

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o' clock, Wednesday, May 16, 1973

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Mines and Resources.

ORDER FOR RETURN

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I'd like to table a Return to an Order of the House No. 26 on motion of the Honourable Member for Portage la Prairie.

MR. SPEAKER: Any other tabling of reports or ministerial statements?

TABLING OF REPORTS

MR. GREEN: Mr. Speaker, I'd like to table the Annual Report of the Prairie Provinces Water Board. Mr. Speaker, would you just . . .

MR. SPEAKER: The Honourable Minister.

MR. GREEN: I've been asked at various times about the year-end report of the receiver respecting Churchill Forest Industries. The receiver has been in touch with me and the year-end report will not be available until the end of this month, approximately May 31st, at which time it will be a public document, which will be filed and will also be made available to the members; but there will not be a year-end report available as was requested by honourable members until that time, and I therefore asked the receiver to do a quarterly report; he's drafted one and I hope that I will have that quarterly report or a report which deals with the first quarter of this year in any event. I hope I'm giving the correct time period and I should possibly have that in a few days.

MR. SPEAKER: Any other ministerial statements or tabling of reports? Introduction of Bills. The Honourable Minister of Agriculture.

INTRODUCTION OF BILLS

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, I believe I should ask leave to introduce the bill that is listed on the Order Paper.

MR. SPEAKER: Leave granted? (Agreed)

MR. USKIW introduced Bill No. 57, an Act to validate an Agreement made between the Provincial Exhibition of Manitoba, the City of Brandon, and the Government of Manitoba. (Recommended by His Honour the Lieutenant-Governor).

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona) introduced Bill No. 55, an Act to amend The Civil Service Act.

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield) introduced Bill No. 59, an Act to amend The Social Allowances Act. (Recommended by His Honour the Lieutenant-Governor)

MR. HARRY SHAFRANSKY (Radisson) introduced Bill No. 54, an Act to Incorporate Transcona Country Club,

MR. SPEAKER: Oral questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights): Mr. Speaker, my question is to the Minister of Northern Affairs. He took as notice a question in connection with the airstrips of the north and the contractual arrangements and whether any were on an hourly basis, were on a contractual basis. I wonder if he is in a position to give us that information.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RON McBRYDE (Minister of Northern Affairs)(The Pas): Not yet, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the House Leader. I wonder if he can indicate when the Standing Committee on Economic Development will be meeting so that those who want to appear before the committee dealing with the question of inflation and the cost of living may be given an opportunity.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I can't give the honourable member a date. I know that in terms of priority that the first item that I would like to have before the Economic Development Committee is the report of the Manitoba Mineral Resources Corporation. The Chairman is available and wants to report and I was hoping that that being a statutory requirement which the members of the Legislature also voted by majority to have done, that would be the first priority; and as to when that could take place I can't say at this time.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Speaker, I'd like to respond to a question raised yesterday by the Member for Rupertsland. It related to the Northern Affairs Extension Services program. I believe, Mr. Speaker, the question was asked, or the matter came up because of a misunderstanding that two people working in the community of Ilford were in fact Northern Affairs employees when in fact they are employees of a federal agency.

The first question that the member asked related to people attempting to influence a local community election at Ilford; Mr. Speaker, not any other political activity but attempting to influence a local community election. I talked to the President of the Northern Association of Community Councils and he confirmed that these were the two people who are not employees of the Department of Northern Affairs that he was concerned about.

The more general question, Mr. Speaker, of this program, I don't think that the President of the Northern Association of Community Councils will ever be in 100 percent agreement with our Extension Services program, unless of course it was under the complete control of his association. Probably neither would the President of the Manitoba Metis Federation be unless it was under their complete control and I have arranged a meeting between the Northern Extension staff and Mr. Thompson in order to improve the relationship, working relationship between the Northern Association and my department.

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the Minister of Health. I wonder if he could indicate whether we can expect the Order for Return that was accepted by his department dealing with the number of abortions and where they're performed, etc., before this session ends?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, I thought that Order for Return had been tabled, but if it hasn't I'll check. I remember seeing the details of it, but I'll check it.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question to the Minister of Northern Affairs. How many employees are working under the Northern Extension staff?

MR. SPEAKER: I believe that would be better for an Order for Return, unless the Honourable Minister has the answer at the tip of his tongue.

MR. TOUPIN: I haven't the answer right off the top of my head, Mr. Speaker, I could get that.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I have a question for the Honourable Minister of Health and Social Development. Can he inform us how soon the bill to amend the Social Allowances Act which he introduced today will be available to us for study?

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, I can assure the honourable member that that bill will definitely be before her, before or the day that it's given second reading.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a further question for the same Minister. He has not given a reply to the question as to how many children have escaped from the Manitoba Youth Centre. Is it still 10 or did more escape over the weekend?

MR. TOUPIN: Mr. Speaker, the Honourable Member for Fort Rouge seems very in a hurry this morning. I took the question as notice from the Member for -- what's his name?

MR. SPEAKER: Morris.

MR. TOUPIN: . . . my previous MLA from Member for Morris, and it still is notice; so just take your time, you'll get the information.

MR. SPEAKER: Orders of the Day. The Honourable Member for Birtle-Russell,

ORAL QUESTION PERIOD

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is for the Minister of Northern Affairs. In his efforts to improve relations with the various organizations . . .

MR. SPEAKER: Question, please.

MR. GRAHAM: . . . can he indicate to the House how many members of his staff he intends to move?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Speaker, I'm not sure what the member is talking about. There was an announcement recently we're going to move some of our staff from the City of Winnipeg to Thompson and we're attempting to move our staff into northern Manitoba. I think that'll improve our relationship with lots of people, Mr. Speaker.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call please the bills on the Order Paper starting with page --oh, excuse me--I'm sorry. I would like Bill No. 22 first.

ORDERS OF THE DAY - BILL NO. 22

MR. SPEAKER: Proposed motion of the Honourable First Minister. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I want to say a few words on this bill. I think, Mr. Speaker, that originally when the Capital Supply was introduced I spoke on it at that time, and I think the major point that was an issue at that time was whether or not there were significant sums which had been transferred from General Purposes Estimates of Expenditure into the capital borrowing area. We have had it indicated by the First Minister, and the statement which we accept is that from time to time it is necessary to shift from spending which comes out of year to year revenue to borrow for some purposes. Mr. Speaker, that as I say is a generally accepted practice, but the question that is, the burning question is how much is actually shifted from current expenditures into capital borrowing in order to balance the budget.

It seems to me, Mr. Speaker, that almost every year in the last I don't know how many years that when we get the statement of revenues and expenditures they always nearly balance, so that in effect what happens is that you have for all intents and purposes a position where the Minister of Finance could say that he has essentially a balanced budget. Mr. Speaker, this is very seldom true that you do in fact have a balanced budget unless you use the same procedures every year, and if in fact you're borrowing money and putting it into the Capital Supply and then taking it and replacing it . . .

MR. SPEAKER: Order, please. I wonder if I can have the co-operation of the members and especially the gallery above me to cut down the chatter. It's very difficult to concentrate on what the honourable member is saying. The Honourable Member for Riel.

MR. CRAIK: So, Mr. Speaker, the primary question here is that it's not really - the statement of revenue and statement of expenditure, although they may show a balance, doesn't say how much money in the statement of expenditure has actually been shifted and now comes under an entirely separate column, namely Capital Supply.

And going down through the list here as was pointed out before, we have for instance in Manitoba Hydro Electric Board--I want to come back to that-- you have capitalization of interest charges. In other words, you not only have borrowing money for building purposes, you have money borrowed here to pay the interest on money you borrowed before. Now that's again a practice which is an accepted practice but nevertheless it's a practice that isn't really --you can't call it capital borrowing because it's borrowing to pay interest, so a large chunk of that or an amount of that, \$100 million has to be for that purpose.

If you go down through the list and you come to the Educational Purposes, we have (a) Frontier School Division, \$1,994,000; and (b) Universities, \$6,323,800.00. Mr. Speaker, there again the practice has been in the past that in order to keep some sort of a balance between what is self amortizing borrowed money and what is not. The Universities traditionally were at least a portion if not all of the construction going on at universities was paid for out of current revenue, that is it was paid for in the year that it was done rather than putting it into capital borrowing where you borrow for it and pay for it over the next 20 years or so.

So again, Mr. Speaker, the only statement that is really of value to tell us whether

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(MR. CRAIK cont'd)or not what true position the province is in financially is to be able to tell us how much shift there has been of this nature out of current and into capital borrowing. Again, Frontier and Resource Roads, we have \$10 million in here, Mr. Speaker; and Grants re Municipal Sewer and Water Systems, 1,550,000; and then, Mr. Speaker, Winter Works and Emergency Programs. Well, Mr. Speaker, there's \$13,400,000 in that item, which is a make-work program, the PEP program and other programs that are undertaken by government primarily to stimulate the market requirement for labour and to not necessarily provide a capital development; not necessarily to provide I don't think something that you would normally call capital borrowing. It may well result in the development of a structure or it may well develop something else, where it physically is present and can pay for itself out of its use or its future purpose, but if it is strictly a make-work project, where it's brush clearing and some of these other undertakings that are used to employ people, can it be called legitimately capital borrowing under the traditional sense.

Mr. Speaker, there is a very very large amount in here, \$13 million for that purpose and, of course, Mr. Speaker, you can't look at these things unless you put them in context, but if you were to do this every year, if you had to raise \$13 million for this purpose, you are going to build up a tremendous debt over a period of time and there is no indication on make-work projects that you're developing people so that they're going to be able to upgrade themselves out of the trap of doing that type of work. So unless there is an indication that your investment, that you're borrowing for, has the ability to upgrade people so they don't have to do that another year, then you're caught in the trap of each succeeding government providing make-work money under borrowing.

So, Mr. Speaker, again what is the breakdown on Winter Works and Emergency Programs so that we can get the detail on that? How much of it is for traditional true capital purposes, for construction purposes, and how much of it is actually emergency programs as it says here, which are basically make-work programs.

