

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Thursday, March 3, 1966.

MR. CHAIRMAN: Resolution No. 7 -- passed?

MR. BARKMAN: I'm sorry to disappoint you, but I'd like to finish what I left off before the dinner hour. I was mentioning that Manitoba itself was spending less than 50 percent of the total agriculture budget, and the Minister talked this afternoon of the courageous Cabinet. I think that he should have been a little more optimistic on this viewpoint, because the Minister admitted this afternoon that we must take a new look and I agree with him. I think this is something that just will have to be done if we want to keep Manitoba's agriculture as prominent as it has been for a long time.

I was very interested in what one of the other members said the other day, politically speaking, agriculture was on the wane in Manitoba. I think that if we followed this through, as I said before, according to the mentioning of it in the Throne Speech, and also when we take into consideration that the important theme to stress is not the same as it used to be, but I think I can assure the Minister that our farmers don't think that way. I think there's no question, no doubt that the money our farmers today are spending on buildings, and spending on buying new tracts of land, and improving their seeds, and practically from every angle - and I'm sure the Minister agrees that the spirit of the farmer is possibly as good as ever.

I was surprised to see in an Alberta paper where we talk of industry being so high and so prominent; we talk of the "oil rich" province and talk of this rich and wealthy province, and one of the papers says right in the headlines: "Farm Aid is Maintained by Speech from Throne" - "Widespread legislation to bolster Alberta's agriculture industry, including establishment of a special research fund, and insurance to protect livestock producers, will be one of the major objectives of the government during the Legislature Session." It goes on: "The research program to be carried out through an Alberta agricultural research project will increase financial support to all phases of agriculture research in the University of Manitoba, according to yesterday's Speech from the Throne." It goes on and on to say much more about agriculture. So this province is very aware of the fact that agriculture is something to stay, and while possibly only 20 percent of the population is left on the farms, I am sure that we would have to agree as far as our economic situation is concerned, there is much more than that to agriculture.

I can't help but think when we see these things, and the Minister said this afternoon that we are leaders of Manitoba and possibly even of western Canada, that we are not doing enough about helping the people, especially the family farmer in regards to agriculture. I know that there is good things being done and I want to be the last one to say that there aren't any good things being done, but I think not enough. I agree with him when he says -- and I am happy to see that some of the farm management services that they are holding on television, the courses are good and that they are flourishing. Fine. We know this is good, but we know also that the little we read about the Manitoba flood activity, agriculture council or the farmers' management - courses on farm management - we know that this alone will not supply the profit.

I'd like to go on to one more subject which I think is becoming very prominent amongst Manitoba farmers and that is the importance of soil tests regarding fertilizers. I cannot agree with the Minister when he says that the people might not appreciate these soil tests enough, if not a substantial amount is being charged. Now if he is talking of the so-called elite farmers, I definitely agree that they are very capable of looking after themselves. In fact, I hear that some of them have their own little testing machines. They tell me that one in Mexico sells for about \$4.00. Just how good it is, I don't know.

But I am concerned here about the small farmer that has 80 or 160 acres. As we know, he has to take some three to five tests, especially in Southeastern Manitoba, and I'm sure that it's the same in a lot of places in Manitoba. I am sure that even on a quarter of land, or even on 80 acres, you have to take three or five tests and you have to pay \$9.00 a test. This runs up to quite a bit of money, and I gather from the figures that he gave us that there were approximately 9,000 tests being taken in 1964 and approximately 10,000 or so in 1965. I don't think that this increase is enough, because while the principle may be correct that they should be charged something, I don't think in this case that enough is being done for this small farmer.

I don't think we have to search very many figures to know that today more than double the amount of fertilizers are being sold than just possibly two and a half or three years ago, and I don't think we disagree that many many thousands of dollars of fertilizers are spread in fields where the farmer just doesn't know what kind of brand he really should use. I certainly

(MR. BARKMAN, cont'd) . . . . agree, where the big farmer is involved, he can pay for it. He has no trouble paying for it, but I don't think it's fair on the small farmers, especially in areas where he has so many different types of land. I think there should be some help. There was some talk a while ago at the university that possibly even some of the equipment was not quite up-to-date. I believe some of that has been corrected and I know that the departments down there are very much aware that they wish they would have more money to spend on this. When you think of 10,000 tests costing perhaps \$90,000; when you think of the thousands and thousands of dollars that are being - possibly not exactly thrown away - but they are lost and they are certainly lost. These monies are certainly and actually lost to the economy of this province.

