

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 22 July, 1980

Time — 10:00 a.m.

## OPENING PRAYER by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions.

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MR. SPEAKER:** The Honourable Member for Dauphin.

**MR. JIM GALBRAITH:** Mr. Speaker, I beg to present the second report of the Standing Committee on Private Bills.

**MR. CLERK:** Your Committee met on July 16, 1980 and heard representations with respect to the bills referred as follows:

No. 54 — An Act to Grant Additional Powers to Charleswood Curling Club Ltd.

A.G. Lawrence, President — Charleswood Curling Club Ltd.

John Hilgenga — Private Citizen

No. 57 — An Act for the Relief of Ingibjorg Elizabeth Alda Hawes and George Wilfred Hawes

J.S. Walker — Solicitor for Mrs. Hawes

Keith Turner — Manitoba Law Society

No. 65 — The Registered Nurses Act

Herman Crewson — Manitoba Health Organizations

Margaret Bicknell, President and Miss L. Tod, Executive Director — Manitoba Association of Registered Nurses

Professor Cynthia Cameron — University of Manitoba School of Nursing

Mrs. Barbara Bradley — Director of Nursing Interest Group

Dr. Michael Newman — College of Physicians and Surgeons

No. 66 — The Registered Psychiatric Nurses Act

Herman Crewson — Manitoba Health Organizations

Tom Street, President and Ms. Osted

Registered Psychiatric Nurses Association

No. 87 — The Licensed Practical Nurses Act

Herman Crewson — Manitoba Health Organizations

Margaret Bicknell, President and Miss L. Tod, Executive Director — Manitoba Association of Registered Nurses

Mrs. Nan Colegrave, and Mrs. L. McDermott  
Licensed Practical Nurses Advisory Council

Mrs. Barbara Bradley — Nursing Administrator

Mrs. Phyllis Wayne — Red River Community College

Miss Carol Fawcett, and Miss J. Funk —  
Manitoba Association of Licensed Practical Nurses.

Your Committee also received further details on July 17, 1980 from Mr. Keith Turner of the Manitoba Law Society with respect to Bill No. 57.

Your Committee has considered Bills:

No. 54 — An Act to Grant Additional Powers to Charleswood Curling Club Ltd.

No. 57 — An Act for the Relief of Ingibjorg Elizabeth Alda Hawes and George Wilfred Hawes

And has agreed to report the same with certain amendments.

**MR. SPEAKER:** The Honourable Member for Dauphin.

**MR. GALBRAITH:** Mr. Speaker, I move, seconded by the Honourable Member for Radisson, that the report of the Committee be received.

## MOTION presented and carried.

**MR. SPEAKER:** Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

Before the Oral Question Period, I should like to apologize to the House. Last evening I misinterpreted the remarks of the Honourable Member for St. Boniface. After the Session I listened to the tapes and I did not hear the member correctly. I apologize to the honourable member and I also apologize to the House.

We will proceed with Oral Questions.

## ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. HOWARD PAWLEY (Selkirk):** Mr. Speaker, to the Minister of Finance. The booklet which was distributed yesterday, the White Paper Reforms, can the Minister of Finance advise whether or not any of the layout production or printing of the booklet in any way, shape or form was done by any firm from outside the province of Manitoba?

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. DONALD W. CRAIK (Riel):** Not that I am aware of, Mr. Speaker, but it is not impossible I suppose.

**MR. PAWLEY:** Well, Mr. Speaker, if it not impossible, would the Minister accept my question as one of notice and respond to the House with indication as to whether or not, and if so, whom?

**MR. CRAIK:** Mr. Speaker, just for a point of clarification, is the Leader of the Opposition asking whether some firm is involved in the printing of it or the set-up of it, or is he asking whether some individual from outside the province was involved?

**MR. PAWLEY:** I am referring to all aspects of the pamphlet, including the preparation of the pamphlet, the layout of the pamphlet, public relations work done in respect to the pamphlet, printing of same, any aspect of the pamphlet.

**MR. CRAIK:** Mr. Speaker, I will take the question as notice.

**MR. PAWLEY:** Mr. Speaker, in the White Paper Reforms, reference is made that it is hoped that the White Paper will contribute to broad and useful public discussion of these important reforms. Can the Minister advise where anywhere there is any request for any public discussion of these so-called reforms? If not, why there was not an invitation to the public to become involved in the discussion as per the White Paper itself?

**MR. CRAIK:** Mr. Speaker, I don't think that the brochure would be the sort of place that type of input would be solicited. If there was to be a public discussion, public feedback required, it would probably be as time goes by and as the programs are instituted. At that point in time you get your measure of whether or not they are meeting the target or not. I don't think it would be appropriate to include that sort of thing in this brochure.

**MR. PAWLEY:** Mr. Speaker, then further to pursue the question as to whether consultation was purely rhetoric or not, in the Social Planning Council of Winnipeg Report which we discussed earlier this Session, in that report there is reference, according to the Social Planning Council, that the new Cost of Living Tax Credit Program is shown to have redistributed benefits away from low income households.

In the pamphlet referred to on the final Page 8 of that pamphlet distributed by the Minister, it indicates that families with the lowest incomes will receive the highest total cost of living tax credits, a direct contradiction to the Social Planning Council Report.

Now on the 13th of June of this year, when this was pointed out to the Minister, the Minister on Page 4,756 of Hansard responded, "We appreciate the contributions of the Social Welfare Planning Council and we will be doing some more consultation with bodies like that, who are in the field and who are in a position to know what the impacts are."

Now my question to the Minister, in view of the clear contradiction between the political brochure distributed by the Minister and the comments by the Social Planning Council of Winnipeg, and the Minister's commitment that he would consult with the Social Planning Council of Winnipeg pertaining to their statements, my question to the Minister is, whether or not he has indeed consulted, as he indicated he would, pertaining to the points raised by the Social Planning Council of Winnipeg subsequent to his commitment to this House on June 13, 1980?

**MR. CRAIK:** Mr. Speaker, the Leader of the Opposition quotes from Page 4,756 of Hansard. I will have to take his script as a fact. What I said then still stands, the Social Welfare Planning Council did a valuable job, a valuable contribution to the White Paper. If he reads further in their report, he will also

see that they acknowledged the fact that their data base was inadequate to do a thorough analysis and one of the things they wanted to do was to have some discussions with the governmental departments to prove that base for prediction. Let me tell the leader of the opposition that there is some 29 million of new additional money that has gone into these programs. That has been targeted at an income group that is at the lower end of the income scale. I believe that the programs that have been brought in have much more effectively than the old cost of living tax credit conditions, and the same on the property tax credit, the changes have brought about a targeting even out of the moneys that were there in a much more effective manner in providing more support for the low income families.

I don't accept the blanket allegation by the Leader of the Opposition, which he has tried to make repeatedly, that the wrong people are getting the benefits. Just let me repeat to him, there are 29 million of additional benefits that have been supplied under these programs, plus the changes to bring about better targeting of the moneys that were available there, and I don't accept the fact that is trying to be established, being attempted to be established by the Leader of the Opposition.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** It may be that the Minister didn't hear me correctly. It was not my allegation that I made reference to, it was a statement of opinion based upon the Social Planning Council of Winnipeg Report. And also, in case the Minister did not hear, since I assume that the Minister approved this political brochure which was distributed on behalf of the Progressive Conservative Party of Manitoba prior to its issuance, then I want to again ask the Minister, in case he did not hear correctly, whether or not he did consult with the Social Planning Council of Winnipeg in order to ensure the accuracy of the blanket statement in the political brochure which reads, "Families with the lowest incomes will receive the highest total costs of living tax credits." Living tax credits is the reference.

**MR. CRAIK:** Mr. Speaker, what the Leader of the Opposition has read from the brochure is a fact, Mr. Speaker, that the lower income groups do get the benefits that he has read adequately into the record here. As for meetings with the Social Welfare Planning Council, I indicated that we would in due course be meeting with them. We would look forward to meeting with them. We haven't to my knowledge made arrangements to meet with them. I haven't, perhaps the staff people who have been working diligently in meeting the deadlines that they have to meet in these programs have met with them. I don't know, but in due course we'll meet. If they haven't we will be meeting with them and will be open for meetings with others as well.

**MR. SPEAKER:** The Honourable Member for Rossmere.

**MR. VIC SCHROEDER:** Thank you, Mr. Speaker, a question to the Minister of Finance with respect to

the White Paper which was tabled by him yesterday. On page 4 of that report he indicates that there is a possible increase in subsidies to tenants of up to 1,466 under the White Paper Reforms and that is done, Mr. Speaker, on the basis of a single senior citizen paying 200 in rent with an annual income of 4,600.00. Can the Minister confirm that under the SAFER Program that individual would receive 1,125 in SAFER benefits, being 90 percent of the amount by which his rent exceeds 25 percent of his income, plus a further 77.50 as a new contribution towards school taxes, being a total of 1,202.50 gross, minus 480, which would be the Property Tax Credit which the government will take away from that individual at the end of the year, leaving a total, Mr. Speaker, of 722.50 in benefits rather than the 962 which has been falsely advertised in this document by the Minister of Finance.

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, there have been increased benefits under the Property Tax Credit. There have been improved benefits under the SAFER Program. I heard the member's question. I wasn't in the House yesterday, but I heard him trying to make some point that you get less this way or that way. Mr. Speaker, the nub of it all is that the applicant gets the larger amount, whichever it is, whether it comes under the SAFER Program or it comes under the Property Tax Credit, he will get the larger amount.

**MR. CHAIRMAN:** The Honourable Member for Rossmere with a supplementary.

**MR. SCHROEDER:** Mr. Speaker, can the Minister confirm and dealing only with the SAFER Program that there are many individuals in this province who will receive a certain amount per month under that program who will have every single penny of that taken away from them at the end of the year when they do not qualify for the Property Tax Credits, because of the fact that they've received the SAFER Program? Can he further tell us, as I've asked him several times in the past, how many of those individuals there are in the province?

**MR. CRAIK:** I'll repeat again for the member, Mr. Speaker, that the applicant will get the larger amount. As to the timing, he can make up his own mind when he thinks that time will be if he wants to take a specific case. With regard to his second question, the numbers I said that I would take it under consideration when we got to committee stage perhaps I could have the numbers for him.

**MR. SPEAKER:** The Honourable Member for Rossmere with a final supplementary.

**MR. SCHROEDER:** Mr. Speaker, I attempted to provide a specific case to the Minister and he didn't provide us with an answer. Can I ask him what would have happened to that specific senior citizen if he or she would have been fortunate enough to live in public housing? How much less would they have paid in total for housing for the year than they will under

this program in view of the fact that this government is not providing any public housing for senior citizens, no additional housing?

**MR. CRAIK:** Mr. Speaker, that's not true. There is no shortage of housing for senior citizens of any type or variety at the present time, including government-built and sponsored, owned and operated housing. So let's not spew these mistruths across the spectrum too far and wide. With regard to this specific example, I'll gladly take that as notice. If you have other specific ones, I can have the staff work out exactly what the benefits would be under the various programs and I'll take it as notice.

**MR. SPEAKER:** The Honourable Member for Lac du Bonnet.

**MR. SAMUEL USKIW:** Thank you, Mr. Speaker. I wish to ask the Minister of Agriculture whether he is in a position to confirm that the Government of Canada is going to do something with respect to subsidies to pork producers in Manitoba, or in the absence of that, is the province now prepared to proceed with actions similar to that taken by neighboring provinces, particularly in Western Canada?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. JIM DOWNEY (Arthur):** Mr. Speaker, all I can report is that the federal government payout should be coming out to the farmers, I would think, within the next two weeks, the one that they have announced some several months ago. As far as an additional payout, I don't expect any further payout from the federal government, although we did request to them last week in Toronto at our Annual Meeting that they make their payouts on a quarterly basis, that they increase the amounts that they would pay out. But, Mr. Speaker, they indicated at that time that it was a legislative change, that The Agricultural Stabilization Act would have to be changed for them to do that and he did not anticipate any changes this year.