And then, Mr. Speaker, the largest single amount we're dealing with here under Schedule B of Bill 22 is the General Purposes Borrowing of \$24 million. Well, Mr. Speaker, we know that from the description that was given to us that we have maintenance work being done under this; we know that again a great deal of this is not for again providing facilities but in many cases providing equipment, desks, furniture, all sorts of other hardware. It's for maintenance purposes which includes again labour input for upgrading, and so on, which may have some benefits built in that are going to provide return but again, Mr. Speaker, at \$24 million, it's a very very large amount. \$24 million again, if you're going to do it every year, represents almost 2 percent, if you want to use that comparison on the Provincial Sales Tax, and if you add up all of these, Mr. Speaker, if you add up General Purposes, and if you add in Winter Works and Emergency, and if you add in shifts from the University Capital Expenditure, and some of the others that are probably in here that you can't spot, whether it's in roads, you have an amount which is in the vicinity of 40 to 50 million dollars. Well, Mr. Speaker, it really means that if these are not being used entirely for capital purposes which, and I mean that in the traditional sense of budgeting, then you have a chunk of that and possibly a very large proportion of it that more properly belongs in current expenditures, and if that's the case then we don't in fact have a balanced budget.

So it's the problem of presenting to the people of Manitoba a true picture again of the current position of the province rather than, rather than what the government wants to present to them, Mr. Speaker. We have repeated statements come from the government that the deadweight debt of the province is low, possibly one of the lowest in Canada, probably lower—I think it was supposed to be lower last year than it was seven or eight years before.

Mr. Speaker, that's very possibly an accurate statement. The only problem is that the deadweight debt of the province isn't very meaningful in telling the people of Manitoba what their financial position is. It tells them nothing about where they're going; it tells them only where they're at according to one yardstick that is used by accountants to assess your debt position. Deadweight debt position probably is not very meaningful in comparison to the other yardsticks, and it certainly doesn't say, Mr. Speaker, tell you a solitary thing about where you're headed for in your expenditure programs, and of course that's what Bill 22 should tell us. Not where we are, but where we're going with regards to how much money we're

(MR. CRAIK cont'd) borrowing and where we're going to spend it.

Mr. Speaker, I presume we'll get some answers more to these before we finish with Bill 22. I do want to take some time to comment on the same topic that the Member for Lakeside undertook yesterday, and that deals with the borrowing for Manitoba Hydro. I want to take the opportunity to say, Mr. Speaker, that at this point, which is very close to the end of the Session, very close to another year in the Legislature, very close to an election, that the basic position and differences of position with regards to the undertakings of the Manitoba Hydro, between the Conservatives and the Government, deals with the economic matters that are reflected in Bill 22.

The amount included here \$100 million, Mr. Speaker, is an amount which is in keeping with the amounts that have been appearing in the Capital Supply Bill over the last several years, and will continue to appear until the completion of the Nelson River project. Mr. Speaker, one of the difficulties in dealing with this matter, and one of the frustrations in dealing with it, has been that large projects and large amounts of money are difficult to discuss in layman's terms and have understood in layman's terms. Mr. Speaker, it's much easier for the general taxpayer and citizens of Manitoba to understand the many of the environmental concerns and environmental problems associated with this project. But it is difficult for them to understand the arguments when you're talking in hundreds of millions of dollars rather than dollars and cents that come closer to possibly their monthly hydro bill, or their annual income, or their monthly income.

But, Mr. Speaker, let it be said before this borrowing is approved that the \$100 million being approved here is part of a larger sum that has been unnecessarily undertaken as an expenditure by the present government on the recommendation of the former Chairman of Manitoba Hydro. Let there be no question in this bill being adopted by this House that despite the representation and the protestations of the new Chairman of Manitoba Hydro to the Public Utilities Board, and despite all the disclaimers by everybody else involved in this project, the overwhelming evidence that is going to be reviewed when this project is looked at in perspective, and from a hindsight position if you like, Mr. Speaker, is going to be that there is strong evidence that stacks up in the perspective that history will provide that it was a waste of money for Manitoba to undertake an expenditure of \$200 million on Lake Winnipeg in order to buy themselves two years of time to review and look for an alternate source of power in another location, only to find that after that two years that they had no alternative but to do essentially what had to be done and recommended in the first place.

Mr. Speaker, let there be no mistake about the key issue involving Bill 22 and \$100 million in here. The matter of Lake Winnipeg development, and the \$200 million dollars associated with it, was undertaken, Mr. Speaker, was undertaken basically by a Chairman of Manitoba Hydro who came into the province, did a very rapid examination of this, and despite the fact that that man may have been a genius or he may have been any other thing, there is no man in the history of mankind that I find recorded that would attempt to put himself in the position of reviewing \$10 million of work that had been done before him, and with the stroke of a pen in a matter of weeks, and in contradiction to his some of his help in doing it, was to say this is the plan for Manitoba. And lo and behold we arrived at a position four years later where nothing different has happened but to justify a very ill-considered recommendation and report that that man made at that time. Now, Mr. Speaker, it's well and good for the succeeding Chairman of Hydro to stand up in the Public Utilities Committee and to say that he wrote a paper in 1960 that envisioned the possible development of Lake Winnipeg as a storage reservoir. Mr. Speaker, the same man in 1969 made statements that would reverse that position, not reverse it, Mr. Speaker, but simply say that in economic terms it wasn't valid. The same people in conjunction with this government, Mr. Speaker, undertook a consultant study, and the consultant study came in six months later, in March of 1970, and said Lake Winnipeg is viable only, and only in about 1990 if it can be built for a cost of less than \$15 million.

Mr. Speaker, that report is discounted by the powers that be. They discount what the late Dr. Stephens said, who was the former Chairman of Manitoba Hydro, who told the Manitoba Water Commission that Lake Winnipeg now probably would never be considered as a viable part of the whole system development. It discounts the fact that the present Chairman of Manitoba Hydro in 1969 said it couldn't be a viable part for at least 10 years. Mr. Speaker,

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(MR. CRAIK cont'd) what it amounts to, what it amounts to is it's a similarity between a young married couple who decide they want to buy a car, they'd some time in their life like to own a Cadillac, so they decide that they should buy the Cadillac the first year they're married. And, Mr. Speaker, they're broke the rest of their days trying to pay for it. Mr. Speaker the comparison here is that the benefits that accrue from Lake Winnipeg are that it has four wheels like any other vehicle has, it is a Cadillac, and it is the most expensive route that could possibly have been taken by Manitoba Hydro and by the government in developing their power. The government, despite the fact that they stood up and tried to persuade this Legislature a year ago that they had achieved engineering breakthroughs at the north end of the lake --a statement made by the Attorney-General that got banner headlines, "Engineering Breakthrough Solves Problems on Lake Winnipeg"--tried to convince the people that they had provided an engineering, an engineering breakthrough announced by no less than the Attorney-General of the Province, who came roaring into the House with this good news, with this good news, Mr. Speaker, and a year later have it announced by Manitoba Hydro that the breakthrough that they expected had now incurred an additional overrun of \$2.8 million, and that the estimates of overage of over \$177 million would probably even be greater.

Mr. Speaker, this is what we are being asked to approve in the \$100 million for Manitoba Hydro. We're being asked to approve a hydro development policy where contracts have been let, in fact all the major contracts have been let, and we have very little alternative but to accept this as it now stands. There is no question that we're about, there should be no question, we're not attempting to stall the hydro project in Manitoba; we're not attempting to stall the development on the Churchill River; we're just objecting in the strongest terms possible for the unnecessary expenditures of \$200 million, and possibly greater, Mr. Speaker, if one takes the figures of some of the people who are expert in this area, like the former Premier of Manitoba, and Mr. Kristjanson and Mr. Lyon, who are all familiar with this project, who say \$254 million. But, Mr. Speaker, let's take the safe side, and we've always been right so far despite the disclaimers by the government on these estimates, let's say \$200 million, because that's what the project is going to reach probably by the time the overages are all in and ask, why the government can approach these moneyed matters with such an arbitrary sort of an attitude towards them - and I have to say arbitrary, Mr. Speaker, because I have to repeat that the Chairman of Manitoba Hydro in making his recommendation in the fall of 1969, can be accused of nothing other than making an arbitrary decision. There is no man that has the human capabilities to take singly a project like that and draw together the results of \$10 million worth of studies and turn them around to that decision when, Mr. Speaker, even the reports subsequent to that don't support it, and then that Chairman, and even the succeeding one, decide that they can discount those studies, they'll still accept that little eighth of an inch thick report that was done in October of 1969 that said go the Lake Winnipeg route, and then drew up for the people of Manitoba the bathtub analogy on how if you put water in one end it will run down to the other end and finally run out of the bathtub.

Well, Mr. Speaker, it's with a great deal of concern, and with a great deal of objection that we see any moneys for Manitoba Hydro be approved in Bill 22 that will go to the Lake Winnipeg project. A project Mr. Speaker, which we know now, and I repeat again, has had a staggering increase in costs. It started out at 110 to 115 million dollars, has risen to \$177 by the claims of hydro, is higher than that according to their own statements at the Public Utilities Committee, in spite of the fact that they say that they can predict the growth rate of costs for the next ten years at 4 percent a year, they have made statements, and the government has made statements, that has seen the cost go up from \$110 million to \$177 million in two years, Mr. Speaker, and is going to go even higher before the project is done. One of the greatest, the greatest wastes of capital that has ever taken place in the Province of Manitoba, Mr. Speaker, and primarily at a time where \$200 million will represent an interest charge alone that is roughly 20 percent of the total sales of Manitoba Hydro. Represent an interest charge in Manitoba of upwards to \$20 million a year just to pay for this investment that the government is asking us in part to approve at this time.

So again, Mr. Speaker, to repeat it's with, it's with extreme reservations and objections that we see this Capital Supply Bill going through and containing in it \$100 million, even one cent of which is going into the Lake Winnipeg project.

MR. SPEAKER: The Honourable Member for Morris.