I would certainly stress on this government that in the case of the small farmer, I think half the price would be plenty, at least up to a number of tests. Once you run into more tests, I can see where you run into a problem - who are you going to give it to - but I think this could be established. After all, they have to give their section and what have you when they apply and I would certainly beg this government to reconsider. It's not very much money on behalf of spending from this department when you consider the thousands and thousands of dollars that are being fertilized - fertilized - that actually do this province no good.

MR. SMERCHANSKI: Mr. Chairman, I'd like to turn back the Minister's attention on the ARDA project. I think that this Minister, and certainly the Roblin administration, would be very well advised not to move these people off the land in the Interlake area. The ARDA project that has been going on in the Interlake area - in 1963 we were given to understand by the Minister of Agriculture that this was a wonderful area in which to raise turkeys; this was a wonderful area in which pasture lands could be developed. In 1964, the department then went in to telling us that this was an excellent area for green pastures and for community pastures. Then in 1965 we were told that in this area we were going to enable the people to discover themselves. Now I don't know the true meaning of this definition. It sounds something like the - possibly "Old Time Religion". Then this year we are told that we are going to blaze a new trail in education and opportunity.

Mr. Chairman, the Interlake area, because of its ethnic mix and its ethnic inter-marriage in this area, you have a rather unique and a very capable individual that lives in the Interlake area. Here we have -- I think the Honourable Minister of Education must agree with me on those basis because we both come out of that area. Now in this area, Mr. Chairman, we have all the necessary requirements for locating industry. We have transportation; we have the necessary electricity available; and we have the necessary manpower available.

Now to have the Minister come out and say that we are going to undertake some type of a project to educate these people, I recommend most strongly to this government that that is the biggest insult that you can quote in reference to the people in the Interlake area. I am quite sure that the Minister does not mean this. Now also we have, in his remarks the other day, that almost without exception they came to the conclusion - and we're talking about the surveys in the Interlake area - they came to the conclusion that their number one problem is the Interlake education. Now, Mr. Chairman, I think we have public schools in this area; I do believe we have high school facilities in this area; and I do believe that the people in this area are obtaining or getting the same type of education that any other part of Manitoba is getting. Now if they aren't getting it, then there's something wrong. But the Honourable Minister of Agriculture would have us believe that this is not the condition.

This area is one that is absolutely ideal for industrial development, and let this government, and let the Minister of Agriculture certainly, not make the decision as to what is good for these people in the Interlake area, because this government has been spending money for the last four years in making studies on this area and trying to find some type of a solution for these people and is unable to do it.

Mr. Chairman, the problem is not that complicated. With the expenditure of \$1 million, I myself would be glad to undertake, with a committee of two or three others in the area - we would use this as an equity position and raise another \$9 million - and I will guarantee you that we will put to work four to five hundred people in that area within 365 days, and we will give these people the opportunity to take home a yearly payroll of some \$1 million.

Now, they have their homes in this area. Maybe the homes aren't as good as the Honourable Minister of Agriculture would like to see, maybe they don't live the way we feel they should live, but then who is this Roblin administration? Who is the Department of Agriculture to tell these people how they should live? They raise their own vegetables; they have their own homes; they have their own cattle, meat, milk and cows and so forth. Their way of life is their own choice and their way of life is a good choice, and let no government

(MR. SMERCHANSKI, cont'd) . . . . agency make a decision to tell the people that they are not educated and to tell the people that they have to be removed out of the area. Because you know what will happen, Mr. Chairman? When you remove these people from an area of that nature and displace them, you are going to have a tremendous impact on the costs of welfare and a tremendous cost in reference to trying to do something with these people. The proper place is to find employment for them in their own locality, which this government, and through the ARDA program, has certainly failed and failed miserably. I think that the Minister of Agriculture, together with his associates, will have to be held responsible by the people in this province at election time. The people will make a decision then and they will be the judges and they are going to judge as to how well you were able to perform your responsibilities in this area, and with the spending of the taxpayers' money. I would strongly suggest that we do not remove these people and we should not even entertain a program of this nature.

On the other hand, Mr. Chairman, I would suggest that some of our people in the city who are on welfare, that it would be a wonderful pilot project to take these people into the Interlake area and locate them on land where they can grow their own vegetables, and have the children help grow those vegetables, and you're going to remove a lot of these so-called potential delinquent children off the responsibility and cost of the government. This is a little more sensible, Mr. Chairman.

You know, Mr. Chairman, what I'd like to ask the Honourable Minister of Agriculture, that in his last four years of effort, just how many industries through his studies under ARDA have been developed in the Interlake area. Now, the proof of the pudding is what are the results - actions? Talk is cheap. This you can buy very cheaply, but it is the action my friend and this is something you have lacked and this is something which the entire Roblin administration has lacked, Mr. Chairman. I know you can talk all you want, but it is only that phase of the program that is most appealing and is most expedient politically that will come out to the top in this Roblin administration. So now at long last after four years we find this phrase of personality development - human development - and we're now going to develop the people in this Interlake area and encourage them to find themselves, because up till now they must be lost.