**MR. USKIW:** Well, I thank the Minister for the answer to the first part of my question. I would like him to indicate whether or not the province of Manitoba, whether he is going to recommend that the province of Manitoba undertake similar subsidy programs that have already been undertaken in other provinces?

**MR. DOWNEY:** Mr. Speaker, I would like to indicate that has been some of the difficulties that our producers have faced over the past few years of the provincial government's introducing programs that have taken away the natural advantage from one province to the other. We prepared a paper, Mr. Speaker, and presented it to the Annual Meeting of Ministers last week to try and move out of the provincial program so that in fact we would have a national program that was in fact meaningful for the hog producers.

**MR. SPEAKER:** The Member for Lac du Bonnet with a final supplementary.

**MR. USKIW:** Yes, would the Minister confirm then that the province is not preparing to provide for subsidies to the pork producers of Manitoba this year?

**MR. DOWNEY:** Mr. Speaker, we have been looking at alternatives, and been in discussion with the hog producers of this province.

**MR. SPEAKER:** The Honourable Member for St. George.

**MR. BILLIE URUSKI:** Thank you, Mr. Speaker. I direct this question to the Minister of Agriculture. I asked the Minister of Agriculture last Thursday whether or not there was a commitment given by his staff to the farmers that they would have an outline of a contract after the meeting at Minnitonas between staff and a number of farmers and the municipal council. The Minister at that time indicated no, that there was no commitment. Could the Minister indicate, since he has received a letter dated July 15th, of which I have received a copy written to him, I think he has that copy of the letter, where it is alleged by the producers who signed that letter, and I quote from the letter, "Tenders would have to be", he seemed to agree and that is quoting his Assistant Deputy Minister, "that calling for tenders would answer both concerns, initially said tenders would have to be submitted within three days."

Because of producer objection he then agreed that the period should be extended. He then advised the producers that he would have to get approval from the municipalities involved and he said that if the municipality did not agree to the agreement, the entire matter would be referred to you, Mr. Speaker. In view of his answer last week and the information supplied by the farmers, can the Minister now explain the situation as to the commitment given by his staff?

**MR. DOWNEY:** Mr. Speaker, I indicated to the House last week that the recommendation from staff was to continue on with the allocation of the hay to the municipality and that they, Mr. Speaker, were given that directive that was given to them to allocate, they have moved to allocate the hay, and, Mr. Speaker, as far as I am concerned the issue is resolved.

Further to the letter that the member refers to, I have checked out some of the names that have signed the letter and find out that some of the people involved are not even livestock producers and not in need of hay.

**MR. URUSKI:** Thank you, Mr. Speaker. Then I ask, Mr. Speaker, the questions raised in a letter as to why was the public not being informed in any official way as to what was happening in terms of the municipality, and then I asked the Minister to clarify why he did stop the entire process that was turned over to the municipality that he was going to investigate. What did he investigate then?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**MR. DOWNEY:** Mr. Speaker, because of the urgency of the matter and the fact that the people wanted to get on with the job of being assured of some hay supplies, that was the urgency, to get the issue on the way and have the municipalities allocate the hay. Mr. Speaker, the review was to see that it was being handled in a responsible manner. That decision was made and, Mr. Speaker, it is proceeding. I would also like to inform the House, that because of the additional rainfall they've had in that particular area over the last few days, it would seem that the decision that the municipality made is even more right than ever because of the difficulties that will be incurred in processing the hay.

**MR. SPEAKER:** The Honourable Member for St. George with a final supplementary.

**MR. URUSKI:** Thank you, Mr. Speaker. Since the Minister has indicated that a number of these people, and I don't know them, are not producers, or they're farmers who have no cattle, can he confirm that the people who receive the contract from the municipality, all as well have neither equipment nor cattle and are charging an exorbitant price of 25 a bale for hay in that area? On site.

**MR. DOWNEY:** Mr. Speaker, I can't confirm precisely whether or not those people are livestock producers. I would also indicate, Mr. Speaker, because of what appears to be more rainfall and more feed grown, it would appear that possibly the hay prices could decrease in that particular area, along with the programs, Mr. Speaker, that the province has introduced of green feed to support the producers that can actually produce more of their own feed on their own farms, and the transportation program that has been introduced by the province of Manitoba. And I may add, Mr. Speaker, there are approximately 100 loads of hay being loaded per day in Ontario for the farmers of Manitoba.

**MR. SPEAKER:** The Honourable Member for Rock Lake.

**MR. HENRY J. EINARSON:** Mr. Speaker, I want to direct my question to the Minister of Economic Development and also responsible for transportation, but in his absence, I should like to direct this question to the Minister of Agriculture. My question relates to the retention of branch lines in this province, and I'm concerned particularly about the Morris to Hartney line. I'm wondering whether the Minister could inform the members of this House whether any confirmation has been established as to whether or not the present federal government is going to honour the commitment of the previous government in regard to maintaining these lines up to the year 2000.

**MR. DOWNEY:** Mr. Speaker, I have not received written confirmation from the federal Minister of Transport that those lines will be put into the permanent network. However, I understand there have been some statements attributed to the federal

Minister of Transport, Mr. Speaker, very recently, that would indicate that those lines would be put in the permanent network.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PARASIUK:** Mr. Speaker, my question is directed to the Minister of Health, and it arises out of questions and answers yesterday pertaining to the question of shortages of various types of doctors, and also shortages of doctors in rural and northern parts of Manitoba. Can the Minister explain why the province of Manitoba was the only province in Canada last year which actually decreased the number of places in medical school. This is reported by sources in *The Financial Times*, the current edition of *The Financial Times*, which indicates that Manitoba was the only province in Canada which decreased the number of places in medical school. Can the Minister explain why Manitoba is so odd on this question?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. R. (Bud) SHERMAN (Fort Garry):** Mr. Speaker, I would have to have further information from the Honourable Member for Transcona on that. There are 94 places in our medical school. There has been considerable pressure from certain quarters to reduce that number to 75, and that pressure existed when our predecessors in government were in office. It was resisted by them. It's been resisted by us. The total number of places in our medical school is still 94.

**MR. PARASIUK:** Mr. Speaker, can the Minister check into reports which indicate that the number of places has been reduced from 100 to 95? While this is happening, the province of B.C. has actually doubled the number of places in their medical school to 160 right now. Can the Minister explain why Manitoba is now decreasing the number of positions that it has in medical school?

**MR. SHERMAN:** Mr. Speaker, I would point out to the Honourable Member for Transcona that the population of British Columbia is approximately two and a half times the population of Manitoba. We have 1 doctor in Manitoba for 650 citizens, and that compares very favourably with every recognized standard in the western industrialized world. We have 94 places in our medical school. There may have been at some time some discussion about going to 100, just as there was at some time, as I've said, some discussion about cutting it to 75. To my knowledge we have remained at the figure of 94 or 95, perhaps it was 95, but the figure that I have always been acquainted with is 94, and I don't know of any change in that. But to point out that B.C. has 160, I would say that on the basis of our 94, B.C. should have something closer to 230 or 240, but of course that's their business and their decision.

**MR. SPEAKER:** The Honourable Member for Transcona with a final supplementary.

**MR. PARASIUK:** Mr. Speaker, in view of the fact that the number of doctors per people in British Columbia is one for every 521, which is somewhat lower than Manitoba's, and in view of the fact that they are increasing the number of people in their medical schools to 160, and in view of the fact also that the number of doctors who are in coming into Canada has been reduced from 1,200 to 200, causing very severe shortages of doctors, especially with respect to certain types of doctors, can the Minister indicate what the government of Manitoba is going to do to try and deal with this particular situation, or is it following the theory held by some health economists that the way in which to reduce health costs is to actually, as a policy of government, reduce the number of doctors in the province?

**MR. SHERMAN:** Mr. Speaker, there are more doctors in Manitoba today, substantially more, than there were when this government took office. There are approximately 1,592, 1,594 medical practitioners, MDs, in Manitoba today, close to 1,600, and that figure is substantially higher, I would be speculating, I would have to check the figures, but in the area of 100 to 150 higher than was the case in 1977. Whether B.C. has one doctor for 590 persons, or 550, whatever it was the honourable member quoted, is their business. They may then have a great many doctors who aren't fully occupied. The conventional wisdom in the western industrialized world is that one for 650 or one for 700 is an adequate acceptable and desirable ratio to maintain, and that's ratio that we maintain here in Manitoba. We are not short of doctors here in Manitoba, Mr. Speaker. I can see the honourable member's point, because I have made it myself many times, that our problems are in distribution and in certain specialty areas. The Standing Committee on Medical Manpower, as I told the honourable member yesterday, is hard at work on trying to solve the specialty shortage problem. They will be reporting to me this year.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** I would like to address a question to the Minister of Finance respecting the economic growth situation in the province of Manitoba. During the 1980 Budget speech the Minister indicated on Page 12, that we had been forecasting a real growth in Manitoba, and the Manitoba economy this year will be in the 2 percent range, and for some time the government basked in the glow of that encouraging news that we would be above the Canadian average.

Last week I asked the Minister a question respecting the possibility of a revision, inasmuch as the Bank of Commerce came out with an estimate 0.4 percent real growth, rather than nearly 2 percent real growth. Can the Minister now advise whether his research staff can corroborate the fact that the rate of real growth in Manitoba will not be 2 percent but will be considerably less than 2 percent, perhaps nearer the Bank of Commerce estimate of 0.4 percent?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, this is almost the identical discussion we had the other day, and at that time I indicated that the real GPP growth would be less than that indicated earlier in the year. Whether or not it will 0.4, as I also indicated at that time, would be trying to get too accurate to take real growth to the nearest decimal point of a percentage growth, but 0.4 is probably not a bad guess to take at this point in time. I don't think it's possible to quantify the effects of the drought at this point in time as accurately as we would like to.

**MR. EVANS:** Mr. Speaker, I wonder if the Honourable Minister would undertake to have his staff re-examine these estimates of real growth inasmuch as today or yesterday it was reported in today's press that the Royal Bank of Canada now, that fine bank that's represented by a certain member of the House, has now stated that Manitoba's performance is expected to be below the national average at 0.3 percent this year. All the forecasters are using fractions, Mr. Speaker I'm sorry they deal in decimal points, and this is their projection, 0.3 percent which is close to the Bank of Commerce estimate of 0.4. Given that fact, would the Minister undertake to have his research staff look into this and see whether the drop in the Conference Board estimate will be that drastic?

**MR. CRAIK:** Mr. Speaker, the research staff are at this sort of thing day in and day out. They review these things as they go through, and advise us as to their opinion on them, so we get their advice from these things regularly. I indicated the other day when we had this discussion, what I thought it would be. It was based on the fact that there was information provided by the research staff on these matters, but I indicated to the members at that time, and to repeat it again today, that it's not terribly the picture we are going in right now, the impact of the drought of that severity has not been one that has been experienced in the history of economic forecasting. There has never been a drought hit Canada of this size over the last decade or so when this kind of forecasting has been going on, so there just isn't enough information available to predict exactly. The models are still very very rough, and to try and say that 0.4 or 0.3 is really quite pointless. You can't specify to the nearest tenth of one percent.

**MR. SPEAKER:** The Honourable Member for Brandon East with a final supplementary.

**MR. EVANS:** Thank you, Mr. Speaker. The Conference Board estimate will be out soon and I am sure it too will be considerably below what they had forecasted in the previous quarter.

My question then to the Minister is, with respect to the impact of this phenomenon on the estimate of revenue for the province of Manitoba, is the Minister now re-examining the forecasts of revenue estimates inasmuch as it has a great bearing, of course, on the operation of government, and is the Minister now prepared to indicate whether we will have an even greater deficit because of the fact that revenues

perhaps will drop off, given the fact that we will not anticipate the real economic growth, which was stated in the budget document?