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MR. WARNER H. JORGESON (Morris): Mr. Speaker, the particular item that I want to deal with in Bill 22 and there are a number of them that one could deal with, is the -- the one that I want to handle is the Manitoba Agricultural Credit Corporation and the policy of the government with respect to the agricultural community and the apparent use that is now being made of the Agricultural Credit Corporation in changing the old direction and the concept of agriculture as we've known it in this province.

Sir, the present Bill before us is an interesting commentary on the activities of the government, and one of the rather interesting things that we do see developing is the more frequent use of the item "General Purposes" being listed in the Capital Supply Bills. In going back over the years one finds that although there've been various amounts required for public utility purposes, the Telephone System, the Water Supply Board and Water Control projects, Highway projects, and the like, they have been reasonably standard amounts that have been asked for under the Capital Bills, and it hasn't been difficult to determine just precisely what they involve, but since this government has come to office we have noted an increasing, starting in 1969, we have noted an increasing amount of money that has been asked for under the item "General Purposes" In '69 there was \$7 million, in '70 it went up to \$30-1/2 million, in '71 it was \$21 million, and in '72 it was \$45 million, and again this year it's another \$24 million.

Sir, what that represents as far as I'm concerned is an extremely difficult situation insofar as the opposition is concerned in determining what the spending intentions of the government really are. It distorts the balance of ways and means on the estimates, so that it is extremely difficult for anyone to determine whether this government is actually spending the money that it's raising in taxation, or whether it is spending money far in excess of what they're taxing, and thereby placing a burden on future generations; distorts it in that people of this province are not in the position to know whether or not there is in effect a balance of ways and means, or whether the government is engaging in deficit financing to an extreme degree. And if the purposes for which moneys are being used under this particular item of General Purposes are to be included in the estimates, then over the years we have incurred deficits of in excess of \$100 million since this government has taken office. There has been no denial on the part of the government that this item is being used to carry on projects that in previous years had been listed in the estimates and had been taken out of current revenues. It's a unique practice in an effort to hide the true financial situation of this province. And with the increasing use of this technique governments can hide their real intentions, and governments have the ability to masquerade as people who are carefully husbanding the peoples' money, when in fact they are squandering it like drunken sailors.

Now, Sir, a few weeks ago I raised some questions in this House in connection with the Manitoba Agricultural Credit Corporation and I want to emphasize that I attach no blame to those who, to Mr. Leggat and his staff, who are responsible for the day to day administration of the corporation; they are merely carrying out the instructions that are given to them under the terms of the legislation and under the direction of the Board of Directors that have been appointed, and the Board of Directors now are appointees that have been installed in those positions by the present government. One can't do otherwise than to conclude that the direction that they are following is a direction that is characteristic of the government, and is in keeping with the philosophy of this government, and for that reason I rise in my place because I happen to be one who disagrees with the philosophical approach of this government to the administration of government in the province.

And I happen to be one who disagrees more particularly with their approach on agricultural matters, because if the general direction that they appear to be embarked upon is continued, and then of course we will have a situation such as exists in another country, where the complete domination and control of the agricultural community comes from above rather than from the good sense and judgment that is currently being exercised by farmers themselves. It has never been known in the western world where individuals were given the opportunity of making their own decisions and providing food for people in this world, it has never been known that there has been a shortage of food. That is not the case in government dominated agricultural economies. And if there is a tendency in that direction today I think it can be largely attributed to the misguidance that has been imposed upon the agricultural sector by governments, and a classic example of that is the policy that was imposed on farmers through the LIFT program. A policy that had to be stupid in its concept, ridiculous in its

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(MR. JORGENSEN cont'd) application, and disastrous in its results. We have the spectacle today, Sir, of a world going hungry because of the misguided direction that was afforded the farmers under this program and other programs. A policy of restriction; a policy of deliberately creating shortages, for the reasons that are offered by those who are the exponents of that policy that it will raise prices, without any regard, Sir, being given to the fact that the mere raising of prices diminishes the market that is available for those producers. That has been proven so many times over and over again that it need not be repeated again.

But, Sir, the Minister of Agriculture was kind enough to, after some delay, to reply to a question that I had posed to him with regards to foreclosures of the Agriculture Credit Corporation and in the reply, which was contained in yesterday's Votes and Proceedings, we note that there have been a number of foreclosures on the part of the Manitoba Agricultural Credit Corporation, and I was curious to know just what was happening to those farms that were being foreclosed on. And what is really happening, Sir, is that the government are not intending to relinquish control of that land. They are developing in a much more subtle way than what was done in the Province of Saskatchewan, they are acquiring land and developing a land bank which will ultimately lead to the government owning all of the land in this province. They have indicated that only one of the seven farms that have currently been foreclosed on has been resold but it has not been resold to a farmer. It was resold to the Land Acquisition Branch of the Department of Government. Now that policy, Sir, followed to its logical conclusion will further aggravate the food supply situation that we find ourselves in today. It has been proven over and over again that people who own the land have an interest in that land and will nurture and take care of it so that its capability of producing food will continue. That is not the case we find when the people don't own the land and are there only as tenants for a short period of time.

Farming practices and the real success of the agricultural experience in the western world has been the private ownership of land, and the fact that the people who own the land have enough interest in it to take care of it so that it'll continue to produce food for as long as food is needed. And that, Sir, essentially is the essence of farming as opposed to the kind of mining process that takes place when people who have no other interest in land than the desire to make a few dollars for a short period of time and then get out. That policy will result in disaster to the world.

Well, Sir, worse than that was the matter that I raised in this Chamber some weeks ago in connection with the Chairman of the Board of the Agricultural Credit Corporation, Mr. Hofford in connection with a loan application that had been originally approved to a Swan River Valley farmer and subsequently reversed, and then the land loan been given to the son of the Chairman of the corporation. The Minister at that time tried to create the impression in the House, and throughout the province, that I had done something that was wrong by exposing this and that there was nothing untoward or nothing wrong with the transaction. Well, Sir, I want to repeat again that the decision that had been taken at that time was wrong. It was one of those things that --(Interjection)-- it was one of those things that a government in order to ensure its own integrity to prevent anyone from having any suspicion about the actions of government, would not have permitted. That seems to be no concern of honourable gentlemen opposite because they continue to do it, and in order to try to convince this House that there was nothing wrong he managed to get a letter from a one H. McKay written into the record. Ostensibly that letter was supposed to exonerate and vindicate the entire practice and the whole operation. Well, Sir, the Minister attempted to get one other letter onto the record but he failed to do so.

MR. SPEAKER: Honourable Member.

MR. USKIW: I would suggest that the honourable member should indicate what that attempt was because he's now imputing something that did not occur.

MR. SPEAKER: The Honourable Member from Morris.

MR. JORGENSEN: Mr. Speaker, that's precisely what I was about to do, and when I started to speak I said that my remarks were going to be related to that subject and I have every intention of pursuing it, if the Minister will contain himself in patience long enough for me to deal with it. Mr. Chairman, at the height of that controversy that was raging in

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(MR. JORGENSEN cont'd) this House at that time the Minister had an appointment in Treherne, to speak at a meeting in Treherne on the 16th of April--(Interjection)--

A MEMBER: He never told me about that one.

MR. JORGENSEN: Well he didn't go. He got his Economic Advisor, Mr. Janssen to take that meeting for him, and it seemed quite curious that the Minister would not take that meeting but now we know the reasons why. But now we know the reasons why. Because he had called Mr. Bowles in to Winnipeg and as he came quite late in the evening and it's not all that easy to see Cabinet Ministers, it struck me as rather surprising that he was able to get in to see the Minister almost immediately upon his arrival into the City of Winnipeg.

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

MR. USKIW: I'm not sure of my point of privilege but perhaps you can guide me. I would ask whether it's allowable for a member to indicate a complete falsehood in this Chamber, and I ask the member to withdraw.

MR. JORGENSEN: If my honourable friend will just wait until I've completed my remarks he can then have an opportunity to either deny it or do what he likes with it, but I wish he'd give me the courtesy of placing on the record the events as I have learned them.

Well he says, Mr. Chairman, that I'm fabricating them. But the Minister is going to find out that he's going to have to substantiate his denial of the events as they took place, because Mr. Bowles was brought into the City of Winnipeg and had an appointment with the Minister and the Minister had prepared for him, Sir, and I'm going to table this letter, or a copy of this letter. The Minister's office, while Mr. Bowles was there, prepared a letter for him to sign and it was the kind of letter, Sir, that was very similar to one that Mr. McKay had written to the Minister, and the condition upon him signing that was that he would drop the issue.

MR. SPEAKER: Order, please. I believe the honourable member is suggesting that he's going to introduce a letter which is not signed. I believe that is contrary to our regulations, our rules.

MR. JORGENSEN: Well, Sir, I'm going to put it on the record and I don't have to table it then, but I'm taking full responsibility for it and that's all that is required for me to do under the rules, because the letter was given to me by Mr. Bowles himself who said that it was typed out in the Minister's office and he was asked to sign this letter. He didn't sign it, Sir, because what it amounted to was nothing more than blackmail.

A MEMBER: That's right. Sheer blackmail.

MR. JORGENSEN: And here is the contents of the letter: "In recent days"--and if my honourable friend wants to get a typewriting test on this letter, we'll find out what typewriter it was written on, because I understand that that can be done--"In recent days controversy seems to have arisen over a loan application I made to MACC in the fall of 1971 which was initially approved and subsequently reviewed and declined by MACC. As a result of this controversy my name has been bandied about in the Legislative Assembly and in the press together with information, mainly incorrect, on my financial affairs. I find it very painful and embarrassing to be the subject of public controversy and to have my affairs debated in the public arena. I gather that your government is now considering to make the MACC files available to the Legislative Assembly, and in my view this would make the situation worse, not better, not only for me and my family but also for the thousands of Manitoba farmers who have dealings with MACC. It seems that some people think that the decision by MACC to reject my loan application was taken because a son of Mr. Max Hofford, the chairman of MACC, wanted the land that I proposed to purchase with the loan. I have no reason to believe that this was true. I've known Mr. Hofford for a long time and I do not believe that he did anything that was wrong or use his position as chairman of MACC to his own benefit or that of his son. I wish, Mr. Uskiw, that the debate on this affair be closed and not be opened again; and for that reason I would ask you to table this letter in the Legislative Assembly so that the members will understand that I wish to see the matter closed." Oddly enough, the Minister doesn't want the letter tabled now.