I might also draw to the attention of the Honourable Minister of Agriculture that between Fisher Branch and Vidor we have one of the finest one-township of farming land that exists in the whole Province of Manitoba.

MR. JOHNSON: My constituency.

MR. SMERCHANSKI: Part of it is in your constituency. But as the Honourable Minister said, what has been done in terms of soil analysis or encouraging the growing of alfalfa seed - which the best known locality in Canada is the Interlake area - what has been done in this line? I didn't hear any remarks, Mr. Chairman.

Now surely this would have been a far more worthwhile program for studying and developing it as an industry for the benefit of the people in this area. I think, Mr. Chairman, that we can attribute to the Honourable Minister of Agriculture a series of failures - this is what I think we can attribute. I think I would like read, too, his own remarks at the Interlake Conference where he did say, "To be pushed out or to be poverty-stricken, this is where I take issue with a lot of economists." I want to congratulate him on taking that stand because I agree with him wholeheartedly. But I'll go a little further. "They set these things up as the two alternatives and the only alternatives. Gloomy and arrogant prophets, they charged that all who disagree are wishful thinkers." I again want to agree with him because this I believe has been going on on a rather wholesale basis in reference to the administration and the disposition of the ARDA funds in this area. Now, if these people want to stay in this area then it is the responsibility of the government to encourage them to stay in this area and bring industry to this location. -- (Interjection) -- that's the future generation. I do believe.

Mr. Chairman, the Honourable Minister of Agriculture has been telling us of all the good things that can be done under the ARDA project, and yet he will say that there are certain things that they have to do under ARDA because of the request or because of the direction that comes from the Dominion Government. But, Mr. Chairman, under the ARDA agreement, the province and the federal contribute on an equal basis but the project is at the initiative of the Provincial Government, and it is at this initiative, Mr. Chairman, where I would hold the present government responsible for complete mismanagement in that a great deal more could have been done with ARDA than has been done to date. And above everything else, Mr. Chairman, how can the Minister of Agriculture say that there is so little hope for the future of people

(MR. SMERCHANSKI, cont'd) . . . in a certain area of this province? How can he say . . . . .

MR. HUTTON: On a point of privilege, Mr. Chairman, I never said that. For some - yes, but not all of them.

MR. SMERCHANSKI: Mr. Chairman, I think when you read Hansard for this afternoon, the quotation - and I'd like to quote here, unless my memory is failing me - "Little hope for the future of the people in this area." Now it might have been prefixed with "some".

Now, I again would like to point out who or what super-being will take upon himself that responsibility that will dictate the way of life to others. This goes back in history for a hundred years, two hundred years, three hundred years, and inasmuch as the Honourable Minister of Agriculture was quoting from history in the past, I think it was in the reign of King John that the people became so highly over-taxed and were so misused by the government of the day that they called a halt to it, and I think that at the next provincial election the people of Manitoba are going to call a halt to this same type of shenanigans by the present government.

Mr. Chairman, I will still say the same remark that I said before. This government stages its approach to any problem by a great deal of publicity, television, radio, holding conferences in all the places, but when the smoke clears away, nothing is done - nothing is done. There is no action, no action whatsoever.

You have in the Interlake area also, you've had some schools - schools in the Ashern, schools in the Eriksdale area - and these people have been going back to get a brushing up or get a program of instruction as to how to solve their own problems. Mr. Chairman, with this government, and with this so-called aggressiveness on the part of this government, with all its ability, with all the trained personnel, and yet it has to go into this area where the people are on an average not as well educated - which is admitted by the government - and yet this same government wants some kind of guidance and control from the people in the area. I say to you, Mr. Chairman, we don't need all these studies. Get into the area and bring industry and it'll take care of itself, and you're going to make the people prosperous and they'll contribute to the tax structure of our province. Forget all this nonsense, because you don't know what you're doing.

ARDA is a wonderful agency and ARDA has got something to contribute, but believe me, with the continued ARDA program and with year after year having to sit in this House and listen to what new coat of paint the ARDA projects are going to get in the Interlake area, with nothing concretely established, is a very disappointing thing to say the least. Mr. Chairman, it's no problem; there's no difficulty. Industry can be brought in there at the snap of a finger and it's not being done.