**MR. CRAIK:** Well again, Mr. Speaker, we have discussed this one before too, and I indicated that I expected the deficit would be adversely affected by the fact that the revenues would not be as high as forecast, but I hasten to add to it that the revenue picture to the end of June did not show it, surprisingly. The provincial revenue picture did not reflect up until late June the impact of the drought to the extent that it was expected. It will show up though, but as I said many times before, you can't predict the revenue numbers as accurately as you can the expenditures. I expect there will be a negative impact on revenues and it will cause the deficit to increase somewhat, but I haven't any number.

**MR. SPEAKER:** The Honourable Member for Churchill.

**MR. JAY COWAN:** Thank you, Mr. Speaker. My question is to the Minister of Labour. I would ask the Minister if he would be kind enough to update the House as to the status of the strike that is currently taking place at the Thompson Hospital in regard to any conciliation efforts that are being undertaken by his department and any other efforts that he or his department may be making in order to bring this strike to an conclusion.

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. KEN MacMASTER (Thompson):** Mr. Speaker, I can tell the member that conciliation meetings have been held. I understand that some are being planned. I understand possibly the external interest to the member's question is the situation in Leaf Rapids and Flin Flon, which I understand is sort of on a standby basis where they possibly could go on strike, hopefully not on an hour's notice, such as the Thompson one, but at some time in the future. That is all I can tell him at the moment.

**MR. COWAN:** Thank you, Mr. Speaker. Has the Minister of Labour acquainted himself or investigated reports that the strike at Thompson was precipitated by a notice that went out from the management of the hospital in regard to layoffs and that those layoffs were not proceeded with or not going to be proceeded with on a seniority basis, and that was the precipitating factor that did indeed cause that strike. Has the Minister had any opportunity to acquaint himself with that situation or discuss that with either the management or union representatives as to determine the advisability of such a particular move?

**MR. MacMASTER:** Mr. Speaker, in any situation like this, in hindsight I suppose you can assess what parties do to be correct or incorrect. I understand that the management did in fact reduce — the management being the hospital administration — that they did in fact reduce the number of patients substantially, that they were — I don't know how many days they had that number reduced, that they

did have a large number of staff that were still there servicing one-third or one-quarter, whatever the number would be, of patients in the hospital. I understand that for whatever reason they felt that they had too many and it was going on too long, and that they were in fact going to give notice — I don't know how the notice was given, what set of rationale was used to give the notice — but I understand also that part of the reasoning for all this was that they were told at some period of time that they were going to only have one hour's notice. Now that isn't quite normal, we all know what happened in the other health organizations' situations where we had to strike. It is not exactly what you call a box factory or a foundry, it is a hospital, and that is perceived by some people as not being normal either. The layoff notice wasn't normal.

So I guess looking back on it, to answer the member's question, there appears to have been several things take place that wouldn't normally take place in a situation such as this.

**MR. SPEAKER:** The Honourable Member for Churchill with a final supplementary.

**MR. COWAN:** Thank you, Mr. Speaker. My final supplementary is to the Minister of Health. I would ask the Minister of Health if he has advised himself of the situation in regard to the strike in Thompson, and if he can indicate that he is confident that the services provided by that hospital during the strike are sufficient services, and I would ask him particularly to comment upon an allegation that laundry from the operating room is being taken from the hospital into the city to be cleaned and then back to the hospital to be used in the operating room, and there is some conjecture on the part of strikers on the line that sanitary procedures are not being followed properly and that the materials cannot remain sterilized under those conditions. Without prejudice as to that allegation, I would ask the Minister if he has investigated it and if he can indicate the results of any investigation of that nature.

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. SHERMAN (Fort Garry):** Mr. Speaker, I will have to take the question about laundry services as notice, but with respect to the general situation, the Thompson General Hospital was well prepared for the current situation I am advised, and has a contingency plan in full operation. Patient census has been reduced to 20, and the hospital is capable of providing normal obstetric services, emergency and semi-urgent surgery, and acute medical care, including the ICU.

The nursing staff is cooperating so far with management, although some MONA members have been on the picket line in their off-duty time, and the local United Steel Workers' Union is also supporting the picket line. The hospital doesn't think there will be any significant increase in patients being transferred to Winnipeg tertiary centres.

So at the present time, Mr. Speaker, the hospital appears to have its patient challenge well in hand.

I will take the other part of the question as notice.

**MR. SPEAKER:** The Honourable Member for St. George with one final question.

**MR. URUSKI:** Thank you, Mr. Speaker. I ask the Minister of Agriculture, in view of the fact that his staff recommended to the Minister that a tender be called for the cutting of hay, in that the Minister originally gave the municipality full rights to allocate, can the Minister indicate why he reversed that decision and did not allow the farmers the freedom to tender on the allocation of hay?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**MR. DOWNEY:** Mr. Speaker, as I indicated earlier, I was satisfied that the municipalities were a responsible elected group of people representative of the people of that particular community, and the way in which they were handling it was a responsible way, Mr. Speaker.

**MR. SPEAKER:** Order please. The time for Question Period having expired, we will proceed with Orders of the Day.

## BUSINESS OF THE HOUSE

**MR. SPEAKER:** The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON:** Thank you, Mr. Speaker. I have one change on the Agricultural Committee, substitute the name of Mr. Driedger for Mr. McGregor.

**MR. SPEAKER:** Is that agreed? (Agreed)  
The Honourable Government House Leader.

**HON. WARNER JORGENSON (Morris):** Mr. Speaker, it is expected that the House will be in session this morning and again this afternoon, and if we are able to pass Bill No. 86 for second reading, which will be the first order of business today and this afternoon, then the Agricultural Committee will be meeting tonight to consider Bill No. 86. As well, the Committee on Private Bills will be meeting to resume consideration of the bills that are before them. The two committees will be meeting simultaneously. That is, of course, assuming that Bill No. 86, passes second reading this afternoon. So would you call Bill No. 86, Mr. Speaker?

**MR. SPEAKER:** The Honourable Member for St. George on a point of procedure.

**MR. URUSKI:** Mr. Speaker, I wonder if the House Leader could advise in what way is he notifying those people who have indicated their intentions to present briefs or make comments to the legislation for this evening, in view of the shortness of time and the uncertainty that Bill No. 86 will go to committee this evening.

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. JORGENSON:** My honourable friend has a better idea than I do whether or not Bill No. 86 is

going to go before the committee. If he has people, and this has been quite a normal practice in the past, if he has people who feel that they want to appear before the committee, I would assume that they would notify them, and I am quite certain that the Minister of Agriculture will be notifying people who have indicated that they want to appear. The clerk has a list of people who have indicated and they can easily be notified, and I don't think that it's incumbent upon the clerk's office to notify them either. The clerk has the list of the names of people who have indicated their intention to appear, and my honourable friends, the media, have normally provided that information. It has worked very effectively in the past and I can see no reason why the clerk's office now suddenly has to have the responsibility of notifying everybody.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** Yes, I would like to ask the House Leader if indeed Bill No. 86 is passed today and proceeds to committee this evening for public representations, whether after the completion of those public representations that are made this evening, whether there would be another opportunity for those that have been unable to make it this evening because of the uncertainty, the shortness of the notice, and the distances of course that are involved for farmers that must travel quite some distance under very uncertain circumstances.

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. JORGENSEN:** The committee itself will make that determination, and I expect that the committee will make that decision on the basis of the best available information at that present time. If all the representations have been heard and there are no further indications of people who wish to appear before the committee, I presume that then the hearings will be closed to the public and they will proceed to clause-by-clause consideration of the bill.

If, however, there are people who have been unable to be contacted or people who will find it difficult to get in because of distances, I am sure that the committee will take that into consideration.

**MR. SPEAKER:** The Honourable Minister of Agriculture on a point of order.

**MR. DOWNEY:** Mr. Speaker, we have indicated to some of the people that have made representation at my office that the committee would probably be sitting Monday or Tuesday of this week, so they have been alerted. Plus, Mr. Speaker, I notice there are two farmers that have driven in some distance and have been held up because of the debate from the members opposite and would like to go home to milk their cows.

**MR. SPEAKER:** The Honourable Member for Lac du Bonnet on a point of order.

**MR. USKIW:** Mr. Speaker, I believe that is a matter of House privilege. The legislation is here for debate,

Mr. Speaker, and I believe the Minister should withdraw the allegation that there has been any undue delay in the debating of Bill No. 86. Mr. Speaker, we have not had that bill before this House for very many days.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**MR. DOWNEY:** Mr. Speaker, it was certainly no allegation, it was just a matter of bringing to the attention of the members opposite that there were some farmers in and interested, Mr. Speaker. Mr. Speaker, they have been waiting and I am sure will continue to wait. We have done our best, Mr. Speaker. The point I want to make is, we have done our best to make those people who are interested in coming in to make presentations, we will assure them that they have been notified. My office will do that, Mr. Speaker.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** On a point of privilege, I would like to again emphasize on behalf of the opposition that not for one moment, not one inch, will we accept any responsibility for doing our normal task on this side. If the government wants to bring in important legislation after speed-up, then they must assume the responsibility. Only they can assume the responsibility. The opposition is going to debate that legislation. We will not be intimidated by any Minister of the Crown into processing the legislation or short-cutting that which is anticipated of us.

## ORDERS OF THE DAY

### ADJOURNED DEBATES ON SECOND READING

#### BILL NO. 86 THE MILK PRICES REVIEW ACT

**MR. SPEAKER:** Bill No. 86. Order please. Order please. The Honourable Member for Brandon East Bill No. 86.

**MR. EVANS:** Thank you, Mr. Speaker. I had hoped to make some very few brief remarks on this, but after the statements of the Minister of Agriculture I am not so sure whether I should be as brief as I was going to try to be on this, because I really resent the inference by the Minister of Agriculture. I think it displays arrogance that has no place in this House, and I think the Minister of Agriculture is still new to provincial politics, relatively speaking, and has a lot to learn about the democratic process.

Mr. Speaker, the people of this province elected the members to this Assembly, all 57 of us, and they expect us to examine legislation thoroughly, clause by clause, as well as the principle of a particular bill and I say, Mr. Speaker, this is very vital bill. It's bill that's going to be all pervasive in its influence in as much as every family, or I would say 99 percent of the families in Manitoba consume milk in one form or another. I suggest, Mr. Speaker, that we are all affected by this legislation and it is regrettable that

we are considering it in a speed-up fashion. In fact I think, Mr. Speaker, it doesn't speak well of the way we have organized ourselves in this House over the past session because there is just too much legislation that is being brought in in the last few days, the last few weeks of the session and there is simply not enough time for members to adequately debate and research the various items within the legislation.

I think this session to me, Mr. Speaker, indicates that it's time that we think of two sessions a year rather than trying to cram everything into one session.

**MR. SPEAKER:** Order please, order please. I believe the subject matter of debate is Bill No. 86. Is the honourable member prepared to debate Bill No. 86?

The Honourable Member for Brandon East.

**MR. EVANS:** Mr. Speaker, I am debating Bill No. 86, and I am making the point that it is difficult for me, at least, as one member of this Legislature, to debate this thing as fully and as rationally as I like because of the time that it has been brought before the House and the fact that we are sitting here morning, afternoon and night dealing with many other measures as well, and I don't know how we are expected — we don't have the research staff, I don't know how we are expected to do all of this and to contribute our thoughts, our suggestions to the government and to the people of Manitoba ultimately.

Mr. Speaker, I appreciate the fact that there has always been a problem in some legislation coming late, but I don't believe we have had this degree of problem in the past, and as I said we could overcome it if we consider two sessions.

