesitation to take on every major insurance company in this country and in this province and say to them that, look you're not providing a service so we're going to establish by government legislation a Crown corporation to sell insurance to the farmers, crop insurance. And we did that. So, Mr. Speaker, it's not correct. Although the Honourable Member from Inkster can do it in a convincing manner, it's not at all correct. Indeed it's very misleading to point to us, the previous administration, as having been hung up on doctrinaire; and that we were totally unable from a philosophy point of view, or doctrinaire point of view of looking to Crown corporations as an option in approaching different ways of solving problems that face people of Manitoba from time to time and try out your governments of that day for a solution.

Mr. Speaker, we had the freedom of axiom, freedom from our ideologies to use weapons or to use tools that surely can't be described in any other way than as being -- no socialist tools in this particular aspect -- and a Progressive Conservative government had no difficulty in doing that. Mr. Speaker, it's a question . . .

MR. SPEAKER: Order, please. Order, please. I wonder if the honourable member would make his speech a little more relevant to the resolution before us. Order, please. -- (Interjection) -- Order, please. Order, please. I should like to indicate to the Honourable Member for Inkster that if he wishes to challenge my ruling he's welcome. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I accept your admonition but I want to come to the point now -- northern development particularly, and the development referred to, namely the Forestry Complex.

And the question then has to be asked, you know, -- why was the course chosen that we chose? And of course the thing that has to be remembered, the thing that has to be remembered that in those very resources that we have to develop in the north, namely forests and mines -- and I want to deal later on with the exploration, the Mineral Exploration Company that has already been referred to by the Member for Inkster and that was established by this government. But we faced and we had -- that really, Mr. Speaker, was the choice that had to be made. Not the ideological question -- but the question that we faced, the recognition, the knowledge that we knew that in these two particular fields, Mr. Speaker, forestry and mines, perhaps the most competitive products that we have in international trade, unlike for instance even oil which is competitive certainly you know, in a very serious way. But particularly forestry and mines I say, particularly competitive from our point of view where with our small base, our small population base our relatively small industrial base such a tremendous amount of it had to be produced for the outside export international trade. And the decision was made essentially on our belief -- a belief that I don't back away from; I see it demonstrated in so many places in so many countries in so many enterprises. Not without exception that by and large and of course I believe it, that where you have the direct immediate interest and concern of either the individual farmer who produces for himself as compared to the farmer who produces on a collective farm -- or where you have the family developed, family run business; or even where you have your corporation where the shareholder has hired the best of managerial ability and so forth and where the criteria is indeed profitability -- and I don't shy away from that word. That it is under those terms that you can produce and produce in the best possible way, certainly in a way that can meet in a national competition. And that decision could not

(MR. ENNS cont'd) . . . . be taken lightly or ignored lightly in view of the fact that whatever we produce up north we have to by and large export in the international trade.

Mr. Speaker, the reference made or the attempt made by the Honourable Member for Inkster to speak about his - and it is his mineral exploration company - is one that could hardly be made at this particular time. Six years from now, seven years from now, twelve years from now; I won't attempt to deal in a situation that at this particular point is so very hypothetical. I could surely offer my opinions, and I think I offered them to him at the time that he instituted this program. The question is whether or not he will have, he will have the political guts and courage to come back into this House repeatedly and ask for that extra \$500,000 that extra million dollars -- to go where? To go into a dry hole. If he can convince the people of Manitoba to put up their hard-earned tax dollars into high-risk ventures repeatedly, to dig those 50 dry oil holes before you hit a strike and that may not come for the tenth year or the twelfth year. We are in total agreement, I think about the subject matter that I'm speaking about. That Mr. Speaker, is in my judgment the major obstacle, the major hindrance to the fulfillment -- to the fulfillment of the mineral exploration company under public ownership and the end result unfortunately is we don't have to go too far to see the end result. The end result was experienced in our neighbouring province of Saskatchewan where as a consequence and the pressures, the mounting pressures of what his colleagues, his soon to be colleagues again require in the Department of Health; what his colleagues require in department of University and Colleges; what his colleagues require in Tourism and Recreation and so forth. These are the immediate pressures on the tax dollars. And Mr. Speaker, I suggest to you that even with my limited experience around the Cabinet table in fighting for necessary dollars to be spent, that as that mineral exploration company -- as all exploration companies have to undergo periods of lean years -- if anything, that appropriation gets cut down and down because you don't have the entrepreneurial risk you know, concept, you know, can't be properly conveyed through the means of a government that has to answer responsibly for every dollar spent. And therefore my judgment of that kind of approach to northern development as outlined by the Honourable Minister, unfortunately as nice as it sounds means a continual decrease, minimal if any development in the North. Now Mr. Speaker, the question was also raised and really, I don't accept the references that are made as to what people are getting back out of the development of the past, or to curb the development the kind of development you now have. And when you point to the royalty tax as being in any way the measure or yardstick of what the public you know, gets back out of their resources; and when you only look at the royalty taxes, surely, Mr. Speaker, particularly at this time in our province, this time in our country, to ignore the job opportunities -- to ignore the high wage industry by and large which, you know, the high wages by and large which are being paid in that particular sector on industrial development; to ignore all that; to ignore the contributions made by the corporations through corporations tax; to ignore the contributions made by individuals through income tax; to ignore the contributions made through taxations of consumption of whatever means, it's surely you know, an insult to suggest that we look at the royalty tax which is minimal and fades into insignificance when you consider the total contribution to the economy and to the development of any particular sector or region of our country or province that a major development, mining enterprise -- International Nickel or Falconbridge group or the Mineral Company, Exploration Company of the Province of Manitoba -- will make. Whether or not the Mineral Company has to or does not have to make -- pay a corporation tax, even that is minimal in comparison to the far greater total economic effect that a successful exploration and a successful development of that kind of resource can have in an area.

Well, Mr. Speaker, we're really at a standstill. I suggest at this particular time -- or a standoff. At this particular time we have highly successful mining development companies in our north. I'd suggest to you, Mr. Speaker, that if the Forestry Complex in the north was indeed in private hands -- not necessarily in the hands that we put them into, but in private hands -- that I would have the reasonable assurance, reasonable assurance that that would be a viable profitable operation in the years to come. Having been satisfied now, and having satisfied now our skeptics that the resource base is there; the resource base is there for the next hundred years and then some. And I suggest to you that with the kind of job opportunities that the past system has provided for in the north; I suggest the kind of returns that the development in the north is bringing to our province and to our country; that at this particular measures appear and what the Honourable Member for Inkster is saying is wishful thinking and

(MR. ENNS cont'd) . . . . is starting off admittedly slow in the race with a \$500,000 appropriation for exploration. I can't at this particular time say where that will lead to and how successful that will be. But, Mr. Speaker, surely the thought cannot escape thinking and reasonable members on the other side that that may well end up with a few dry holes and a few forays into exploration and a general disillusionment and disappointment, and a general levelling off to no exploration and to little or no development. And it's that context, Sir, that I suggest that the position put forward in terms of a new approach to development in the north is far from tested. Indeed, Mr. Speaker, I haven't tried to widen the parameters of the debate; I suggest to you that if we look at other jurisdictions, if we look at other countries where that has been in practice and has been tried -- in fact grave, grave questions can be raised whether or not it isn't folly and extreme doctrinaire hidebound position to even embark on that kind of a position in this day and age in the 1970s.

MR. SPEAKER: The hour of 10:00 o'clock having arrived the House is accordingly adjourned and stands adjourned until 2:30 tomorrow afternoon.