Well, Mr. Chairman, about designated areas we're talking about ARDA under the Department of Agriculture and I'll just take a moment on that. Strange enough, the designated area cuts in about the middle of this area, and if it is such a poverty-stricken area, then why wasn't it a designated area in its entirety? Why wasn't it? Somebody - somebody in this government - somebody in this government had to yield to the Federal Government and agree with them that this was not a totally poverty-stricken area, so that, Mr. Chairman, the facts do not agree with what the Honourable Minister of Agriculture is trying to tell us. He can say all he wants about the different industries that he is going to bring into this area, but for the last five years we see a different approach on it. Now the last one has been the development of the individual to find himself. I'm wondering what next year will bring, but in the meantime, Mr. Chairman, we'll have an election and I don't think they'll be sitting on the other side to make these decisions.

MR. JOHNSON: Mr. Chairman, I certainly don't have to rise to replace or supplant my honourable esteemed colleague the Minister of Agriculture, but after hearing the man speak on this particular estimate and this discussion, I thought I would have to say a few words.

The honourable gentleman who just spoke is a native of the Interlake. He knows perfectly well that since the beginning of time in that area industry has not solved the problems unless they're working with the people. I think the debate is academic at this point on this poverty matter, where the Minister has explained his position with respect to that paper quite adequately.

I thought I would share with the committee the educational aspects of this referred to by the Minister the other day and which will be further dealt with during my estimates. I think it is important as I had the pleasure, with the Minister of Labour, of attending the round table conference held in the middle of January in Ottawa - the Manpower Conference as it was called - with other Ministers of Education in Canada to hear about the plans the Federal Government had with respect to the designated areas, these areas within the -- in this case, that area is within

(MR. JOHNSON, cont'd) . . . the Interlake encompassing most of the ARDA area in that region. In that area, as we said to the people in Ottawa, the people of the Interlake are not poverty-stricken in mind and body by any means. These are good solid people who have, because of the natural resources in the area, the agricultural revolution, the problems on Lake Winnipeg, the fishing industry and for other reasons, need very positive assistance.

We indicated to the federal authorities at that time that we welcomed this concept of a comprehensive total pilot scheme in that area, the idea of a mobility centre; the idea of extra allowances where you could go in and pick up people without any registration with the Unemployment Insurance, for example, where they promised they would define an unemployable; where you could just move in and mobilize people as the Minister of Agriculture has indicated.

We pointed out that in education our studies revealed over 100 one-room schools; the recognition of a very great problem; that we were contemplating some bold action in this regard in that entire area and that we hoped that the pilot project they had in mind, that these counselling - vocational guidance counselling and other services as contemplated with highly technical staff - would reach down to the teenage level, because half the people in that area are under 21 years of age - one-half. After all this work the Minister of Agriculture and his Committee have done, besides developing master drains in that Interlake - drains never dreamt of five, six years ago - they have been working closely with the people and the people have identified education as their number one problem in that area. The people themselves have identified education as the number one priority in their books.

Well, I don't know, the Member from St. George should have no comment as I expect that he will, when the legislation and program is put before us this Session, I expect his full endorsement. I expect him out there, with myself, selling this program - as I'm sure he will - because as a member in that area as I have been, on the other side of the Lake, he knows we can't -- and let's go forward with great strides - strides undreamt of just a few short years ago.

I was interested -- I don't think the member from Burrows meant to say it, but he did say, if he checks Hansard tomorrow, that if he was in the Minister of Industry's shoes that he would employ 500 people at a million dollars a year. That's \$2,000 per person. I don't think he meant that. However, what we want to do -- but the people that have identified this number one problem, they see the roads, the tremendous improvement in roads in the last seven years - that's historical. They see the schools - big schools - twenty-four room high schools, but it isn't fast enough. What's needed, and we have said to the Federal Government with respect to their pilot project, if you really want to put your money where your talk is, let's get in there with a comprehensive program right from the bottom to the top. We're willing to take that bold action that's required provincially, and our submission in the field of education to complement that of the Manpower Mobility Centre as described by the Minister of Agriculture, should be something that every one of us bends our efforts to see whether this kind of total approach can really do the kind of job both the Provincial and Federal Governments feel they can do, with an approach of this type, with vigor.

When you talk about this Poverty Paper, and this discussion in the last several days, as I have tried to indicate repeatedly and as I had the privilege of saying at our conference on behalf of this province, certainly I would hope that the extent of the pilot project would encompass a greater area than that which was proposed. I also hoped that it would be totally comprehensive in assisting the program right down to the elementary level, if necessary, to bring about the kind of reform I was mentioning. We emphasized over and over again not to go in there, as the Minister of Agriculture has so well put it, on an experimental pilot type basis, but go in with the kind of program that he has been talking about and which we will propose to you in education. We must go in and give the people the feeling of security that we mean business, that this is not going to be a one-shot deal and what have you.