Mr. Speaker, there is no question in my mind that this legislation is ultimately going to hurt the consumers of Manitoba. What this bill does, this bill in effect raises the price of milk for consumers, and if this Legislature passes this particular act, this Bill 86, I would say, Mr. Speaker, that that is a clear signal to the consumers of Manitoba that they are about to pay considerably more for the price of milk than they would otherwise. And I say there is no question that this is going to cause inflation to be worse, there is no question that it is going to hurt people, particularly on the lower end of the income scale, there is no question it is going to hurt people in remote areas of the province where food tends to be higher anyway, such as in northern Manitoba; there is no question that this bill is discriminatory against urban Manitoba, and in fact it discriminates against many people in rural Manitoba who are not involved in the dairy business.

Mr. Speaker, let's face it, this bill is tantamount to shafting the consumers of milk in Manitoba. That is very simple. I say we have good legislation in effect now, we have a Milk Control Board, which is designed to protect the consumer and to ensure that the producer gets a fair shake in terms of covering his expenses and giving the producer hopefully an adequate return on his or her efforts. But, Mr. Speaker, for some reason or other the government wants to abolish all of this and come up with a brand new bureaucratic operation called the Milk Prices

Review Commission. I say, Mr. Speaker, what is the Minister up to? He has got an agency already, and if it is not working perfectly, I am sure there could be minor adjustments perhaps in the method of operation and so on. But no, we have to scrap the entire operation and come up with something new. I believe, Mr. Speaker, that the consumers of Manitoba deserve to be very suspicious of this government, deserve to be very suspicious of this government because of the method that the Commission is going to be operating under, and because of the very very weak provisions for consumer protection.

There is no question that there is less consumer protection in this legislation than in the previous legislation, and, Mr. Speaker, I think that in effect we have either got some window dressing I would call it window dressing of consumer protection by even suggesting that the Milk Commission — I believe it is called the Milk Prices Review Commission will be there to be as concerned about consumer interests as the existing board has been. I think it is either a bit of window dressing, perhaps we should call it camouflage.

Mr. Speaker, I note with interest that what this government is really doing is responding to the pressures of the Manitoba Milk Producers Cooperative and the Manitoba Producers Marketing Board. It is a rural-oriented government responding to those groups, and as I say, it is not all of rural Manitoba, it is only part of the rural Manitoba economy. Further, Mr. Speaker, I note also that not all milk producers are unhappy with the current situation, and in fact it has been stated publicly by some milk producers that they recognize, these are the dairy people themselves, the people who have large herds, are saying that the abolition of the existing control board, the Consumer Control Board, will drive up milk prices. This is a statement made by the milk producer himself, that the abolition of the existing legislation and the replacement with this new bill will drive milk prices up. What he is concerned about, Mr. Speaker, and this is the important thing from the producer's point of view, that ultimately it is going to drive up milk prices and in the long run hurt the producer, because, Mr. Speaker, there is such a thing as substitution, and at some point consumers will begin to use less milk; if the price goes out of whack there is a possibility that consumers will just drink less milk and look to other substitutes, to other forms of food to get whatever nutrition that they may want to obtain.

It is interesting, Mr. Speaker, that a major dairy farmer can make that observation and who himself has observed that it is a group within his industry that has successfully lobbied the government for the abolition of the existing Milk Control Board. It is also interesting, Mr. Speaker, that this particular dairy producer recognizes that this government and certain milk producers in this province are perpetuating a myth that the dairy industry is badly hurt, that the dairy industry is on the rocks, that the dairy industry has to have more help or else it is in deep trouble.

Mr. Speaker, although there were 56 producers who quit the business last year, we had 1,350 dairymen earning 1 million more in June of this year than in June of last year, 1 million more was earned

in June of 1980 compared with June of 1979. And furthermore, the production of milk this year is up approximately 1 million litres over last year, and this milk producer says it is the consumer of Manitoba who has been lead to believe by certain producers and by this Minister of Agriculture that the dairy industry is on the verge of bankruptcy and we have to get rid of the existing legislation and put in this new Milk Prices Review Commission.

Well, I say, Mr. Speaker, I agree with this particular milk producer who says, the one who is going to pay is the consumer. I say it, we say it, and the people of Manitoba who are going to pay more for milk will soon realize that this Minister of Agriculture and this government is shafting the consumers of this province. The sad part of it is, as well, Mr. Speaker, the sad part of it is that in the long run the producers may be hurt as well. That is the saddest part of all. — (Interjection) — Well, they will continue to control the producers, or have some semblance of control, but the point I am making, Mr. Speaker, is that if prices do get out of line you may find some deterioration in consumer habits, deterioration changing shifts of consumer habits, whereby less milk would be consumed.

As inflation is ever with us, and in fact inflation is getting worse, Mr. Speaker, unfortunately for the last few months it was running around 9 percent, now we are advised according to the latest Statistics Canada Survey on consumer prices, the consumer price index is now running at an annual average of 10 percent in the province of Manitoba, which is about the Canadian average, roughly 10 percent. As we all know, and as the retailers of this province know, as inflation runs wild, consumers simply have less dollars, fewer dollars to spend on many items that they would like to have, and I am suggesting, Mr. Speaker, that this legislation is going to cause inflation to be worse in Manitoba, and it is going to mean that ultimately the standard of living of many people will be reduced thereby.

With inflation ever present as I suggest, Mr. Speaker, consumers simply can't buy that many goods and services in real terms as they would like to and as they did previously, because what's happening unfortunately is that the rate of inflation is running ahead of many wage increases of workers. And the workers who put out the money to buy the milk, if they are getting increases of 8 percent and 9 percent, and inflation is running at 10 percent, it doesn't take any genius to figure out that those workers, those consumers who put the money on the table, on the counter in the stores, are not in a position to buy as much milk or any other retail product or any consumer product that they would like to obtain.

I say, Mr. Speaker, that the commission, if we look in the bill, and again I appreciate we are not to discuss clause by clause and I won't, but it is very fundamental in the bill that the commission shall not make an order unless a variation of at least two percent from the then current price of milk occurs. I say if you compare this and you look at another section which relates to the commission monitoring prices of fluid milk charged by distributors and retailers, there is a reference to the commission, may establish schedules of maximum prices if it thinks

those prices are unreasonable. What I am suggesting, Mr. Speaker, is that this legislation therefore, the essence of the legislation with regard to the consumer protection, is very very weak indeed. There is no question that this — the point of the commission shall monitor and may, not will, but may order, it may if it deems advisable to do so. I say that there is no question that this agency that we are seeing created before our eyes is not going to be good for Manitobans and indeed, as one milk producer said, in the long run it may be detrimental to the interests of the dairy farmers themselves.

The irony, Mr. Speaker, of this bill is that while reference is made to providing more freedom in the marketplace, nevertheless at the same time there still exists a control apparatus, presumably to protect the producers, to ensure that they cover their costs, to ensure that they get a particular return, a reasonable return on investment. That is the phraseology used in the bill. They want to ensure that with regard to fluid milk that there is a reasonable return on investment to the producer of such milk. Fair enough. But the point is, Mr. Speaker, on the one hand the government is saying, the Minister is saying, we want to ensure we protect the dairy producer, but we want to see freedom in the marketplace.

Mr. Speaker, you can't have so-called free enterprise. You can't have competition in a halfway measure. You are either going to have competition or your not going to have competition. If you want to have price competition, if you really believe in the marketplace, if you really believe in freedom of enterprise, pure price competition, I say you don't need any legislation. Forget it. Don't have any legislation. Let those who want to get into the dairy industry get into the dairy industry. Let those who want to leave the dairy industry, leave the dairy industry. Allow milk imports to come into Manitoba if the market so dictates, or allow milk exports to go out of Manitoba. That is a free market. And I say, if you believe in a free market, why don't you go the whole way? But this bill doesn't do that, it's a halfway measure. It talks to having competition at the retail level, the distribution level, but there is no competition at the other end. The producers like it, but that's the point, Mr. Speaker. You are providing a sort of monopolistic type, quasi monopolistic situation at the producing end and on the other end you say there is going to be freedom in the marketplace for the consumer.

Mr. Speaker, the dice are loaded against the consumers. There is no question, the dice are loaded, and the people of Manitoba better sit up and listen to what's going on in here. I don't know whether the I know the tenants are very riled up because they know what's happening to them. But I don't know whether the consumers in Manitoba appreciate what is happening in what I call a so-called pseudo competitive philosophy that's perverted — competitive philosophy that's embodied in here, and listening to the Minister of Agriculture. If you want price competitions, let's go all the way. Let's leave it open nothing. I mean, those who want to produce milk shall produce milk; those who want to get out producing milk will get out of producing milk. There will be no price control whatsoever of retailers; there will be no protection for producers. Let it me totally free and let's have

freedom in the marketplace. Let's have freedom of production. Let's have free enterprise. I don't think the dairy producers want that. We all like to talk about free enterprise, we like to talk about the benefits of competition, except if it's going to hurt us. It is very interesting that . . .

It's very interesting, Mr. Speaker, that there are many industries that talk very bravely about competition in the free enterprise system. By God, if the government suddenly decides it's going to reduce the national tariff, the customs duty on those items that that industry produces, well all hell breaks loose because what they are then facing is competition from the international marketplace. I'll give you one example in this province of protection, and I am not advocating that the protection be removed, but I want to tell you, if it wasn't for the fact that the federal government has imposed actual volume quotas on clothing imports coming into Canada, the garment industry in Winnipeg would go down the tube. The garment industry in Quebec would go down the tube, there is no question about it. It's fine to talk about free enterprise. It's very fine to talk about competition, except when it affects me, when it affects my industry. I say, here's an example where the manufacturing of clothing is protected by a tariff barrier and the customs quotas on importation. You remove that protection, allow freedom of competition and you see what happens to that particular industry here. The reason our industry will have difficulty in surviving, and this is an aside, I know, Mr. Speaker, is the fact that industry is very labour intensive. The cost of a clothing item very much is made up of the labour costs and therefore those countries in a world where they have low labour rates are those that have the advantage, and the labour rate differential is so great that it overcomes the transportation cost problem.

As I said, I am not advocating that because I don't want to see people thrown out of work in Manitoba, and I am not advocating total freedom of trade for Manitoba or Canadian industries. But I am saying that the members opposite, the Minister of Agriculture, likes to talk bravely about free enterprise and competition in the marketplace, competition in industry, but we are not getting that. We are getting a halfway measure. It's a perversion of so-called free enterprise or so-called competition.

I suggest, Mr. Speaker, that the dairy industry really doesn't want free enterprise. They really don't want competition. What they do want is a situation whereby the government of Manitoba, the taxpayers, will set up a situation to ensure that they get a reasonable return on their investment; to ensure that they are looked after; to ensure that they make more money than they are making at the present time. But what bothers me, Mr. Speaker, I am not against the dairy farmer having a return on his investment. Let the dairy farmer have a fair return on his investment. We want the dairy farmers of Manitoba to survive, we want them to be able to do their thing in supplying the adequate supplies of milk that we need in this province, and we have got some very fine milk producers.

Mr. Speaker, as this one particular major dairy producer said, that in the long run the dairy industry itself, the dairy farmer himself, may be hurt, because of the fact — I don't know whether the Minister of

Agriculture was listening at that time or was in his seat that in the long run that if you allow these prices to go up, as this bill will allow, that eventually a percentage of consumers will be turned off and will shift their consumer habits so that there will be less milk consumed per capita than previously, and in the long run you may hurting the people you are trying to help. I don't want to hurt the dairy industry, but at the same time you have to strike a fine balance between looking after the dairy industry and making sure that there is no ripoff at the distribution level, no ripoff at the processing level, and that the consumers of Manitoba are treated fairly.