Sir, that was a letter that the Minister offered to Mr. Bowles for signature in return for closing the whole matter and not exposing his files. Mr. Bowles doesn't care whether he opens his file or not really. And I can tell the Minister that right now. But it is the kind of

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(MR. JORGENSON cont'd) tactic that the Minister uses in order to cover up some of the mistakes that he makes and some of the things that he has said. The statement with regards to farm labour is another example, when he attempted to get members of the Farm Bureau to write a letter to him denying what was contained in the press report. And let him deny that. And I have no evidence of the circumstances under which Mr. McKay wrote that letter, but in view of this one and in view of other attempts that he has made to coerce people into baling him out of difficulties, one can only have some suspicion as to the tactics that the Minister employs in order to get his viewpoint across.

Sir, that's the sort of thing that goes on in the Agricultural Credit Corporation today; not because of any fault that can be attached to the officials of that corporation who have conducted themselves, in spite of the fact that since this government came to office a good many of them resigned because they refused to submit to the kind of political pressures that are being applied by the Minister, but they attempt to carry on their responsibilities in accordance with the terms of the Act. And for the Minister to attempt to coerce people as he has attempted to do to Mr. Bowles is a practice, Sir, that deserves to be exposed. It was wrong in its concept and it denies the kind of integrity and principle that a Minister should be using in the conduct of his affairs.

And I might also go on to point out, Sir, there's something else, that a check of the records will indicate that there was some security and the Minister talks so much about what a great loan this was to Michael Hofford, and what a poor risk that Mr. Bowles was. Well, the bank records and the records in the offices of the Municipal Council will indicate who is right on this issue. We find that the security of a quarter section of land that was offered for the purchase of those seven quarters is still in the name of Mr. Max Hofford, it is not in the name of Michael Hofford. So the chairman of the corporation is putting up the security for a loan for his son. Not only that, Sir, not only that, Sir, but they've taken some chattel mortgages as well; a Cockshutt tractor, a Case combine, 15 sections of harrows. And here's an interesting one, Sir, it gives rise to the reasons why the Minister indicated a while ago that this was going to be a dirty election campaign because he's found his platform. Taken in security was a New Holland 235-bushel manure spreader. Now, I don't know what a 235-bushel manure spreader looks like but that's the description that is contained. The Minister has found his platform and we know now why there is going to be a dirty campaign.

But that's the sort of thing, Sir, that went on in connection with this loan, and God knows what is going on in connection with other loans in this province. But I can tell the Minister that there are some investigations being made and perhaps there will be more to be revealed later. I asked for an investigation of the affairs of the Agricultural Credit Corporation and I think now, Sir, that the time has come for the Minister to stand in his place and say that there's going to be an independent investigation as to the conduct of the Board of Directors of the Agricultural Credit Corporation and the way that they've been dealing, and the way that they've been imposing their will on the officials of the corporation.

Sir, this is an intolerable course of action. This is the manner which we have learned to expect from this government, and particularly the Minister of Agriculture; an attitude, Sir, that cries out for some sort of investigation. It is a practice, Sir, that must be stopped. Certainly it needs to be exposed as I have done so today.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: The speech of the Member for Morris is again indulging in one of his usual tirades of innuendo, of misinformation to the Legislative Assembly and to the people of Manitoba, as is often the case with the Member for Morris. And I've said this before, I will repeat it again, I want to take issue with the fact, Mr. Speaker, that the member alleges that I had some reason to invite Mr. Bowles to my office for the purpose of clarifying a government position with respect to his loan and the loan to Mr. Hofford's son.

For the record, Mr. Speaker, I want to point out to the Honourable Member for Morris that it was Mr. Bowles who called me and said would you please put an end to the debate about my personal affairs. And I said, only you Mr. Bowles can do that, I cannot stop the members of the opposition if they wish to ask questions. And since you went to the members of the opposition complaining about your loan application, you have the power to ask the opposition to withdraw the debate. I cannot do it for you. If you want me to facilitate you,

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(MR. USKIW cont'd) I will assist you by allowing or reading a letter that you may want to write to me asking that the members of the House not debate your personal affairs. That is up to you, Mr. Bowles, was what I had told him. And he said to me, "well, Sir, he said I don't have an education to enable me to write such a letter. Would you have someone assist me in the drafting of such a letter?" I subsequently had to leave my office and I left him with a staff member to assist him in drafting a letter that Mr. Bowles and his son were going to consider sending to me asking that the Legislative Assembly not continue the debate with respect to his loan application. It was merely an act to facilitate a request of one Mr. Bowles. So I suggest to the Member for Morris that he should not try to make a genuine honest thing into a dirty illicit proposition such as he's trying to do this morning, Mr. Speaker. It was a genuine concern on my part that Mr. Bowles should not have to have his personal affairs debated, unless he wished them to be debated. And to that end, Mr. Speaker, I wanted to facilitate any request.

It was obvious in my office that day that there was a difference of opinion between Mr. Bowles and his son on the whole question, and it would appear to me that it's Mr. Bowles' son that perhaps has communicated with the member for Morris. But not necessarily in agreement with his father. So the record, Mr. Speaker, should be clear . . .

MR. JORGENSON: . . . rise on a question of privilege.

MR. SPEAKER: The Honourable Member for Morris state his question.

MR. JORGENSON: . . . talks about innuendo and that kind of an implication is one that I cannot let go unchallenged. It was Mr. Bowles himself that I spoke to, and let that be very clear.

MR. USKIW: I could not presume to know what had transpired after the meeting took place in my office, but I would like to point out to the Member for Morris that any meeting that was held with Mr. Bowles was on his request not on my request. A request to end the debate about his personal affairs and that we offered to facilitate in whatever way we could to put an end to the matter.

Now obviously the Member for Morris doesn't want to see an end to that particular matter, he wants to continue the debate. It's my understanding that the Chairman of the Credit Corporation has asked Mr. Bowles whether he would agree to the tabling of both files and he is awaiting a reply. And if the reply is affirmative, it may well be that we will be prepared to do so, Mr. Speaker. I have no problem in that connection. But I did not want to make that decision if it was not the wish of Mr. Bowles or Mr. Hofford. I think it's only fair that they should want to have that kind of clarification.

Now, the members opposite seem to indulge in another area, Mr. Speaker, or they seem to imply that there is another area of uncertainty, and that is that people who sit on boards or commissions of government should have no dealings with government at all, that that is a bad appearance if not bad in itself. It doesn't look right. That was what the Member for Lakeside alleged when he rose in this House, a great deal of indignation about the fact that a member of a board or a board member's family would have a right to apply for a loan through the Manitoba Agricultural Credit Corporation. I want to remind members opposite that that is not an unusual procedure provided that the board member that has a conflict of interest or could have a conflict of interest is removed from the board during the consideration of that kind of an application. That is not, that is not unusual practice; that happens in every field.

But I want to further remind the Member for Morris who hasn't done his research properly, Mr. Speaker, or he wouldn't rise on his feet as he did this morning, that during the time that the Conservative Government was in power in this province and the Minister of Agriculture was George Hutton, that there was a one Rudy Usick sitting on that Board of Directors, the same Board of Directors who received a maximum loan from that corporation during your term of office. And Mr. Usick wrote me a letter to confirm this, Mr. Speaker, and I'm prepared to table it. And there you have a situation where you could argue there's a conflict of interest. But here we have the son of a member who is being challenged because there may be a conflict of interest. My friends ought to clean house at home--(hear, hear)--not impute motives in other people Mr. Speaker. (Applause)

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID R. BLAKE (Minnedosa): Mr. Speaker, I rise to say one or two words in this debate also at this time because I have some knowledge of the affair from some time that

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(MR. BLAKE cont'd) I have spent up in the Swan River area and I can confirm what the Honourable Member for Morris has said. Mr. Bowles was invited to come to Winnipeg by a friend. Now we have no proof of who the friend is but we suspect that it's probably someone known to the Minister who initiated the call and suggested Mr. Bowles should come down and have some further discussions with him, at which time he was able to arrange a meeting at 10:00 in the evening or some such hour as that whereon the discussion arose of withdrawing the newspaper publicity and what not that was attributed to the dispute between Mr. Bowles and Mr. Hofford and the loan that we have been discussing.

The letter that was read into the record this morning obviously was prepared for Mr. Bowles, and I don't doubt the fact that Mr. Bowles might have suggested he might need some help in wording a letter that would be appropriate, but I might add that Mr. Bowles was also accompanied by his son, and his son has I would think a fairly good degree of education and is quite capable of wording a letter that would have been suitable to cover the occasion. But I would suggest, Mr. Speaker, that what he might have said in his letter wouldn't have fitted with the Minister's thoughts and wouldn't have cleared the situation to the benefit of Mr. Hafford who we have accused of some indiscretion. We haven't said that it was a bad loan to his son, we have said that he was Chairman of the Board and there is quite an impropriety that he would be involved.

MR. USKIW: Well who said . . .

MR. BLAKE: We have said that.

MR. USKIW: Who said?

MR. BLAKE: We have said it.

MR. USKIW: Yeah that's right.

MR. BLAKE: And you have denied it. We still maintain that it is not right for the Chairman of the Board to refuse someone else and arrange a loan on that same property for his son.

MR. USKIW: Mr. Speaker, on a point of privilege.

MR. SPEAKER: Order please. The Honourable Minister state his matter of privilege.

MR. USKIW: It was stated over and over again that the Chairman of the Board did not sit in the consideration of that loan, that he was absent from that meeting.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: That may be true, Mr. Speaker, but I can't help thinking that there could have been some influence put on the board fifteen minutes before he left the meeting. This doesn't prove a thing, the fact that he wasn't sitting in that meeting at the time, the actual loan was refused to Mr. Bowles and subsequently granted to his son. --(Interjection)-- I don't think the Minister can deny that in the last while that the Board have been influencing the decision of management on the Manitoba Agricultural Credit Corporation, to a very large degree. --(Interjection)-- The Management committee in my opinion are there to recommend loans and the board is to review them and either concur or not concur with their recommendations. But I would suggest to you, Sir, that at one time the degree of refusals over the degree of approvals was substantially lopsided with loans being ruled down by the board in large numbers.