It's fine and dandy to say attract industry into that area. We have certainly done our best in talking with many developers, many people who I have spoken to, to come to that area. If they will come, this will some day in that Interlake area be the recreational heart of Metropolitan Winnipeg growth; it will pay a greater and greater role as the heart of recreation I think in our province, with its diversity from the other types of recreational outlets for the Metropolitan area.

But I do think that the important thing, which I think is most significant, is that these people who have been working with the Minister of Agriculture, under his direction in the Interlake area, identifying problems with the people, suggesting they put their priorities on programs, that these people have come out with their priority of education. I had the pleasure

(MR. JOHNSON, cont'd) . . . with this team of attending the ARDA Interlake Conference - the last one - which the people asked be on education in its broadest sense, and the new thinking, the boldness with which they now wish to approach the problem, was refreshing and it was stimulating; and I don't think this could have been done without this kind of homework and effort which was put in by these people.

I think that we should, when we talk of -- certainly there is good land in that area and there is some marginal land, and we all know that the same committee have conducted brush clearing operations, have led to investigations of fish marketing, commented on these matters; and as this has been shared with the federal authorities, they have chosen this area as a target area - one of the twelve target areas in Canada - and I think that with bold action in the field of education and with the kind of mobility that the Minister of Agriculture is asking for in his program, and with the support of the people of Manitoba, I think a very exciting and wonderful thing can happen in this part of our province.

I would certainly hope that when we think of the revolution, how it's affected the people in that area, when so many of the family units who once maintained themselves on smaller farms realize more and more they can not, that the farm units have to get larger; when the fishermen on the lake realize there isn't enough for 4,000 fishermen, that they are going to have to re-train, that there are just going to be X number of fishermen left on the lake in future years; and I think the people are aware of this. People must be aware and people must want these things; they must want change; and as they want it, I think this kind of program fills the vacuum and makes it possible.

I don't think I could have visualized a more comprehensive type of program than that which the Minister has outlined, complemented with the efforts in education, and if we are going to beat the problem of the Interlake, I think this total approach spells well for the future. But when the member from Burrows indicates that nothing is done; what is happening about ARDA; what has happened? Lots has happened - lots has happened. The people are identifying this problem. I live in that area. I work in that area. We never saw it in the light today that we see it now with these teams that have been working with the people, sitting down with them, what is problem number one? Can we turn Hecla into a cattle ranch? Should it be a wild rice preserve? What is the thing that is going to do the most good? What is practical? What is possible?

Now that's a far cry from -- and I reiterate again, in the middle of all this - in the middle of all these discussions with the federal authorities, here we are saying that government must work with the people to enhance the community, to attract industry. The Federal Government of course - the wonderful opportunity had there been any communication between the Minister of National Defence and the Minister of Manpower Development, even the most remote connection, if they had even read each other's press releases, if they had read each other's brochures. There was a marvellous opportunity lost - marvellous opportunity with the enhancement of the National Defence Station there, to develop the housing in concert with the community; but no, another loss. However, we hope that the commercial development that is anticipated will not go forward without going forward in concert with the business community in that area.

The Honourable Member from Burrows well knows - well knows how the physiognomy of that area has changed in the last few years, the awareness and the awakening of the people. I just want to say that as the educational portion of this comes forward, I sincerely hope that every member of the House will support the concept which the Minister of Agriculture hopes to take to the federal authorities in bringing forth this action in the Interlake pilot project.

MR. N. SHOEMAKER (Gladstone): Mr. Chairman, the Honourable the Minister of Agriculture earlier this afternoon was pleading with the members of the House to get off his salary item, and I think he suggested that already one of the papers had taken him to task and the other one I noted had said that the House is spending altogether too much time in discussing estimates. I'm inclined to agree with them to a point, but I think that the last speaker pretty well put his finger on one of the problems when he said, "If they had only read each other's press releases." The problem is that in reading a lot of press releases, it starts up a whole series of arguments. For instance, I've got lots of press releases before me as you well know by this time, and one of them - several of them in January had to do with reporting on agriculture and the conference that took place in Brandon the last week of January, and every one of those press releases said that "Manitoba farm outlook held bright." That's what those press releases said. There was a bright future staring us right in the face.

(MR. SHOEMAKER, cont'd) . . . .

Well, about two days ago along came this Profile on Poverty - was that the name of it - and it changed the picture completely. It didn't change the picture; it's still a very bright future. -- (Interjection) -- It is? Well I'm glad to hear my honourable friends suggest that. They say in spite of that, it is a bright future.