I am sure if you took a survey of opinion of consumers in Manitoba about the dairy industry and how it should operate, I think most of them would say they are totally in favour of opening doors wide, let all the milk come into Manitoba that wants to come in, let anyone who wants to get into the industry get in. But the problem is, Mr. Speaker, then that too would be disruptive of the dairy industry, because in some ways it reminds me of the trucking business. You know, it is fine to say we will have competition of trucking rates and trucking services, but if you allowed everyone who wanted to to buy himself a truck or two and get into the trucking business, you would soon find that the bulk of the truckers were going bankrupt and there would be chaos, so we end up with some form of control. So we have to strike a fine balance. We have to have a semblance of control to ensure that the trucking industry stays viable, but at the same time we need a motor transport traffic board, or whatever you call that particular agency, to ensure that the rates charged by those truckers do not exorbitantly hit the consumer of trucking services. You want to ensure that the prices that the truckers pay, the rates that the truckers charge, the users of trucking services are not out of line, and are not what are usually the adjective is used quite widely, the ripoff, I will use that adjective they are not a ripoff rate.

What I am very concerned about, Mr. Speaker, and what the people of Manitoba are going to become very annoyed at — I don't know whether the Minister realizes it — if this situation unfolds as I think it is going to unfold, this government is going to be in deep deep trouble with consumers of this province. I know they are in deep trouble over other items, people are rather unhappy; people who rent are very unhappy about the rent decontrol; workers are rather unhappy about The Payment of Wages Act; and people are getting rather unhappy about the very high-handed measures that are being introduced, The Elections Act — I appreciate that that particular clause has been changed or reference has been made to withdrawing that but now we have The Energy Act, which we will be discussing later, which again is shades of totalitarianism. I say that too is going to make the people of Manitoba very dissatisfied with this government when they realize that the government is setting up some kind of a bureaucratic Frankenstein monster that is going to have all kinds of police state powers. It is just utterly incredible that the government would bring in this legislation at this time.

I don't want to get off the topic of the bill, but the point I am making, Mr. Speaker, is that this bill is one of a series of bills that this government has

brought in very late in the session, so that there cannot be adequate consideration and debate of the measure, but it one of a series that is gradually turning off the electorate of the province of Manitoba. I remark again that the dairy business doesn't seem to be in deep trouble. The earnings are up 1 million more in June of this year compared to June of last year, and the milk production is up considerably, 1 million litres a month more is being milked than last year at this time, so by and large the dairy industry is not on the verge of bankruptcy as the Minister of Agriculture seems to infer in this remarks. The dairy industry isn't doing badly at all.

So I say, Mr. Speaker, to those dairy producers who are lobbying the government, they should not attempt to be greedy about this, they should not push this Legislature and the government to the point where undue profits will be made in this particular industry, where consumers will pay unduly high prices for their milk products. I again ask the Minister to — and I don't know whether it will do much good — to reconsider the whole bill. In fact, I would like to see him withdraw the bill. I would like to see the bill completely withdrawn, and take a look at what he has got. He has got an apparatus, the Milk Control Board, which has been working for some years now. It is not perfect, but it is not bad either, it generally has worked, and the industry has survived, the consumers haven't complained — they have complained somewhat, but they haven't complained too much; consumers will always complain when prices go up — but by and large it seems to be working. Now we are going to abolish it and we are going to have something brand new, which leads us to be very nervous as to what is going to happen in the future. I say the Minister may be doing the industry a favour, he may be doing his government a favour, he may be doing the Progressive Conservative Party a favour by withdrawing this legislation, and rethinking it. Maybe there should be some amendment to the existing Milk Control Board Act, or whatever that Act is called, maybe that is in order. I am not an expert, I haven't had time to go into the detail, but, you know, nothing is perfect in this world and I am the first one to say, look, if something is wrong, let's change it, let's improve it.

Let's recognize that there are vested interests in this province. Let's recognize that there are varying interest groups and they are all entitled to their own welfare, they are all entitled to their own share of the pie. The job of this Legislature, where you get involved in economic control, because this is an economic control measure, the job of this Legislature, the job of government, the job of the agencies, is to ensure that equity and fairness prevails, to ensure on the one hand that the dairy industry survives and prospers, but at the same time to ensure that consumers are not ripped off. There is no evidence that we have a bad situation at the present time.

There are a few producers that are — there is a producers' lobby I know that is making a lot of noises, and I know the Minister has seemingly has bought their argument, but I really suggest to him that if he wants freedom in the marketplace, fine, try it, but I don't think he has the nerve to try it, to have total freedom of enterprise, to have total

competition, I think he is really afraid of trying that. So what we have got, Mr. Speaker, is so-called pseudo-competition protection for producers and very little protection, if any protection at all, for consumers, and in the long run prices will rise unduly, in the long run the bulk of Manitobans are going to feel the pinch, in the long run it will be this Minister and this government that is going to feel the pinch as well.

Thank you.

**MR. DEPUTY SPEAKER:** Are you ready for the question? The Honourable Minister of Government Services.

**HON. HARRY ENNS (Lakeside):** Mr. Speaker, I have listened to several speakers from the opposite side on this subject matter and I too want to make a contribution on this bill, Mr. Speaker. It's been my privilege over a number of years to represent in the constituency of Lakeside some of the finest people engaged in the dairy industry and I have the further good fortune to have had over the years enjoyed a reasonably good relationship with the dairy industry in general. It dates back to the time that I was Minister of Agriculture. It dates back to the time that I can recall in the opposition days when we took battle with the help of the Honourable Member for St. James, the Honourable Minister of Corrections, the Member for Rock Lake, we took on the government of that day on a little item called Crocus Food and then such items so that and recently, Mr. Speaker, I got much closer to the dairy industry by actually participating in a milking contest at Stonewall just in the last few days. That always brings you right back down to the earth and you have some understanding of what the dairy industry is all about.

Mr. Speaker, I used to have fun in this House on occasion because, from sources that shall remain nameless, I used to get their convention resolutions of the NDP Party from time to time, and you know, Mr. Speaker, they had some of the harem scarem resolutions on agriculture that would just make your hair stand up. I used to have fun every once in a while in the House reading from them.

Mr. Speaker, I know that they weren't passed in most instances, but it was certainly good food for debate, particularly an opposition member, when they actually seriously discussed and assembled in convention the gross nationalization ideas of moving all farm and families within a township into one community; nationalizing all the land. Mr. Speaker, these were actual resolutions that they would from time to time allow to get onto the convention floor. Mr. Speaker, I agree with them. They deserve the kind of derision that the honourable members now are showing them.

Mr. Speaker, I want to tell you something. The one consistent agricultural policy that the New Democratic Party has had over the years, and one that I have some respect for even though I am not its strongest adherent, and I recount, and I am glad the Member for Lac du Bonnet is in his chair, because the one consistent agricultural policy that they have had, Mr. Speaker, and one that has some appeal and crosses political boundaries and crosses producer groups in the farm community, is support

for the principle of orderly marketing. That has been a consistent platform, a consistent policy of the New Democratic Party, one of the few that has some widespread appeal in the agricultural community.

Mr. Speaker, what have we heard on this bill? We have heard nothing but the spokesman, totally dominated by the urban spokesman, by the way, and supported by the few people from the agricultural committee, to take advantage of what has to be described as the most cynical form of political opportunism. The most cynical form that they will shy away from a major platform, a major principle, when they talk about this bill returning to the law of the jungle, Mr. Speaker, and that's in Hansard. I want to ask what makes the Honourable Member for St. George a responsible food producer as a member of the Turkey Marketing Board, a board by the way, Mr. Speaker, which I set into operation as Minister of Agriculture. No, Mr. Speaker, I just want to ask what makes the Honourable Member for St. George a responsible food producer if he is producing eggs out of the marketing board. What makes him a responsible producer if he's producing a chickens, broilers, out of the marketing board?

Mr. Speaker, this Minister, this government, the former Minister of Agriculture, introduced and brought in the Marketing Board for Milk to provide orderly marketing for milk, and now, Sir, what are they doing to it? Well, Sir, it's unparliamentary what I — how I should describe what they are doing to that board. But you know, Sir, they are doing it. — (Interjection) — I'll just not say that.

Gentlemen do you not appreciate what you are doing? Do you appreciate not what you are doing? Mr. Speaker, don't kid yourself for a moment that the farm community and the broiler farm community

I know that there are only — that we are talking 1,300, 1,400 dairy farmers, but it's this kind of cynicism, this kind of hypocrisy, that will continue to bring 25, 26 rural members on the Conservative side on this side of the House, that will guarantee the re-election of this government for a long time because of the kind of cheap trade-offs that this party is prepared to make when they smell a vote, Mr. Speaker.

Now I happen to know dairy farmers. Somebody on the other side had the audacity to suggest that maybe the dairy farmers are worthwhile getting a raise when the minimum wage increases. Mr. Speaker, let me tell you something, and the Honourable Member for Brandon East, that Mickey Mouse economist from Brandon East, I want to tell you something. If you added up the hours of the average dairy enterprise that works seven days a week, Mr. Speaker, and no double time, no overtime on Saturdays, no double time on Sundays, no triple time on Christmas and New years, if you added up the effort put in by the average dairy operation including their wives, their daughters, their children, and you add it up, I will tell you that very few of them are working, they'd be happy to be working for a minimum wage. They'd be happy to be working for minimum wage. But the Honourable Member for Brandon East, he rattles off figures. He says some 1,300 dairy farmers are sharing millions of dollars, portrays them all as millionaires.

Mr. Speaker, you take the investment that the average dairy farmer has, the risk capital that he

has; he's dealing with live animals. Take that and put that into a bank and let that earn interest, and then tell me what his net earnings are. Mr. Speaker, the farm community will be reminded of the kind of position that you are taking on this bill.

Mr. Speaker, let me make it very clear. I don't particularly like the bill. And let me tell you something else; there are many dairy farmers who don't particularly like the bill. I happen to believe, having gone this step, that we have established a marketing board, there are responsible producers elected to that board, and they like in all other food commodities, eggs, turkeys, broilers, ought to be able to manage their affairs. And they have, Mr. Speaker, and it's not a *carte blanche* management of their affairs. There is a marketing council superimposed above them and all other boards that is representative of consumers, that is representative of the broader community that can police and can supervise any one of these boards when these boards step out of line. But, Mr. Speaker, for a few votes, and because they think that they are Mr. Speaker, it's not lost on us. What they are now trying to establish is that for ever more any price, any time the price of milk increases, the Progressive Conservative Party is at fault.

Mr. Speaker, I will say it, although nobody listens. The truth of the matter is, of course, that our dairy producers are getting the lowest return in the country and the former Minister of Agriculture knows that, and nods his head, Mr. Speaker. I will tell you something further, on the retail base, the price of milk today is cheaper, relative to disposable income than it was five years ago, and it's cheaper than it was ten years ago. The price of milk is considerably cheaper than it was 20 years, and it is considerably cheaper than it was 30 years.

Mr. Speaker, the honourable members know all that, but they are prepared for the game of politics to play with the livelihood of individual dairy producers, with the welfare of an important sector of our farm commodity, to pick up a fast vote, Mr. Speaker, and they are doing it while they know it's against one of the basic principles that they hold in respect to agricultural policy. Mr. Speaker, I want to tell you, there was a time when the honourable members had firm conviction and beliefs in their principles and when they were prepared to do just the opposite of what they are doing now in defence of those principles.

Mr. Speaker, I refer back to the time of the great vegetable debate, when the then New Democratic Party, led by the aspiring agricultural spokesman, the Member for Lac du Bonnet, who in time became the Minister of Agriculture, had the guts, because it was the principle that was at stake, to end up defending the big boys, the Walter Kroekers of Altona, they Ed Connerys of Portage la Prairie, the Mulder Brothers, all big boys. Do you remember that? And it was the little fellows, the normal constituents of our socialist friends opposite, that were trying to get out from under the marketing board. And, Mr. Speaker, under that situation there was a 50/50 vote and I allowed the democracy to operate and I emasculated seven-eighths of that board. Mr. Speaker, I just want to point out, at that time they still believed in principle, Mr. Speaker. They were still reasonably honest with themselves. They weren't the bunch of hypocrites

they are today, Mr. Speaker. They believed they were prepared to stand up, even though it cost them votes at that time, even though they were uncomfortable in defending the millionaire vegetable growers in that industry.