I think the question that we have brought to light on the impropriety of this particular loan certainly leaves some question in many minds and I think the Minister should take it under consideration and as the Member for Morris suggested, have an investigation of the operations of the Manitoba Agricultural Credit Corporation.

MR. SPEAKER: The Honourable Minister have a question?

MR. USKIW: . . . submit to a question? Would it be proper then that we should go back all of the years of the history of that corporation and bring back every file that is analagous, every file, because that's what you're suggesting.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: I think the Minister has missed the point, Mr. Speaker. We don't want to blackmail all the other applicants. There's been one or two situations have been brought to light, there's been one or two situations brought to light. An investigation of those will either prove us right or prove us wrong, and if we are wrong, fine; the investigation will prove this.

MR. SPEAKER: The Honourable Minister.

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MR. USKIW: Does he not agree then if from his point of view it is wrong for a member of a family to apply for a loan while there is a member on the board, a family member on the board, was it not equally wrong and more so wrong, for example, to have the MACC provide a loan to a sitting member of the board, which happened during a Conservative term of office?

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: Mr. Speaker, I think that situation that he was referring to earlier was an entirely different situation. That land--there hadn't been a loan approved on that particular land and then withdrawn and then the loan given to the chairman's son. An entirely different situation.

MR. SPEAKER: Order please. Is it the pleasure of the House to adopt the motion?
The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, I beg to move seconded by the Member for Brandon West, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 44, Mr. Speaker.

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MR. SPEAKER: Proposed motion of the Honourable Minister of Health. The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Chairman, there is certainly no doubt on our part that this bill represents socially desirable legislation. It is enabling legislation which gives very wide powers to the Cabinet, and of course the real teeth will be in the regulations that will follow, and which we at the present time do not have available to us.

The regulations, of course, will state how large the benefits will be and rules of eligibility, and also what drugs the government will pay for. But this program which is proposed is very much like the private programs that exist at the present time under the private companies' plans. A person over the age of 65, after the first \$50.00 will receive assistance in paying for any subsequent drugs with the government paying 80 percent and the consumer of the drugs 20 percent.

There are some questions raised because this program is to begin on July 1st. We then must ask whether only drugs used from July 1st will be eligible under this program at the end of the year. This makes some problems for people who have private health plans at the present time, such as the Mediplus plan. These people will have been paying their insurance coverage since the first of the year, and by July 1st may already very well have spent \$50.00. So that there is a question for these people as to what they should now do, whether they drop their private plan as of July 1st, lose that first \$50.00, or whether they should continue their private plan to the end of the year in spite of the fact that the universal public program will be available. In effect they will be paying twice; they will be penalized for the first six months of the year. It's obvious, of course, Mr. Speaker, that the regulations can be changed easily by Cabinet without reference to the Legislature and that the program can be expanded, and of course specifications can change just as easily. But we do feel that the Minister should inform the people who have provided themselves with private coverage whether they will lose that accumulation, then, of expenses of the first six months.

We're also a little mystified and bemused, Mr. Speaker, as to why this bill covers drugs prescribed by veterinarians. In reading the bill it seems that only persons are eligible. I don't know whether this is in the area of what the Minister calls paramedical services or whether he's considering something like pet care for people's animals. Maybe he's even going to give free horseshoes to old Dobbin. If the veterinarians--I have no doubt that they have a great deal of knowledge about drugs and the effect of the drugs on animals, which I expect should include people--after all, they fall into the same general category--but they deal in terms of horses that might weigh 1,500 pounds and dogs that weigh 35 pounds, and of course the amount of a drug that you give to a consumer varies a great deal with the weight of that creature that's to be taking it. Well, Mr. Speaker, if indeed this inclusion of veterinarians means that some animals over the age of 65 years are going to be covered as well, then I think we have to wonder why, because very few animals except for man live to be 65 years of age. Turtles do; turtles and parrots are known to live that long, and sometimes elephants. And then of course we have to look back to 1928. It was only then that women were first recognized as persons under the British North America Act.

The bill also provides that when someone in the family is 65 years of age and over, that their dependents under the age of 18 will also be covered, and of course the government may very well be considering their dogs and their cats and pets as dependents as well, which they most certainly are.

I would have liked to have seen the government include the chronically ill under this drug plan, and if it would do that it could cancel other of its present programs such as the free antibiotics for people with rheumatic heart disease. There are, according to the annual report, something like 1,300 patients who received free antibiotics there. Then there are the diabetic drugs that are provided to another thousand patients and life-saving drugs to a further 400. Now this makes 2,700 people who are being supplied with free drugs by the government, and it might be that somehow this program could be dovetailed with the new bill so that some administrative duplication could be avoided.

Probably, Mr. Speaker, what disturbs me most about this bill is that somehow the people on the government side have resurrected the "snooper" clause. You'll recall that a couple of years ago there were five or six bills which appeared before this House, which allowed Ministers of the Crown or their designated persons to enter premises to seize records, copy records,

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(MRS. TRUEMAN cont'd) without search warrants, and because of the vigilance of the opposition members we brought this matter forcefully to their attention and to the attention of the public, and the government did recognize the error of their ways and amended the bills that were concerned. We recall The Consumer Protection Act, The Landlord and Tenant Act, The Hearing Aid Act and several more, but we did manage to get those amended so that a court order had to be produced for entry and search of records. This is essential, in our opinion, for several reasons. First of all there's an aspect of self-incrimination on the part of the person whose records have to be made available, and also there's a breach of confidentiality. The patient goes to a doctor expecting to have the matters discussed kept private and confidential between himself and the doctor. Well, you know, there's more than one way of looking at these things, and I know that doctors for years have been fighting having to provide information as to what sort of operation a person had and why that person had to be absent from his job for a certain period of time, and the doctors don't give that information. Most of them won't give that information without the patient's consent. And I think this is an entirely reasonable supposition on the part of the patient. We'll certainly want to see this part of the bill amended and we just can't understand what advisor it is of the government that has the sort of mentality that would bring this provision forward again after the discussions that went on two years ago. To enter without a warrant to search and to seize or copy documents, smacks far too much of the police state and we certainly will not tolerate it and intend to do our best to get this amended. With those remarks, Mr. Chairman, I believe we're prepared to see this move on to Law Amendments Committee.

MR. DEPUTY SPEAKER: The Honourable Minister of Health and Social Development.

MR. TOUPIN: Mr. Speaker, I will be closing debate. I'd like to respond to a few of the comments made by members of the Opposition, starting with the Member for Lakeside who is unfortunately not with us this morning. He made a very vibrant speech in regard to the responsibility that his administration took in regard to Medicare and tried to relate that to the bill before us and saying that there had not been at that time a deductible as we see--as he related to Bill 44 in regards to a \$50.00 deductible for the first year per person. If \$17.00 a month is not a deterrent, if it's not a tax, if it's not a very negative tax, I don't know what it is. It's not \$50.00; it's not \$100.00; it's \$204.00 a year for Medicare. Now that's a real tax. We're not talking of a deductible, and it wasn't only charged to the working poor, it was charged to everyone no matter who they were. Unless they were on social allowance, unless they were social allowance recipients, they paid the \$204.00 a year. Now let's not, you know, accept these wild comments by the Member for Lakeside trying to take credit for Medicare, because they really didn't have any choice but to go forward with Medicare.

And what was paid for prescription drugs while the Conservatives were in power? And who were they paid to? It was the Member for--I believe it was the Member for Rock Lake that mentioned that there was approximately 30,000 individuals in the Province of Manitoba that received free Medicare cards, 30,000 while they were in power. I believe you mentioned thirty or thirty-five thousand. Yes. Thirty, thirty-five thousand to individuals in the Province of Manitoba who had a free Medicare card gave them a right to receive, free of charge, prescription drugs, eyeglasses, hearing aids and so on. All basic necessities pertaining to health. Do you know how many are receiving that card today? How many?

A MEMBER: Fifty thousand.

MR. TOUPIN: There's over 50,000, there's over 65,000. --(Interjection)-- It was your policy to give approximately 30,000 and that's apart from the approximately 26,000 social allowance recipients. There's approximately 26,000 social allowance recipients today who have free Medicare cards; there's approximately 65,000 senior citizens with a free Medicare card today. All those on the guaranteed income supplement. --(Interjection)-- They qualify for it, yes. And you say there was approximately 30,000. --(Interjection)-- Yes, when you were government. Now were they - were the people richer when you were in power?

A MEMBER: Yes, Sure.

MR. TOUPIN: I don't think so. I don't think so. Were they financially in a better position when the Conservatives were in power? --(Interjection)-- Paid half? They paid \$17.00 a month for premiums. Everybody did. Seventeen dollars a month. We don't charge anything. We're giving away approximately 65,000 free Medicare cards to senior citizens and you were giving approximately 30,000. And that's leaving aside social allowance recipients. --(Interjection)-- Oh for Pete's sake. Taxes. We're charging taxes that are very progressive taxes

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(MR. TOUPIN cont'd) and that--as progressive --(Interjection)-- as a Progressive Conservative Party you should have been proud to tax people on the ability to pay. But no.

MR. SPEAKER: Order, please. Order, please. Order, please! I believe there are some members that are interested in having a special discussion amongst themselves. There are a number of anti-rooms where they can have that. Would the Honourable Minister continue please.