Well for at least eight years, and even prior to that because we might as well go back a little before 1958, my honourable friends opposite in three election campaigns that I took part in, they said that they were going to do something for the farmers; and the farmers said, or certainly they inferred, that simply removing people from the farm was not the answer. They said this was not the answer, and my honourable friend, at several meetings that I heard him at, said that disturbing the family farm was not the answer, that anything that had to be done in the field of agriculture you had to do it always keeping in mind the family farm. Well the farmer thinks of the family farm as his personal little farm of his own, and that's where a lot of the problems start.

Then again, when the Honourable Mr. Hamilton was the Minister of Agriculture in Ottawa, -- (Interjection) -- you fellows wanted to go back to Ottawa, you've been blaming Ottawa on everything for the last week, so let's go back a little while there. Now there was no - there was no conference in eight years that received more publicity than that famous one that was held when ARDA was established in Montreal or Ottawa, - that was 1960. That huge national conference received a great deal of publicity and it should because it was an important one. There's no doubt about that and it's still being talked about from coast to coast, but the Honourable Alvin Hamilton said in respect to agriculture at that time, and repeated it thousands of times from coast to coast, that it is not the purpose of ARDA to reduce the number of farms. Well, that received such wide publicity that every farmer in Canada - every farmer in Canada thought that they meant what they said.

Now, Mr. Chairman, I think that I am the only member of this House that went out to the university last night and listened to what Dr. Menzies had to say, and I was there for two hours. If there was anyone else there I did not see them and if there was anyone else there I wish they would get up and tell me they were there. It was very well attended by farmers from all parts of the province. I met no less than half a dozen from Neepawa. Now Dr. Gilson earlier in the day - earlier in the day presented his paper on "Tomorrow's Commercial Farms - Their Financial Requirements"; and in the evening - in the evening - the one that I attended last evening, Dr. Menzies was on "Public Policies - Are They Adequate." After he told a few jokes he read the title of his talk "Public Policies - Are They Adequate?" He said the answer is "no," but of course he said you don't want me to go home yet because I've got my paper to present and then he proceeded to present it.

Now we could move off of the Minister's salary in two minutes flat if my honourable friend would get up and say, "I endorse everything that Dr. Gilson has said there; I endorse everything that Dr. Menzies has said there; and if you want to see my policy and my philosophy on agriculture and where it is going, if you want to understand and appreciate my recognition of rural poverty, the significance of it, the plan of attack, all you have to do is read this and read that and you've got it", then we would know where we're at and we could refer to it. We could refer to it and say, well thanks, we're glad that you have come to this conclusion because I am one of the people - I am certainly convinced that the family farms are going to be reduced in number whether we like it or not and we're going to have to reconcile ourselves to it after listening to people like this. I see it in my own area.

Mr. Chairman, I don't know how often you drive through the rural areas, but all you've got to do is drive through any part of rural Manitoba and note the number of vacant buildings. My honourable friend the member for Hamiota will know that it is becoming a problem for we people in the insurance business to insure those vacant buildings. There's too many of them and the insurance companies don't like to do it. So that if my honourable friend would say, "Well, I have changed my philosophy; I don't think Alvin Hamilton was right when he made a statement of that kind, and if he did, well then we're going to have to change our outlook and program and method of attack." If he would say, "Here's what I believe in," if he does - if he does, and let's get off this section here and get on to crop insurance or farm credit or some other item. But until he does, then we on this side of the House don't know exactly where he stands in regard to a lot of these things, or at least I don't, because you read the paper one day and a certain statement is made; the next day the whole philosophy and outlook has changed and I don't know where I'm at.

(MR. SHOEMAKER, cont'd) . . . .

So, Mr. Chairman, I would like to have my honourable friend get up to his feet and say that he does or does not endorse the statements made here, the philosophy, that plan of attack and everything else that Dr. Menzies and Dr. Gilson, and indeed others, that are at this conference at the University all this week telling the farmers -- and, Mr. Chairman, it is the better quality of farmer I noticed last night that's out there - the good farmers. As my honourable friend has often said, the sad part of it is that it's the good farmers that attend conferences of this kind, and he is right. He's right on that point because it's them that's got the money to come in and attend them and stay in a hotel for a week so as they can do it.

But as Dr. Menzies said last night, he said there's roughly 400,000 farmers in Canada, 25 percent of which you do not have to concern yourselves at all about because they're so big that they don't need our help, and he said 25 percent are so small that they're going to be displaced and we have to create in them a desire to leave the land and rehabilitate them - this is what he said - and then set up a plan for the remaining 50 percent.

Now, I was rather intrigued by what these two gentlemen said at the university and I would like - I'm not going to say that I completely endorse everything they say - but I would like my honourable friend to get up and say, "Well, this is the way we're going; endorse it or not endorse it; and let's get off this particular item."