**MR. DEPUTY SPEAKER:** Order please, order please. The Honourable Member for Elmwood on a point of order.

**MR. RUSSELL DOERN:** It is not parliamentary to describe members of any political party as hypocrites. The honourable member knows that; he knows better than that, and I ask him to withdraw that, because if we are going to have name-calling then you know what happens. I ask the member to withdraw that statement.

**MR. DEPUTY SPEAKER:** The Honourable Minister of Government Services.

**MR. ENNS:** . . . I am well aware of the rules and I am quite prepared to withdraw that remark with respect to as it may have been applied to individual or collective members opposite. I do not, Mr. Speaker, withdraw that remark about the hypocritical nature of their stands with respect to this bill, because I happen to know that they believe in orderly marketing; I happen to know that is one of the strong features of their farm program, their plan, and they are prepared to abandon it in this instance. They are suggesting that there is no responsibility, that we are returning to the law of the jungle in milk, totally ignoring — Mr. Speaker, in fact if you check the speeches you will find just the passing reference to the fact that there is a marketing board. The Honourable Member for Lac du Bonnet mentioned it once, I believe. Other speakers, like the kind of speakers that we've had with respect to Brandon East, the Honourable Member for Elmwood, they don't even know.

Mr. Speaker, I shouldn't say that, again I shouldn't impute motives to the honourable members opposite, when I'm not so sure that they don't know what they ought to know, and I shouldn't pretend that they know or don't know what they really should know.

Mr. Speaker, but let me take that back. But I do want to tell you, Mr. Speaker, that the New Democratic Party is in trouble on this issue. Mr. Speaker, obviously the Member for Ste. Rose understands what I'm speaking about. You see, he is taking this in seriously, as one of the few farm members that they really have that has some understanding of what's going on out there, and he recognizes what I am talking about.

Mr. Speaker, I know that the honourable members, and I know that the Minister of Agriculture will in a far more detailed and significant way update the problems, the situations of the dairy industry. I didn't particularly want to rise on that issue this morning, but I simply want to indicate to honourable members opposite that it will, of course, be our responsibility to inform the farm community about how quickly and how easily the New Democratic Party is prepared to abandon long-held principles of their own such as the belief in orderly marketing for political expediency. — (Interjection) — Mr. Speaker, yes, fine, how about consumers, I ask you. One of the

justifications, the rationale for supporting orderly marketing, is that by supplying and ensuring a continuous stable supply, that that is the best guarantee for reasonably priced food products. I don't have to say that. This is out of the Bible of the Honourable Member for Lac du Bonnet. And, Mr. Speaker, if he were to stand up right now and defend the actions of the Egg Marketing Board and why we have reasonably stable egg marketing prices in the country, right across Canada, he would attribute that to the orderly marketing board that's in effect.

If we talked about turkeys we would say the same thing about turkeys. If we talked about broilers we would say the same thing about broilers. But, Mr. Speaker, broilers and turkeys aren't a contentious issue right now. Milk is the issue right now and we are led to believe that if the producers, the kind of people that you people ought to have some respect for, the kind of people that are working at below minimum wage out there in the country, 365 days a year — you are painting a picture here of starvation and ruin and deprivation that's going to take place; children are going to grow up with rickets because of a lack of milk. Mr. Speaker, the price of milk, as the price of all food, has steadily declined.

Mr. Speaker, in the immediate post-war years of 1947-48, Canadians spent, on average, 27 percent of their disposable income on food. Today they're spending 16 percent — 16 percent. The price of food has never been cheaper than it is today relative to your disposable income. Mr. Speaker, the fact that we want to do many other things with our income, the fact that we want colour TVs, the fact that we want to drive big cars, the fact that we want to take our annual vacations, the fact that we think nothing of paying for a lot of other goods and services, the fact that we want much of our food served up in handy, convenient packages. There was a time, Mr. Speaker, that you had to ask, when you bought a loaf of bread, you got it unsliced, unwrapped — if you wanted it to be fancy, if you were going to get company for Sunday dinner, then you were sent to the store and asked to buy a sliced and wrapped loaf.

Now, Mr. Speaker, you can't find, except for specialty breads, an unsliced, unwrapped loaf of bread. And that's just axiomatic of what's happened to the entire food industry. You don't go to the butcher shop any more and point out to that portion that's hanging on the meat hook and, cut me that particular portion for my roast, the butcher cuts it off for you and wraps it up. No, we expect it all laid out for us on 400 feet of deep freeze, conveniently packaged for all of us, the half-pound, one-pound packages for single families, the two-pound packages for the two-member family, the three or the four. And likewise with our milk. We want 2 percent milk, we want this kind of milk, we want that kind of milk, we want some in and out of plastic containers. Well, Mr. Speaker, that's fine. The dairy farmer hasn't brought this upon himself. Consumer demand has brought this upon themselves.

And if you want to look at some culprits in this business, then you can look at the processors, perhaps. You can look at the processors. But, Mr. Speaker, the fact of the matter is that true food production has decreased relative to disposable

income and I know, Mr. Speaker, that is a losing argument. I'm not going to convince too many people of that, but it happens to be true. And honourable members opposite know it as well.

But, Mr. Speaker, what is really most disappointing, and which, gentlemen, is going to hurt the credibility of the New Democratic Party within the agricultural committee.~ (Interjection)~ Well, Mr. Speaker, the honourable member says its okay. And every time I turn this way I see a sea of Conservative faces that come out of the farm and agricultural community of Manitoba. And I can't see any new faces even sprouting on honourable members opposite. But, Mr. Speaker, I should give some gratuitous advice to honourable members opposite. It is for this kind of reason . . . You can't have, Mr. Speaker, the Honourable Member for Churchill spend five months in this House, worrying about everything from MacGregor to lead poisoning or something like that and then every once in a while, once after some prodding by the Member for Rock Lake, stand up and express some concern about the Port of Churchill, within his constituency, about the grain movement.

That kind of hypocritical pardon me, Mr. Speaker.~ (Interjection)~ Mr. Speaker, I am withdrawing that remark. That kind of political opportunism, Mr. Speaker, of just kind of like a knee-jerk reaction, that all of a sudden says, oh, now we've got to say something in support of agriculture. So somebody jumps up and says something. Mr. Speaker, our agricultural people, they're not fooled that easily. In fact, Mr. Speaker, I'll tell you, they're not fooled as easily as our urban cousins.~ (Interjection)~ Mr. Speaker, that election will be called. Mr. Speaker, I want to go on the record, there will be 38 members forming the government next election, I'd like to be precise about it, we count 38 members, a gain of five seats.

We are not a province like Alberta, or even Quebec, that has massive swings. I appreciate that. There is a strong residue of socialist support in this province, and that will remain there. Mr. Schreyer could not break that barrier in 1973, when perhaps all indicators were there that he was facing a somewhat demoralized opposition at that time. He was certainly riding high on a white charger through the width and breadth of this province of Manitoba and in fact I can recall a mayor, a prominent mayor of this city, wagering on the night of the election that the New Democrats would pick up 40 seats in that election.

Of course, Mr. Speaker, that didn't happen. And, Mr. Speaker, I'm telling you what will happen in the latter part of 1982 or perhaps 1983, when the next election is called. The results will be there and they will be firm. A minimal gain of five seats and the base of that, and I'll conclude with these remarks Mr. Speaker. Mr. Speaker, I appreciate that the House has been trying to you, Sir, and you've been somewhat testy these last few days. Sir, I was going great guns when my friend and colleague, the Deputy Speaker, was in the Chair, but I'm somewhat nervous right now with your presence, so I'll sit down and relax in a moment.

But I want to indicate to the members why I'm making that kind of a confident bet. Because it's the kind of action that you're taking on this bill that will

continue, they deserve the support that this government, this Minister of Agriculture, is going to get from the farm community. Because, gentlemen, you don't believe in it, because I know what you believe in. You believe in orderly marketing and you're deserting your baby. You established the orderly marketing board. Mr. Speaker, by suggesting that any backing away from the present milk control board, which quite frankly I would like to throw right out . . . But, Mr. Speaker, this is a concern that this Minister has against the objections, I would say, of the majority of the dairy farmers, but, Mr. Speaker, we are prepared to acknowledge that milk is a special subject. We are prepared to maintain even a greater degree of consumer protection in it than I believe is there in any responsible marketing structure. I believe it's there.

Now, if you don't believe it's there, and I close by saying, I look at the Honourable Member for St. George. He is a very responsible food producer as long as he's producing turkeys. If he were milking cows, he'd be out there in a jungle world, gouging, depriving people of that necessary milk. But as a turkey producer, he's an angel, a fine fellow. An egg producer fine.

Mr. Speaker, allow me to conclude and to just . . .

**MR. SPEAKER:** Order, order please. We can only have one speaker at a time. Order please.

The Honourable Minister of Government Services.

**MR. ENNS:** Mr. Speaker, I simply wanted to remind the honourable members opposite that there was a time when they were prepared to stand up for the things they believed in. Now, it happened in 1966, on a similar issue on marketing, the development of two marketing boards. But, Mr. Speaker, eight years of power have considerably corrupted them. They now lust for power for power's sake and they are prepared to abandon principles that I know are near and dear to them. They are prepared, for the sake of garnering favour with the city voter, to push aside those principles, ignore the fact that you have a marketing board in place that has the specific responsibility of ensuring a stable supply of this very important food product on the tables of Manitoba. They have that responsibility. In addition to that, there's the Manitoba Marketing Council that supervises where an appeal mechanism is already built in.

As I say, Mr. Speaker, in my judgment, I have some questions of the necessity of the bill. I recognize what the Honourable Minister of Agriculture is doing in this bill and honourable members opposite ought to recognize it. But instead, you're after that cheap, fast vote, Mr. Speaker. And, Mr. Speaker, particularly in this industry, in this area, in the area of milk production, that's going to come back to haunt you. You've made the suggestion in this Chamber, and it's on Hansard, that the way the Manitoba Milk Marketing Board operates their business is the law of the jungle. That's what you suggested. Yes, Mr. Speaker.

**MR. SPEAKER:** Order. Order please. The Honourable Member for St. George.

**MR. URUSKI:** Mr. Speaker, can the Minister of Government Services retract that statement? No member on this side has made that statement at all in their speeches.

**MR. ENNS:** Mr. Speaker, I've been reasonably cooperative with wrong statements when I knew that I was stretching the propriety of this House or was out of order. I will not withdraw that statement, because that statement was used several times by several speakers and I will provide we'll have to wait, Mr. Speaker, for a few days of Hansard. We'll have to wait for Hansard to show that. But they have referred, as the last speaker just previous to me suggested, he has suggested that we should be just, in effect, throwing it open to wide-open competition, laissez-faire, free enterprise, Mr. Speaker, again not recognizing, not taking the time, not bothering to recognize that you have elected members sitting, dairy producers, sitting on a milk marketing board, much the same as you have what I would like to believe are responsible people regulating the affairs of the turkey, the egg, the broiler, the chicken business.

Mr. Speaker, what do those boards do? Well, Mr. Speaker, that's— (Interjection) - Mr. Speaker, listen to your own arguments. Listen to your own arguments on this bill, Mr. Speaker. And I'm afraid they're going to have some difficulty with this one. They're going to have difficulty with this one throughout the agricultural community. Mr. Speaker, I support the actions of my Minister in this instance, as all of us will, and don't think that we haven't got members in our caucus that are as concerned about consumer protection as any members are over there. I'm proud to say that they are a little more principled, that they are more principled than members opposite. But, Mr. Speaker, the bill provides, in a measure that is above and beyond all other marketing board structures, a degree of control. I say to myself that that's not particularly necessary there, but I accept it because of the special nature, the long history of milk in its controlled and regulated state that it's been marketed and produced in the province of Manitoba.