MR. TOUPIN: No, really, Mr. Speaker, the Conservatives - and I can't call them "progressive" - had nothing to, you know, write home about. Nothing. Nothing in the ten years that they were in power. I can see my friend from Swan River smiling and it doesn't tell me if he agrees or disagrees, but I know that the comments made by the Member for Rock Lake, by the Member for Lakeside, when they talked about introducing Medicare without any charge to individuals, that's completely--I can't attribute that to the Member for Rock Lake because he didn't say that, but the Member for Lakeside did. And I think I attempted to deal with that. I think one of the only members in this House on the Opposition that made a valuable contribution to this debate was the Member for Assiniboia. I feel the Member for Assiniboia should really be on this side of the House because he's--I agree he's a Liberal but he's very progressive and I can't see him sitting beside the Member for Fort Garry. I can't understand that. They don't --(Interjection)-- I hope not. I hope not, though. I can't see the Member for Assiniboia, you know, being so intimate with the Member for Fort Garry. But the Member for Assiniboia was real positive in his approach to what this bill intends to do. He had a few questions, but questions that would clarify the meaning of the bill, and I will attempt, Mr. Speaker, to deal with some of these questions.

Those members that are social allowance recipients - and that's a question the Member for Assiniboia asked me - that our social allowance recipients with free Medicare cards, those senior citizens--and I did indicate approximately 65,000 of them--that are on the free Medicare card today, will continue, and I give that assurance, will continue to receive that and, as time goes on pertaining to senior citizens that go on the guaranteed income supplement, that privilege is available to them no matter what this bill or its regulations actually spell out. So that assurance is given to the Honourable Member for Assiniboia.

The bill is not that specific and leaves a lot of regulations and both the Member for Assiniboia and the Member for Rhineland had maybe some second thoughts pertaining to the power given by regulation, and that was intended because we're dealing, we did spell out through the Throne Speech and the policy expressed by this government, that we wanted to cover those 65 and over pertaining to prescription drugs up to a certain amount. After \$50.00 per year per person we will pick up 80 percent of that cost. Okay. So if we decided, say, six months from now or a year from now to include what the Member for Fort Rouge mentioned a while ago, those that are, say, on life-saving drugs. Let's say that we wanted to include another category of individuals in the Province of Manitoba that we felt needed, you know, the Crown to pick up the largest portion of that cost, that could be included under this plan by regulation, and that is the intent, so we don't have to come back every time we want to add a certain group of people that are in desperate need, but we can't do it all in one shot. But that was the intent, to leave a lot of this through regulations.

The Member for Roblin--I'm happy to see that he's in his seat--asked what this would cost for the coverage of those 65 and over, say 80 percent of the cost over \$50.00 per year, we estimate a cost of \$3.5 million and that's for the period starting July 1st up to March 31, 1974. \$3.5 million. And as the honourable member is quite aware in regard to social allowance recipients who are dealt with, could be dealt with, you know, under this program but are under a different category, we receive cost-sharing from Ottawa. But there is no cost-sharing for this program being universal for 65, for those 65 years and over.

And I understood the honourable member to make certain comments pertaining to the \$50.00 being a deductible, being a deterrent, but I think he really understands that when we talk of having \$50.00 deductible we're really talking of the \$50.00 that was abolished. Up to the first of June there were premiums charged to those individuals of \$49.60 a year, so we abolished that. We took a premium on medical and hospital, the small portion remaining on medical and the total premium remaining on hospital, we abolished that as of the 1st of June. So that's a \$50.00 that the people did not, those individuals did not have to pay out, so it was the intent of government to say that the first \$50.00, because of that policy, the remaining

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(MR. TOUPIN cont'd) amount of that would be picked up 80 percent by the Crown and the 20 percent by the individual. So we don't take that as a deterrent because it's a decision taken by this government not to charge those individuals the premiums on Medicare, on medical and hospital premiums.

I believe the Member from Rhineland made reference to the possibility of a referendum on such decisions taken by government. Well I really can't agree with the Honourable Member for Rhineland because, if we did that, I think we as a government have been so progressive in the last four years we would have had probably maybe 15 or 20 referendums in the Province of Manitoba and . . . --(Interjection)-- Yes, and the real referendum is coming up, hopefully within a very short while, and I believe sincerely that the people like what they've seen in the last four years and they'll give us a very clear mandate. To me that will indicate that they authorized us to govern for another four years, at least another four years. That's the type of referendum that I like and that's the type of responsibility that we as elected members must take.

The honourable member had the same question pertaining to regulations and I attempted to deal with that. It's not the intent to leave it, you know, to regulations only because of a desire of government to control by regulations, but only for the possibility of including other groups in society that could be under the same umbrella. And I did pass on my speaking notes for second reading to the honourable member, and on those notes it indicated a yearly payment, and I did say while I was speaking that we would pay semi-annually for drugs that are presented for payment.

The Honourable Member for Fort Rouge signified concern pertaining to private plans that we now have in the Province of Manitoba. I've had discussions with different groups that offer private plans, and individuals that are under private plans will adjust and make their own decisions. If they want to continue on their private plan to cover the amount that they have to pay themselves, they will do so. I have a lot of faith in our senior citizens of Manitoba to take the right decision.

And the only reason we mentioned in the--I know we're not supposed to refer the clause, Mr. Speaker, but the only reason we mentioned veterinarians in the Bill itself is because that's the way the Pharmaceutical Act refers to drugs. That's the only reason. It's not because we want to pay for drugs for cats and dogs and so on. That's because when you talk of drugs you have to make that reference. That's the only reason it's there. We're not intending to pick up cats and dogs and cows and pigs as dependents of those 65 and over. That's not our intent. I'll leave that to the Minister of Agriculture. He's got much more flexibility than I have pertaining to those needs.

Mr. Speaker, in the whole I'm quite happy with the comments made by the honourable members on the other side, and I'm happy to see that they're ready to vote for this bill before us. Equally I'd like to deal with just one last point. The Member for Fort Rouge mentioned a clause within the bill that seems to deal with the privacy of individuals. I'd like the honourable member to check that clause that she made reference to, and it is only for the purpose of verification of applications that we want this power. It's not for any records dealing with medical practitioners, so let's not try and make a mountain out of a mold. There's one purpose in mind and one purpose only, and it's only for those that the plan will pick up, for the cost of the plan will pick up if there's any doubt on the part of those made responsible for the administration of this plan; that they have a right to do so either directly by the Minister made responsible through the Act or that authority given by him to an individual to check those accounts dealing with payments of prescription drugs. That's the only reason we have this clause in. It's not to interfere with the privacy of the individuals in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: . . . a question. If the purpose of this clause is to certify the fact that certain drugs have been issued, then isn't the government and the political part of the government going to be able to learn whether someone has received a drug that induces abortions or a drug to help correct some other drug dependency, or heart condition medications, alcoholism - there are all sorts of things that would be revealed, as I see it.

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, I think that as a government we did show over the last four-odd years that we're willing to accept the suggestions of members of the Opposition. We've

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(MR. TOUPIN cont'd) done that before. We'll sit down in Law Amendments and look at this bill, and if there is any amendments needed to this clause we'll certainly consider it. It is not the intent of this government to go forward and just impose certain things on people that they may feel is dealing with their privacy, so I'll take this suggestion of the Member for Fort Rouge, leave it go to Committee, and then discuss it clause by clause.

MR. SPEAKER: . . . pleasure of the House . . . The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Will the Minister submit to another question? How much was included in the estimates for this program?

MR. TOUPIN: \$3.5 million.

QUESTION put and carried.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, if I may, there are a number of students, 63 in number, from the Princess Elizabeth School of Brandon. These students are under the direction of Mr. Balkwill. This school is located in the constituency of the Honourable Member for Brandon East, The Minister of Industry and Commerce. On behalf of all the honourable members, I welcome you here today.

The Honourable House Leader.

GOVERNMENT BILLS Cont'd

MR. GREEN: Call Bill No. 11.

MR. SPEAKER: Proposed motion of the Honourable Minister of Finance. The Honourable Minister.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns) presented Bill No. 11, The Special Municipal Loan and General Emergency Fund Act, for second reading.

MR. SPEAKER: The Honourable Minister.

MR. CHERNIACK: Mr. Speaker, this bill comes following but was announced in the Budget Address on part of our program to assist Manitobans in special works that they wish to do through their municipalities and school boards. The Act itself, and as was indicated in the Budget Address, this proposed Act contains basically all the provisions of the old Reserve for War and Post War Emergencies Act, which has proved useful in the past.

Now the bill has expanded and changed slightly some of the old provisions to bring them more in line with present existing legislation. The new Act provides a fund to be established known as the "Special Municipal Loan and General Emergency Fund". Moneys which are available from the old reserve are transferred to this fund and there's also provision to transfer surplus revenues to the fund or make moneys available by way of special warrant. The definition of "municipality" has been added to this Act, is defined to include a school division in the school district. There's also provision to give the Lieutenant-Governor-in-Council the ability to exempt a municipality from having to obtain permission of a regulatory body, such as municipal board, before it is able to proceed. By waiving these normal requirements, it would be possible to speed up municipal borrowing from the fund. In the same way the normal requirements of the Municipal Act with respect to advertising may be waived or reduced.

Mr. Speaker, there's a certain amount of urgency in this bill because municipalities do wish to be able to proceed to borrow out of the fund, and to make it more convenient for honourable members to be able to review the sections of the bill I had distributed at the time that the bill was being distributed a sort of - there's a term "concordance" - showing the sections of this present bill as compared with the sections of The War and Post War Emergencies Act, to indicate those sections which are the same or almost the same and those that are a departure, so that honourable members would have an opportunity to have the ease of leafing through the bill comparing it with the old so that they will know just what the changes are. With that, I'm hoping we can proceed with the bill in quick order.

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

MR. GRAHAM: Mr. Speaker, I beg to move, seconded by the Member from Rock Lake, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 18, Mr. Speaker.