MR. HUTTON: My name is George Hutton; it isn't Alvin Hamilton. My name is George Hutton; it isn't Merrill Menzies. If my honourable friend reserves the right to his own point of view and says he doesn't agree with everything these other gentlemen say, have I not the right to have my own point of view? Do I have to endorse what they say or reject it all? If the honourable member had been paying any attention to the debate in this House, it seems to me that his own party was castigating the government here because we were providing the machinery to make the transition easy for those people who have no future in agriculture. We have never said that there are no people in agriculture that don't have hope or a future there. We have recognized from the start that the tide of events, that the environment that we live in today, was going to push people off the farm. We are at this session trying to provide machinery to help them make that transition. There are two problems: one is an agricultural problem; one is essentially a social problem. We have agricultural policies to help those people who have some chance of staying in agriculture. We need other programs to help those people who have no hope in the future of agriculture.

When I first became Minister and when the Agricultural Credit Corporation of this province began to operate, we had hundreds of people come to us asking for credit. They didn't have enough equity in their farm operation. They were so in debt that they had no future, and to lend them more money, they'd have lost that too. I said five and six years ago what we need here, and we're missing a golden opportunity, is some organization that we could refer these people to, to help them do the thing that they had to do to get readjusted, to rediscover themselves - if you don't like that phrase. Five, six, seven years ago we needed it. Well, it takes time for governments to operate, but between the Federal Government and the Provincial Government here, finally we have arrived today and we're talking to you about providing machinery to help the people who don't have any future. To the extent that we recognize that there is no future for some people; to the extent that we are going to try and keep everybody on the farm that we can keep on the farm; to the extent that we believe that society has a responsibility to provide and help people to get re-established; to that extent we agree with Menzies and Gilson.

It's a funny thing in this country that we don't seem to object to providing a thousand dollars a year in relief or a thousand dollars a year in Unemployment Insurance, but when you talk about providing - and we'll do that year after year after year in the case of an individual, and it may cost us thirty, forty thousand dollars in the lifetime of that man - but when you start to talk about providing \$5,000 in one year to rehabilitate that person and to let him rediscover himself, well you're proposing a very dastardly thing apparently. Apparently it's an insult that you recognize that there are people who need that kind of help. I think the position of this government is abundantly clear. I think what is confusing, and what isn't clear at all, is where the Liberals stand on this. They know all the things that are wrong, but outside of wanting to solve the farmer's problem by giving coloured gasoline; or solve his problem by merely looking into the price of farm equipment; or that you're going to solve this problem by providing free soil sampling; if you can't get down to more basic fundamental policies for agriculture, you're wasting your time because the farmers of this province are too enlightened to buy that mess of potage in return for their birthright.



MR. MOLGAT: Mr. Chairman, that was a very interesting dissertation we had from the Minister once again. My honourable friend has obviously missed the point of the debate completely. The point is that what we're saying is that the Minister has been talking for some seven or eight years - he and his predecessor - but all they've been doing is talking. Let's get down with the programs that needs to be put into effect. All we're getting from the Minister is talk about these programs and that's why agriculture is in the state it's in right now, because he's been doing a great deal of talking but apparently not setting up programs to correct the situation. Now he's telling us after eight years: Well, we've got to have a new look in agriculture. What's he been doing all this time?

I want to come back, Mr. Chairman, to the matter of vegetable marketing. This afternoon the Minister told us that the industry apparently was full of "moonlighters", that it needed a complete revamping and that the solution to it was for the government to take the dictatorial measures which it has taken. Yesterday I asked the Minister whether he would be prepared to give this industry a vote on the question of their marketing board. The Minister answered me at that time, "No" - in very definite terms.

I'd like to ask the Minister again, Mr. Chairman, to reconsider that position. I think that the Minister does not realize the extent to which there is objection to the manner in which the government has proceeded in this matter. I don't think the Minister is in touch with that industry. He gave us some figures this afternoon indicating that there had been a meeting when the Potato Board was set up and that only one individual had voted against the proposal at that time at that meeting. I think if he would check, he would find that there are a lot of growers in the Province of Manitoba who were not at that meeting and that the meeting represented only a segment of that industry. I think he will find that if he checks into this fully that there is a great deal of concern from the people who are involved in this industry, and that surely their request for a vote on this matter, a vote on the matter that affects their complete livelihood, is a reasonable request. And I ask the Minister now, is he not prepared to reconsider and give these people a vote on this issue?