But, Mr. Speaker, honourable members opposite and the New Democratic Party, the Leader of the Opposition, if he expects to wander through the province of Manitoba at some point and talk seriously to agricultural leaders, and to agricultural meetings and gatherings, he's going to have to remember his words and his actions on this bill.

**MR. SPEAKER:** The Honourable Member for Lac du Bonnet with a question.

**MR. USKIW:** Yes, just one point, Mr. Speaker. Given the fact that the Minister of Government Services is so much opposed to a regulated industry, I ask him why he is supporting a measure that continues to control the price-setting mechanism on producer milk, while deregulating the control on the consumer side. Why is he continuing to support the controls on the producers? Why isn't he allowing the producer board to establish their own prices?

**MR. SPEAKER:** The Honourable Minister of Government Services.

**MR. ENNS:** Mr. Speaker, I'm not a member of that particular producer board. But I know one thing, that that board, as indeed any other board, can do a great number of things with respect to how their product is going to be bought and paid for and how the producer is going to pay for it. If the individual board, if the Manitoba Milk Marketing Board, wishes to change, wishes to make a fundamental change in the manner and way in which they pay their producers for milk, Mr. Speaker, it is within the powers of that board to do so.

No, Mr. Speaker. The Commission is there; that's your problem. You can't have it both ways. On the one hand, speaker after speaker have called it a sham, just a little bit of a political window dressing with no power, with just review powers, and now the Honourable Member for Lac du Bonnet is suggesting to me that it will have the continuing functions of the present milk control board. Well, Mr. Speaker, they can't have it both ways.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** Mr. Speaker, it has been revealing this morning, it has been revealing to note two clear unquestionable signs of anxiety and desperation on the part of the government.

First, during the question period, shortly after the question period, the Minister of Agriculture, obviously greatly disturbed, and he has reason to be disturbed, Mr. Speaker, announced to the House that it was the opposition that was holding up the discussion pertaining to this bill, and if this bill did not proceed to committee, it would be the opposition that would have to provide the explanation to those producers that he had promised would be able to make their submissions on Monday or Tuesday. This Minister of Agriculture expected this opposition to be a rubber stamp to the shams that he introduced into this House. Mr. Speaker, we say no to the Minister of Agriculture, and we will say no a hundred times to any continued efforts on the part of the Minister of Agriculture to bully, to bully in a short space of time, legislation through this House that is obviously as sloppy and as ill-prepared as most of the legislation that has been introduced from across the way, Mr. Speaker.

Secondly, Mr. Speaker, the government had avoided debate on this bill. There was only the Member for Emerson the other day and I believe the Member for La Verendrye, that gave speeches; and I must say I unfortunately did not hear the Member for La Verendrye, but I was impressed with the speech by the Member for Emerson. Unfortunately, he was conned by the Minister of Agriculture, but his sincerity cannot be questioned in the speech that he delivered. But then, Mr. Speaker, we note a long period of silence pertaining to this bill. The government was hoping, Mr. Speaker, that the bill would some way or other just move its easy way through the proceedings. The Minister of Government Services was compelled, Mr. Speaker, to rise in his place this morning. And, Mr. Speaker, I don't want to be parliamentary, but if there is a member in this House that knows how to appeal to the gallery, it is the Minister of Government Services and I give him credit where credit is due, but I think

has been a long long time in this House, Mr. Speaker. I can recall very few occasions when we have seen such a red herring dragged out as we noted being dragged out in the past few moments. It has been rare indeed that we have seen such a blatant and exaggerated effort to erect a strawman, strawman in order that shots might be made at that strawman.

Why, Mr. Speaker? Why would the Minister of Government Services attempt to erect a strawman? Why would the Minister of Agriculture only this morning threaten in this House? Why, Mr. Speaker? The reason is that both the Minister of Agriculture and the Minister of Government Services know that his legislation, Bill 86 presently before the House, that those pieces of legislation have been exposed, exposed for what they are, that both the producers in Manitoba, and the consumers in the province of Manitoba know that a gigantic con game is being attempted upon them in this province, and the producers and the consumers don't like it. So, Mr. Speaker, we observe desperation.

It was interesting, the Minister of Government Services says in his obvious great concern, that the opposition is appealing for votes. Mr. Speaker, we are all interested in votes. But, Mr. Speaker, what was most revealing is that the Minister of Government Services very proudly suggested this was going to deliver 28 seats to the government; and, of course, he is not interested in votes, Mr. Speaker, only the opposition is interested in votes. Mr. Speaker, how gullible, how gullible does the Minister of Government Services think the people of Manitoba are? Mr. Speaker, he will discover in the next election just how wise the voters of Manitoba are.

Mr. Speaker, we do not need to be preached to, preached to by the government of the day about the plight of the producers in Manitoba, particularly those in the dairy industry. We are conscious of a cost-price squeeze which has continued to press dairy farmers and other farmers by a vicelike grip over the past number of years. We have noted, Mr. Speaker, that despite this cost-price squeeze that we have a government that has done nil, nil, Mr. Speaker, for the dairy farmers during the past two-and-one-half years, now sham, now sham that they are doing something for the farmers in the province of Manitoba.

We are conscious, Mr. Speaker, of the fact that there are many dairy farmers that have gone out of production in the past several years in Manitoba. We are conscious of the fact that many dairy farmers have left rural communities for urban communities to take on other areas of employment, and often within a short space of time are enjoying a better rate of return than they were in the rural communities. We are conscious of that, Mr. Speaker. We are conscious of that. We are also conscious of the fact that it is necessary that a solid milk industry be maintained in the province of Manitoba, and we are aware that the dairy farmers are a cornerstone to the continued perseverance of a milk industry that will benefit the producer, the consumer and all in the province of Manitoba. We are quite conscious of that, Mr. Speaker.

I will give some members across the way credit that they are also conscious of that. There is no

doubt in my mind that the Member for Emerson, although misled, sincerely is anxious for the dairy farmers in the province of Manitoba. But, Mr. Speaker, we have a number of concerns pertaining to this legislation and I would like to deal with those concerns that we have at the present time.

The Bill seeks to continue the regulation pertaining to producers in Manitoba, but deregulates in essence the retailer and the wholesaler. I believe that very valid questions have been asked by the Minister of Agriculture, and the Minister of Agriculture cannot shuffle away answers to those questions. Why continue the controls pertaining to the producers in the province of Manitoba at the same time that he sees fit to deregulate the wholesaler and the retailer in Manitoba? He will say, oh, yes, but if it is warranted that that price can be rolled back, the price can be rolled back after it has already been established and the Act is certainly very very unclear as to under what circumstances the price will be rolled back. What is considered, Mr. Speaker, to be unreasonable, what is an unreasonable rate of return? This is left certainly very unclear insofar as the producer is concerned in the province of Manitoba, controlled insofar as the producers are concerned, decontrolled so far as the wholesalers and the retailers are concerned in Manitoba.

What concerns us, and I want to speak directly to the Member for Emerson at this point, that if you remove the controls insofar as retail price and wholesale price in Manitoba, and if retail prices do indeed skyrocket the same time that producer prices are controlled, and if as a result of that consumption decreases and surpluses build up, what then indeed will occur, Mr. Speaker, is the diminishing in the size and the number of the dairy farmers in the province of Manitoba. They will, in fact, be the victim of a pricing process which permits the retailers and the processors to increase their prices to the extent that there is a reduction in consumption, the increase in surplus, the supply and demand and, Mr. Speaker, this government is committing the worst of all sins. They are keeping control for a portion of the industry and decontrolling the other portion of the industry. Mr. Speaker, you cannot have it both ways. Either you control the industry or you decontrol the industry. You have decided to control the farmers and decontrol the wholesalers and the retailers. The end result of that, Mr. Speaker, will be detriment to both the producers and the consumers in Manitoba and I have no doubt, no doubt, Mr. Speaker, that time will prove the truth of that.

Now, Mr. Speaker, we also find that insofar as this Bill is concerned, and I think it is quite regrettable, and the Member for Churchill last evening I thought dealt with this very movingly, and I would have hoped that he had in his reasonable manner persuaded the Minister of Agriculture to take a second thought. There is no mechanism in this legislation to deal with selected unwarranted price increases. What is going to occur, Mr. Speaker, insofar as the remote communities in Manitoba, where there is absolutely no price competition in the retail field? What is going to occur?

Mr. Speaker, already those in the north are paying exorbitant prices for milk because of the control that is exercised at the retail level in many northern communities. Now, Mr. Speaker, we will find that

those prices will even more skyrocket and yet we have legislation that is toothless, incapable of providing any assistance to the northern people in remote communities. Mr. Speaker, what is going to occur in downtown areas in the city of Winnipeg, where again there is a lack of price competition? Questions have been raised again and again to the Minister of Economic Development about plans for a better retail store insofar as the downtown area of the city of Winnipeg is concerned, a lack of retail facilities. And yet, Mr. Speaker, we will again have a situation because this bill is toothless, that there is no capacity within this bill, because of the removal of maximum pricing at the retail level to ensure that there is fairness to the consumer, whether it be the northern community, whether it be the downtown area of the city of Winnipeg, whether it is rural communities where there is a lack of retail price competition.

The Minister is opening up such a can of worms, a Pandora's box, insofar as consumers are concerned in Manitoba. Mr. Speaker, I had thought that we would only have one monstrous piece of legislation, one real monstrous piece of legislation. Unfortunately, we have had three such pieces of monstrous legislation: The Payment of Wages Act; The Rent Control; now what could indeed be the worse decontrol, and what could indeed be the worst, the legislation that is before us at this time introduced by this Minister of Agriculture, with what appears to be the solid support and that is rather interesting, Mr. Speaker the solid support of the members across the way, even though the Minister of Government Services indicates that he is unhappy, unhappy about the bill.

But I don't expect the Minister of Government Services to demonstrate his conviction by standing up in opposition to the bill. He would sooner attempt to erect a strawman on this side of the House than indicate to the entire province, Mr. Speaker, that he can demonstrate conviction by standing up, even if it be all alone on that side of the House, in opposition to this bill. This Minister, Mr. Speaker, has spoken in two directions, two directions, because he was attempting to erect a strawman on this side of the House he had to suggest that he was in disfavour with the legislation across the way, because it didn't go far enough. It was this Minister of Government Services, Mr. Speaker, that placed himself in that corner, and he was attempting to escape from that corner by attempting to place a distance between himself and the Minister of Agriculture, the Minister of Consumer Affairs, the First Minister, the Member for Emerson and all the others. Mr. Speaker, it will not wash. We are quite conscious of the little stunt that the Minister of Government Services was attempting to undertake in this Chamber

Now, Mr. Speaker, in addition we have a situation in Manitoba, and I would like the Minister of Agriculture to deal with this at some stage, whether or not the processors and the wholesalers in Manitoba have requested decontrol. Lucerne controls 25 percent of the retail market, and the Member for Rock Lake knows that. Modern Dairies control 50 percent of the market in Manitoba. Seventy-five percent of the retail market controlled by two large retailers, two large retailers, and we find, Mr. Speaker, that this government, rather than

pass legislation in the interests of the producers of Manitoba . . .

**MR. SPEAKER:** Order please. Order please. We can only have one speaker at a time. The Honourable Leader of the Opposition.

**MR. PAWLEY:** Thank you very much, Mr. Speaker, for your injunction.

Mr. Speaker, rather than pass legislation in the interests of the consumer, legislation to assist the producer, we have legislation that will benefit in the main form two large wholesalers in the province of Manitoba that control 75 percent of the retail industry in the province of Manitoba. That is who will benefit from this legislation.