BILL NO. 18

MR. SPEAKER: The proposed motion of the Honourable Minister of Labour. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I rise to make a few comments on Bill 18, an Act to amend The Employment Safety Act, and I'm sure that most members are familiar that I for the last many years have taken a very strong position as far as safety is concerned, and safety was concerned in industry in this province. I'm sure that people are subjected to conditions which decrease their effectiveness as we advance technically, Mr. Speaker. I feel that there are certain employees' rights that should be legislated and these rights should be--where standards should be adequately assured, where an employee will not suffer any impairment of health or diminish his life expectancy. I feel that there should be a right to have hazardous substances labelled and monitored, Mr. Speaker. There should be the right to medical examinations to determine the exposure of how adversely it is affecting certain employees' health. So I'm sure that many members will agree, Mr. Speaker, that there must be proper legislation as far as safety of employment is concerned in this province. It's not too long ago that we had many accidents as far as the construction industry was concerned, as far as excavation was concerned, and in the last while we did bring in legislation which have improved the safety and at the present time we have better legislation, but I feel that it is the responsibility of this House and the responsibility of the Minister to ensure that the employees do have a right to refuse to enter unsafe areas or to operate unsafe equipment, and to see that no one enter or operate until the hazards are removed from any unsafe equipment or unsafe buildings, Mr. Speaker.

So I think it's proper that we have proper safety legislation, Mr. Speaker. I think also, that it is the right of the employer to keep the employees informed of the employee's rights and also to have hazardous things posted on the bulletin board in different places where construction takes place.

I do not oppose the bill, I favour the bill but I do have some reservations and I will point the reservations to the Minister. The proposed Bill 18 amending the Act would--it's adding a new section, 21, to the Act, Mr. Speaker, and I would say the board had probably inadequate power to enforce compliance with the order. The Employment Safety Act makes every person who contravenes any order guilty of an offence liable to a fine not exceeding \$500.00, or jail for six months or both. My point is, Mr. Speaker, why, if there were contravention of this Act, perhaps the Minister could have increased the penalty or increased the fine if there were people breaking the law, because the fine is only \$500 and one would think that the fine perhaps was not sufficient and was not high enough if the people were breaking the law. So the first point that perhaps the Minister could have done is raise the fines and if it would not have worked he would have proceeded to the legislation that's before us.

If the amendments are passed an order of either the inspector or the board may be filed in a Court of Queen's Bench. Then it will be an order of the Court of Queen's Bench which will be enforceable by injunction, Mr. Speaker. To me this puts a great deal of power in the hands of the inspector. The inspector makes his order and if no one appeals to the board then it is the inspector's order which becomes the law and the court order, Mr. Speaker.

I would advise the Minister that perhaps he would add another subsection which, the effect would be: "Any order of the inspector directing that all work in the place of employment or on the site of construction shall be effective for six days from the date on which it is made, and shall thereafter expire unless the board has confirmed the inspector's order." I hope the Minister is following it, that it wouldn't put as much power in the inspector's hands, after six days the order would expire unless the board confirms, the Labour Board confirms. So the changes, Mr. Speaker, --(Interjection)-- Compensation Board, yeah.

Mr. Speaker, the changes that I suggest would mean that in case of a stop order made by an inspector, it would die after six days unless the board confirms it. So this is the suggestion that I would like to make to the Minister. I feel that everyone's interested in safety and, Mr. Speaker, I've been interested in the subject from the first day that I came to this House. My first few years I took a very strong interest in industrial safety in this Province and on every occasion that I had the opportunity to speak on safety and industry I did so. In fact I did on almost every time I spoke on the labour estimates. I don't have too much argument as far as this bill but there is some concern and I share that concern with the industry, that perhaps there may be too much power in the hands of one inspector.

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(MR. PATRICK cont'd)

So I hope that the Minister will give some consideration to the recommendations that I'm making to him and I am sure it would be acceptable to almost all, most employees and would be acceptable to the industry as well.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, just a few comments before the bill passes second reading.

I, too, had some reservations in connection with the legislation, that matters might be dragged out under the proposed amendments contained in Bill 18. I think what the Member for Assiniboia has raised are very valid and very good, so that there would be a time limit placed on the length or the time that the order would be in effect; and as has been mentioned, that the order would only be law for a certain length of time, not continue indefinitely unless it was confirmed by the board. I think this is a very valid and a very good proposal that he's been making. While I think all of us are cognizant of the fact that we certainly don't want to have people work in areas that are unsafe or that are dangerous to workmen and certainly I don't think people should be called on to work in unsafe places, and therefore I feel the bill certainly has merit and I intend to support the bill. But I certainly would like to see the amendment that has been proposed by the member to be taken into consideration at the committee stage and see whether it couldn't be incorporated in the bill.

MR. SPEAKER: The Honourable Minister shall be closing debate. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I want to thank those who took part in the debate on this bill and I agree most heartily with the last two speakers of the importance of safety in industry and that of course is the reason that this bill is before us.

I appreciate and realize some of the points made by the Honourable Member for Assiniboia in particular that there does seem to be placing pretty tremendous power in the hands of an inspector. But we have found, Mr. Speaker, in some instances this is necessary, and I recall to the member's attention one or two accidents of recent date in some of the buildings going up in the area of the convention centre, in particular, where an order actually was made to stop the work on the collapse of one of the floors, concrete floors, and it was found that the stop work order in that particular case could have been challenged and rendered invalid because it was done by an inspector. And I must confess that because of the seriousness of that particular situation the board chairman got in touch with me and said, well Mr. Minister this is a very serious situation and if we allow it to continue until we go through the process of the court, considerable harm could be done to individuals. And that is the purport of course of the bill, with one or two other points.

Now I appreciate and I agree that there is tremendous power placed in an inspector to stop work, but there is of course, as my honourable friend will be aware, the provision in there that within 24 hours the order could be set aside by the Court of Queen's Bench on application. There is that provision in the bill. And also, also there is the provision in the bill dealing with the point raised by the Honourable Member for Assiniboia that the board can lift the stop work order in their own discretion. Now the reason for that is of course that it is not the desire of the board to have it or its inspectors hold up indefinitely construction projects and to continue the stop work because it's in everybody's interest that the job be proceeded with as quickly as possible.

I'm perfectly prepared to have consideration given to the point made by the Honourable Member for Assiniboia of a six-day lapse, something like that and then the stop work order would be lifted. Whether that would achieve what is desired or not may be subject to some discussion. But anyway I certainly would be glad to take it under further advisement.

The Member for Rhineland was concerned about it dragging out. Well as I just indicated, Mr. Speaker, we have no desire of holding up any undertaking for a period of time if indeed the possible causes of injury are eliminated, and it's really up to the construction industry itself to as quickly as possible remedy the possible causes of accident.

Now when the bill was introduced first, Mr. Speaker, and there was some debate on the bill, there was a suspension of an undertaking not far from here and reference was made by some of the members of the Conservative Party to the clauses in the bill dealing with municipal undertakings, and there was in some minds a suspicion that we were requiring the municipalities

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(MR. PAULLEY cont'd) to inform us of projects; and then another clause in the bill, Mr. Speaker, says that the board or certain classes of undertaking by the municipality can be exempted from the requirement of giving notice to the Board. In the first place, Mr. Speaker, the reason for the notice is so that the Compensation Board knows at all time what is going on.

A couple of years ago we had two deaths at least in the water and sewer construction section of construction because the trenches were not shored up and when we had the investigation to see, we found out, the board found out of the death of the couple of workers, they had no knowledge that the work was being proceeded with, or where it was until after the event took place. And that is the purpose of that section of the Act, so that every municipality where they're engaged in, shall we call it relatively major undertakings, that by permit that the board be notified.

The reason for the section dealing with exclusions, Mr. Speaker, is I'm sure all honourable members will be aware, that there's certain renovations in housing through the owner of the home of a relatively minor nature that will be done by themselves and which requires a permit from the municipality. It's that type of classes of permit that we don't feel that we should impose upon a municipality the requirement of notifying the board in each individual case.

So I want to thank you again, Mr. Speaker, the interest of the members in this bill and I particularly commend my friend from Assiniboia; I know of his past interest in the affairs of the construction industry and in particular safe construction. It is deeply appreciated and certainly we will take into consideration the points that he raised as to the time limit factor.

He did mention, Mr. Speaker, something not included in the bill we have before us, that is the question of fines and jail terms maybe not severe enough. We have other methods by which we can handle anybody who is persistently violating safety in construction by not issuing them authority to proceed. I sometimes wonder whether the amount of the fine really does enter into the picture as a deterrent, because the wealthier contractor--it really doesn't make much difference, if it's an expensive fine or a higher fine, well then he can pay it if he's determined to operate in an unsafe manner in any case. However, it's not in the bill and we'll certainly give it consideration for the next go around.

QUESTION put and motion carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Call Bill No. 39 at the bottom of page 2.

BILL NO. 39

MR. SPEAKER: Proposed motion of the Honourable Minister of Agriculture. The Honourable Member for Arthur.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I thought my colleague the Member for Arthur was gone but if he's here he's prepared to take it - if you can just hold it for a minute.

MR. GREEN: Well I think that the Honourable Member for Rock Lake wanted to speak anyway so why doesn't he speak and then he could be followed by the Member for Arthur?

MR. EINARSON: Okay, fine.

MR. SPEAKER: Very well.

MR. EINARSON: Mr. Speaker, I would like just to make a few comments on this amendment to the Water Services Board Act.

Mr. Speaker, the Minister of Agriculture did bring in legislation which I think was a major piece of legislation in the Department of Agriculture whereby the whole program of water services and sewage services and lagoons etc. has become an important part of legislation for the rural parts of Manitoba.

I didn't follow very closely to the Minister's comments because my colleague from Arthur was in the House at the time taking notes, but I believe I did understand him to say that the amendments to this Act were merely for the purpose of tidying up some of the things that had been drafted in the bill when it was first brought in last year.

Another area that he mentioned, Mr. Speaker, was the agreement that he is negotiating with Canada insofar as possibly a cost-sharing of this whole program, negotiated cost-sharing program. Mr. Speaker, I want to say that I can think back possibly 13 years or so when that kind of service was brought into the towns of rural Manitoba and my colleague in the House of Commons - and it was a Conservative policy to bring in this kind of service and it had come a

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(MR. EINARSON cont'd) long ways to provide that service in some of the towns that saw fit to do this. Now the Minister saw fit to make changes, rather great changes in the whole water services program for the rural areas of the Province of Manitoba. And I know, Mr. Speaker, that when governments decide to make some changes there's always some problems in the administration and what have you as the months go by, and I know there are some problems that some of the towns have had whereby they have applied, and it has been announced, I know, in one particular case in my area where the town of Mariapolis through the municipality had applied for this and it was announced in the news services that this town was included in those that had been accepted by the Department, but for some reason through the Minister's Department this town was omitted insofar as the completion of the administration was concerned.

Also, Mr. Speaker, I must say too that those towns who had the initiative and were willing to spend money to bring in this kind of service, that is the municipal cost-sharing, did so and from what I am able to understand, Sir, is that they are subsidizing those towns that have never had that service. And I have no quarrel with the Minister getting into this business of providing water and sewer services to towns who don't have it, but I would have, I think, rather seen this program financed in a way that those towns who have carried their own share of their own loads are not being asked to subsidize those areas that have not had that service. And, Mr. Speaker, this is what's happening today.

Probably we can get into that debate. I think I can give one example where I've been informed that the water rates were \$2.00, I believe, and 40 cents, the rates now to them are \$3.12, and that rate is as the Minister - and if my memory serves me correctly - was a maximum of \$3.00. Over that, there's a cost-sharing of that bill that has to be paid by the individual, or the town corporation. And so, therefore, there's a subsidization from the rates they were paying before and the rates that they are now charging and have to collect under this new agreement.

The agreement that he talks about negotiating with Canada, Mr. Speaker, I think is a good one and I look forward to perusing the bill clause by clause and we can get more information on it. I think, Sir, that having done that we will be able to determine better because I know there may be sections in the Act that I haven't perused that closely and may have some thought, if I find that there are some parts of it, that may not be to our liking. And so we're prepared to go along with this, Mr. Speaker, and, as I understand it, it will be maintained on the Order Paper until the Honourable Member from Arthur returns.

MR. SPEAKER: Does the Chair understand that the motion now will remain in the name of the Honourable Member for Arthur?

MR. GREEN: That's my understanding.

MR. SPEAKER: May I just indicate one concern from the Chair in that regard, in that we have run into the problem occasionally when another member has spoken and an amendment has been raised and then we've had that quandary. So I have no hesitation in doing the wishes of the House providing we have that understanding, that the Member who speaks will not make an amendment, because then we have it in the name of two members. The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I think that the point you raise is a pretty valid one and we would not normally have made this arrangement except that my colleague, the Member for Rock Lake, is also a member of this Party and we have no intention of moving any amendments to this particular piece of legislation. At least not on second reading.

MR. SPEAKER: Very well. The Honourable House Leader.

MR. GREEN: Mr. Speaker, I was intending to call a series of bills now standing in the name of the Member for Sturgeon Creek but I won't call them since he's not present, unless there are other members who wish to speak on any of those bills. If they could inform me then I will do that. If not, then I will proceed with the Resolutions under consideration on the motion of the Honourable the Minister of Finance.

MR. SPEAKER: Concurrences? Very well.

CONCURRENCE

MR. SPEAKER: We are now considering Resolution 7 to 16.

Resolved there be granted to Her Majesty a sum not exceeding \$20,618,000 for Agriculture. The Honourable Member for Rock Lake.

CONCURRENCE

MR. EINARSON: Well, Mr. Speaker, I think in dealing with the concurrence motion on the Department of Agriculture, we are dealing with a department, Mr. Speaker, I think that has vital importance to the economic well-being of the people of the Province of Manitoba. We are dealing with, Mr. Speaker, sums of money to the tune of about \$20 million and then this amount has been increased by just about five and a half million over last year, sums of money that through the Minister's Department has introduced various programs that have been conducted throughout the rural parts of Manitoba, some of these programs having made a number of farmers very pleased because they received grants and I can use one of them as an example.

The \$1,000 grant that goes towards the cost of labour that a farmer can hire to do certain jobs that he probably may not have otherwise done. But, Mr. Speaker, I have had some reports back on this particular program and, as I said, some farmers are very pleased with it, others are not. Because there was a limit on the amount of money that the Minister was allocating to that particular project and, as a result of this, farmers who were able to get that \$1,000 to go towards the cost of labour didn't have the necessary capital to raise to buy the material that was probably necessary to be used in such things as building loose housing for their cattle or putting up maybe fencing, as my colleague from Swan River talks about. I don't think that very many farmers this past winter have done much fencing because it's just not a practical thing to do while possibly it is one of the projects that could be done. It could be done this spring, because as I understand it, Mr. Speaker, that program has been extended to the 31st of May. But the problem is that there are those farmers who have not received that \$1,000, as I said, because they couldn't afford the capital necessary to provide the materials in order that the people employed do the necessary work. Then there's those farmers who felt that they were being discriminated against because there was a criteria which had to be met in order that these farmers could qualify for this \$1,000 grant. And the point and the argument that has been thrown at me, Mr. Speaker, is that I'm a taxpayer like my neighbour. I'm a taxpayer in many forms, whether it be income tax, sales tax, service taxes, in the many many forms that this government has brought in through just about every department that operates on that side of the House. And so, Mr. Speaker, while I say it's been a good program for some farmers, and I want that known for the record, it's had its disadvantages as well.

Mr. Speaker, another area that I'd like to mention briefly is the policy of this Department of Agriculture in the past four years. A policy that this government has pursued is one that we've debated over the years in this House as to philosophy. They have their kind of philosophy in the way they want to pursue their agricultural program and we have ours. And I can think back, Mr. Speaker, when my colleagues in the House of Commons debated very strongly on such bills as Bill C-176. I can think of this bill which pertains to our Natural Products Marketing Act, and it has a relationship with what goes on in the provinces. And, Mr. Speaker, I would like to suggest that as a province it's limited as to how much we can do in the way of assisting farmers. Some of the major legislation that affects agriculture generally across the country is done in Ottawa and, as you know, wheat is a commodity that is produced by the farmers of western Canada and has generally been considered as "the" commodity as we term the commodity as king. Because it's a product that is exported, the bulk of it that we produce in this country is exported to other countries. As a result we get currencies from other countries in the world that are important to the development of this country in turn.

Now, Mr. Speaker, let's talk about the progress that has been made insofar as our legislation as it relates to what has gone on in Ottawa. And I can think of how the Minister felt maybe three years ago, and I can't help but wonder how he must feel today, in relation to some of the things that have happened in recent months. We have an agreement with the Federal Government through The Natural Products Marketing Act, which is an agreement whereby farmers sell eggs--and I'll use this as a commodity.

We produce more eggs in Manitoba than we can consume and as a result we have a problem of exporting our surpluses. I can think of the chicken and egg war that the Minister of Agriculture and the Attorney-General, who were engaged in it with the Province of Quebec. We thought that when the Supreme Court of Canada had ruled on that that the problem was over.

But you know, Mr. Speaker, I think the Minister of Agriculture overlooked one important factor and that was the section, I believe it is 121, of The British North America Act, which stated that all produce, that is all agricultural produce, produced in this province, must have free access across borders, across the width and breadth of this country. And so, Mr. Speaker,

CONCURRENCE

(MR. EINARSON cont'd) I think this is one of the areas that is causing us a lot of grief. --(Interjection)-- You know, the Minister says, "How do we overlook it?" I don't know how he overlooked it because he's still running into troubles, Mr. Speaker. He's still having problems. He agreed with the Federal Government that his share would be 11.4 percent of the total market potential across this nation.

I don't know what he was thinking about when he negotiated with, say provinces like Ontario and Quebec. He should have understood that there's a political complication that can set in here, and I want to suggest to the Minister of Agriculture, Mr. Speaker, that's exactly what he's facing right now and he has been saying publicly that he's not going to negotiate any more agreements with the Federal Government if this is the way things are going to carry on. This is what I'm talking about when we talk about his philosophy of establishing agricultural policies in the Province of Manitoba. Their idea, Mr. Speaker, is to drop the kind of agreements that will lock producers into a supply-management program and they will take complete control as to how it's to be done. I want to say, Mr. Speaker, and I've said before, that I have no objection to marketing boards if this is the wishes of the respective commodity groups that they want to establish a marketing board by which they can use to their benefit and get the best possible price for the commodity which they're producing. The aspect that I am opposed to, Mr. Speaker, is the compulsion that farmers are drawn into. And that is where I take issue with this government.

I have always said, Mr. Speaker, that each individual farmer in this province knows best what his farm will do for him. He knows best what his farm will do for him. The Minister of Agriculture, or myself for that matter, cannot determine what each individual farm will do best. But the Minister of Agriculture seems to have--he's obsessed with that idea of power that he can dictate to not only farmers, but to all processing industries that are processing the agricultural products that are not only consumed in this province but go to other parts of the world.

I overheard a comment from the Honourable Member for St. George. He talks about the-- I don't know whether he said 1,000 farmers or 1,000 families a year leaving Manitoba, leaving the farm, he says. He can argue his statistics. Sure, maybe there are farmers that are leaving the Province of Manitoba or leaving the farms and moving into the cities. He's had the responsibility of being in government for four years, so if he's saying that the farmers are leaving their farms to that extent, then I'm wondering if he's not questioning his own legislation that he's been dealing with in the past number of years.

Well, Mr. Speaker, we have asked questions in this House referring to various commodities in relation to the egg situation; we have asked questions in the House in relation to the pork producers of this province, and we haven't been getting any answers that seem to be satisfactory to ourselves on this side or to many farmers, for that matter, because I know, Mr. Speaker, many farmers have asked me a number of questions, I think questions that are relative to their own business. But I say to them, I'm sorry, the Minister doesn't see fit to give us the answers that you want.

I feel, Mr. Speaker, that if we're going to progress in the field of agriculture, we have to make changes to what we have today. I agree with the Minister when he is seeking markets for such things as pork in Japan or in the United States, but Mr. Speaker, I cannot understand the thinking of the Minister when, on the one hand, he is trying to expand his market over the world, and on the other hand he's talking about supply-management and controls. Those two things just don't go hand and hand, Mr. Speaker, and it's not going to be too long before we're going to find ourselves in serious trouble insofar as this agricultural industry is concerned.

MR. SPEAKER: Order, please. The hour being 12:30, the House is now adjourned and stands adjourned until 2:30 this afternoon. (Wednesday)