Mr. Speaker, we wonder, and I would like the Minister of Agriculture to answer at some point. When did the wholesalers ask for the decontrol? When did the wholesalers ask for the lifting of the retail price? Why is the Minister favouring those that control 75 percent of the market in such a gratuitous way as he is attempting to do by way of this legislation? What sort of arrangements has the Minister of Agriculture made with Lucerne and with Safeway in order to cause him to pass such lucrative legislation to the benefit of the retailers in Manitoba? These are questions that this Minister of Agriculture has ducked, has avoided dealing with, avoided dealing with to this time, trying to suggest, Mr. Speaker, that he is legislating in the interests of the dairy farmers. We know, Mr. Speaker, who the Minister of Agriculture is benefiting under this legislation.

Then, Mr. Speaker, we have an additional situation where we . . . and I would like to suggest some measures that I would hope the Minister of Agriculture would consider. The opposition has indicated, and certainly the Member for St. George, the Member for Lac du Bonnet, they have indicated clearly what the opposition would suggest, clearly what the opposition would suggest. And for members to continue to shout from across the way, "What would you do?" only demonstrates that they have not been listening to what has been said by members on this side of the House.

We have indicated, No. (1) that we would correct delays that have occurred in the hearing processes. If you want to tighten up, and I think it should, that the hearing processes be tightened up, then do so, do so, work out the procedures. (Interjection) Mr. Speaker, the Minister of Agriculture says we had the chance in eight years. He has had the last three years, the last three years in which most of the difficulties were occurring and he has sat on his rear end and has done nil, Mr. Speaker.

Secondly, we would propose that hearings do take place insofar as the cost of production formula, not in individual price increases, but insofar as cost of production formula, the establishment of the cost of production formula, then producers and others should be able to attend, to discuss, and to make representations pertaining to the basic cost of production formula. Quite reasonable, quite reasonable. The Minister of Agriculture could easily amend the legislation to provide for that, not for individual price increases, but to deal with the cost of production formula.

Then, Mr. Speaker, we have a situation that now exists in Manitoba pertaining to the drought. We know that dairy farmers in Manitoba have been inflicted with additional costs because of the rising costs of hay during the last number of months due to the drought. We know, as a result of that, the cost to the producers involved in the dairy industry has increased considerably, no question about that. Mr. Speaker, we trust it will be only a temporary short-term type of situation, next year, year-and one-half. But, Mr. Speaker, in view of that situation, this government should consider a subsidy in order to ensure that the farmers are assisted over the hump of the drought period, so that the benefits will accrue not only to the consumer, but the farmer will be not placed in the position of being the scapegoat for sharply increased milk prices due to the rising price of hay.

Otherwise, Mr. Speaker, this Minister of Agriculture is placing the farmers in a delicate, rather dangerous position, where they will be increasing their prices on a short-term basis solely because they have farmers in this province who have been inflicted with additional costs from the drought and if this government was really interested, really interested, Mr. Speaker, in (1) assisting the producers in Manitoba and ensuring that the consumers receive milk, the most nutritious product that we can enjoy at a stable price, rather than an unstable price, then this government should consider the provision of a subsidy in order to cover that additional cost that has been introduced to milk as a result of circumstances beyond the control of the farmer, specifically the drought, so that the consumer will also benefit.

I haven't heard any suggestion from the Minister to that respect. I think there are other areas that governments in the future will have to look at. I think, Mr. Speaker, as time unfolds in the future, that the main objectives of government ought to be to ensure that all receive decent shelter, clothing, food, at reasonable prices. What better way but to examine the prospect of subsidizing the cost of milk? Who would argue that milk is the most important, nutritious — (Interjection) — my colleague from Elmwood says delicious, substance that is available. But there are those in our province mentioned by the Member for Churchill last night that are not receiving the benefits of milk that they should.

Look at subsidy programs, subsidy program for children in the core areas of the city of Winnipeg, school programs. Look for programs to subsidize milk to our northern residents that are unable to receive milk at a reasonable price to them. I asked the Minister of Northern Affairs what study was being undertaken by his department in order to ascertain whether there would be an impact from Bill 86 upon northern residents. Mr. Speaker, I had simply assumed that the Minister of Northern Affairs would have undertaken such a study. I thought the Minister of Northern Affairs, prior to this bill having been discussed in Cabinet, would have been in contact with the Minister of Agriculture and there would have been a careful analysis done as to the impact of this bill upon the residents of northern Manitoba.

Mr. Speaker, I was surprised beyond words when the Minister of Northern Affairs advised the House no study had been undertaken. I don't think that a

study had even been thought of by the Minister of Northern Affairs or by any other member of the government across the way. What did we find out from the Minister of Northern Affairs? That he would be monitoring the price of milk in northern Manitoba. What cold comfort to the thousands of residents of northern Manitoba that will likely be affected by this legislation within the next year, what cold comfort coming from the tongue of the Minister of Northern Affairs, Mr. Speaker, as cold as ice cream.

Mr. Speaker, it is not too late for the Minister of Northern Affairs, because I think the Minister of Northern Affairs wants to undertake his responsibility, as the Minister of Northern Affairs, to speak to the Minister of Agriculture and say to the Minister of Agriculture, what protection is there in this bill in the event of unwarranted price increases in selected northern communities. Not too late for the Minister of Northern Affairs to speak up, to speak up as the Minister of Northern Affairs, to speak up as the Minister of Northern Affairs to the Minister of Agriculture, rather than toddling along behind the Minister of Agriculture, and saying, I have a responsibility, you have your responsibility, but I too have my responsibility. — (Interjection) — Well, that is the unfortunate part, Mr. Speaker. They are apparently only staring to speak to each other at this late hour. After the Minister of Agriculture said, come what may we must get this bill into committee for the public to make their submissions, and if it doesn't go there it is going to be the opposition's fault. Now acknowledgement, we finally have the Minister of Northern Affairs talking to the Minister of Agriculture.

I would have thought that the Minister of Consumer Affairs, and I know that he is inflicted with another piece of legislation, would also have had some input into this legislation.

You know, one of the problems we have across the way is Ministers overburdened. We witnessed that last night with the Attorney-General. We have witnessed that with the Minister of Consumer Affairs involved in the heat of debate on Bill 83, The Rent Control, and unable to fulfill his responsibility by sitting down with the Minister of Agriculture in discussing with the Minister of Agriculture what impact his legislation will have on the consumers of this province, because he lifts the lid in essence upon the retailers and the wholesalers in Manitoba. No, the Minister of Rent Decontrol is too much involved in Room 254, not as involved as he ought to be, to sit down with the Minister of Agriculture. Mr. Speaker, what we are witnessing, unfortunately.

So we have made our proposals to the Minister of Agriculture, clear-cut proposals. He cannot continue to pretend that the opposition have not made suggestions and proposals to him. The Minister of Government Services cannot continue to suggest that there's some sort of strawman over here that he's trying to shoot down. The Minister of Government Services cannot continue to suggest that everyone on that side is a friend of the farmer and everybody on this side is opposed to the farmer, because the farmers of Manitoba know otherwise. The farmers of Manitoba know otherwise. — (Interjection) — And the Minister knows very clearly where we stand on orderly marketing. He acknowledged himself that the New Democratic Party supported orderly marketing, but oh, how we have

heard from the Minister of Consumer Affairs and others on that side how much they detest orderly marketing, how strongly they support the free market, how much they are opposed to that sort of catch phrase that was used over and over on their part, which is supposed to bring about all sorts of pictures of monstrous figures, Supply Management.

We know where they stand; they know where we stand. But, Mr. Speaker, this bill doesn't do either. It doesn't free the market; it continues the controls insofar as producers are concerned. Oh yes, they've switched the name of the board from milk control board to milk review board; the Commission doesn't do anything else. Mr. Speaker, what we have witnessed and observed in the past little while is a continuation of a process across the way. The last two months have evidenced . . . It was interesting, the Minister of Consumer Affairs, yesterday's paper says the New Democratic Party forget about the minorities in Manitoba. Mr. Speaker, the minorities in Manitoba that we have asked be required to not receive more than their fair share have been the banks under The Payment of Wages Act, where they provided the banks with preference over the workmen and women of Manitoba; the developers and others that will receive benefits as a result of the rent decontrol which has been introduced into this province by the Minister of decontrol.

And now, Mr. Speaker, the most blatant of all, the minority that represents 75 percent of the wholesale milk market in Manitoba — Lucerne and Safeway. The Minister of agriculture, oh yes, he's representing the minority in Manitoba. Just as he represents Cargill when it comes to hog production in the province of Manitoba. Mr. Speaker, what we have is a Minister of Agriculture that has let down the interests of farmers in Manitoba, that has betrayed the interests that he is supposed to represent in the interests of retailers and wholesalers.

So, Mr. Speaker, I advise the Minister of Agriculture that we will vote against this bill. We will continue to debate this bill and, Mr. Speaker, we're going to have many producers and consumers that will be backing us in our opposition to this bill. Mr. Speaker, the Member for Emerson hollers from his seat, show me one producer. I have just in front of me the comment by Mr. Rampton. He described this bill, described the bill very well as being a bill that was unsatisfactory to dairy farmers. That's a producer, that's a head of your producers. Unsatisfactory to dairy farmers. That's precisely, Mr. Speaker, what I've been saying for the past 40 minutes. But not only is it unsatisfactory to the producers in Manitoba, this bill is unsatisfactory to the consumers in Manitoba. It is only satisfactory to the wholesalers and the retailers, the true friends of this government, the true friends of the Progressive Conservative Party in Manitoba. That's the group that this government is most interested in serving.

And I want to thank my colleague, the Member for Elmwood. Mr. Armand Desharnais, a very fine man. I had an opportunity to speak to Mr. Desharnais last night — very perceptive, very perceptive, perceives well just what is taking place — who indicated that they were not happy with Bill 86, a bill which he described would deregulate the wholesale and retail price of milk while fixing the price for producers. That's Mr. Desharnais speaking. And if we had the

opportunity, we would find that there would be — and I just wish that we had much more time, rather than request from the Minister of Agriculture that come what may we must have this bill before a committee tonight, so that we could discuss this bill more and more fully, so it could be analyzed in greater detail, so more and more farmers could speak out, as Mr. Rampton and Desharnais have, and indicate to Manitobans this bill is unsatisfactory, that it doesn't do anything. I wish we had more time and then possibly we could smoke out Modern Dairies, possibly smoke out Lucerne, and they would have to come to the rescue of the Minister of Agriculture.

We'll be waiting to see whether Lucerne and Safeway appear before a committee. I'm sure if they do, Mr. Speaker, they will be coming as enthusiastic supporters of the Minister of Agriculture. In fact, they will be his greatest fans before the committee, nature's foods and the whole works.

So, Mr. Speaker, at this point I would like to move, seconded by the Member for St. George, that Bill 86, The Milk Prices Review Act, be not now read a second time, but read this date six months' hence.

#### **MOTION presented.**

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** Mr. Speaker, I'd like to speak, but I would assume that we would call it 12:30, since it's 12:30. Mr. Speaker, can I have the leave of the House to call it 12:30?

#### **COMMITTEE CHANGES**

**MR. SPEAKER:** The Honourable Member for Logan.

**MR. WILLIAM JENKINS:** Thank you, Mr. Speaker. I'd like to make a couple of committee changes. On the Agricultural Committee, the Honourable Member for St. George in place of the Honourable Member for Transcona; and on the Private Bills Committee, the Honourable Member for St. Boniface in place of the Honourable Member for Ste. Rose.

**MR. SPEAKER:** Are those changes agreeable? (Agreed)

The hour being 12:30, the House is accordingly adjourned and stands adjourned until 2:00 o'clock this afternoon (Tuesday)