MR. WRIGHT: Mr. Chairman, I think our Leader spoke for our group as to our thoughts on agricultural policy, but after taking the short course in Agriculture during this last few days I felt that I should put a few more observations on the record, because everyone here tonight is talking about confusion. The Honourable Member for Burrows says the people are lost. The Minister of Agriculture said the people are confused. Others said that the area is poverty-stricken. This makes it all the more difficult for a city-farmer like myself to get the true picture.

The Honourable Member for Lakeside objected to a working paper that over-emphasized in his opinion the poverty of the farmer. The Honourable Minister of Agriculture didn't like the Interlake area being called a depressed area and he said that he farmed in that area. But to me, to have him compare the area around Stonewall and to call that area - Balmoral and Stonewall - as part of the Interlake area, is certainly misleading. We know that there are pockets of fertile land in the Interlake area, but generally speaking it has been called an area of marginal land.

In the First World War, the soldier settlement schemes that were tried there were a failure. We tried the "Back to the Land" scheme here in Manitoba in the depression. That too was a failure. It might have been considered a success by those who were interested in getting people away from the city to weather the depression. If we look at in those terms, we did get so many people away from the city where they could at least cut wood and hay and the like.

But now we have another scheme proposed tonight by the Honourable Member from Burrows and he calls it "People from the City Scheme". He wants to take people now from the city and put them back into these areas. I suggest that this is trying to accomplish the impossible. We know that there is a movement of people from the rural areas to the city - this is taking place. We know that there are fewer farmers like the Honourable Member for Gladstone says. Anyone that drives into the country can see this by the abandoned buildings, because farms are getting larger. But to suggest now that we take people from the city and to take them to areas like the Interlake area, this doesn't make sense to me.

I don't know very much about industrial development when I compare my knowledge to that of the Honourable Member for Burrows, but I do know something about people, and I hate to suggest this, but I noted that there is a great activity at St. Laurent now in regard to the proposed garment factory and I only hope that this is what it is set out here to be, that it is a sincere desire by people in industry to locate in these rural areas, but I am a little suspicious

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(MR. WRIGHT, cont'd) . . . about this, especially when I heard the honourable member say that with a million dollar payroll he could put 400 people to work. Well in my way of figuring, that's \$2,500 a year, so he isn't going to do much for poverty if he's going to give them an income of \$2,500 a year. -- (Interjection) -- I am talking about an area -- we are talking about an area that some people call "poverty-stricken." I'm not going to debate that point - I'm talking about policies and principles here.

You said it was an insult to tell them that they had to have education. I can't agree with him on that. I know the Interlake area, I know the people of the Interlake area, and this is exactly what they need. This is what they should have had there years ago instead of soldier settlement schemes and back to the land schemes, because if they had education, they wouldn't be there. They are only there because they were - and I have all the respect in the world for them - they came from hardy stock who were able to subsist on the cream cheque from milking half a dozen cows and cutting cord wood. If we had given them education and some help years ago, they would have been able to leave the area because the area is destined to accommodate fewer people. We know that it has to be range country for sheep and for cattle and this is what it inevitably will become, and to say now that we want to take people from the city and put them back into the area that we have been trying to uplift - at least to uplift these people - doesn't make sense to me.

I am little concerned too - and probably I shouldn't be so suspicious - but I am just wondering if the matter of tax concessions are not going to come into these areas where industry is so anxious to locate. The Honourable Member for Burrows says that they have the necessary skills; I say they haven't. That's why we need more technical and vocational schools is because they haven't got the skills. We have people out in marginal lands, not only in the Interlake area but from all of Manitoba - and the visit to Cranberry-Portage proved this - that this is wonderful work but that we have to do more of it. I say without training they haven't got the necessary skills. This is a wonderful thing and I agree with the government as to what they're doing, and I say again that the more they put education in the Interlake area the more they are going to depopulate it, because the two go hand in hand together. When these young people get the first break of their lives, they are going to leave that area and they're going to come to the city where they can make a new life for themselves.

Mr. Chairman, I don't want to take the time of this committee because I know the debates have been prolonged, but I just thought that I had to get this on the record. I am concerned about tax concessions; I am concerned about low wages being paid. Now I know Henry Ford sponsored the idea years ago and encouraged it among his workers so that he could lay them off in the slack times and they went back to their two or three little acres where they had their chickens and a cow and they were able to live a lot cheaper that way. So if he only wanted to hire them for a few months at a time, this was possible.

I hope that this isn't the idea of the people who are talking now about industry in the smaller areas. I hope they are not going to take advantage of these people. I know that they can live cheaper there, but I am going to suggest to the Honourable Member for Burrows once again that his idea and mine are totally different if he's thinking of \$2,500 per year for these people, who are going to be trained by the way at government expense - I sense from the Minister's speech that the government is going to contribute and rightly so to the training of these people for these industries - but when these industries receive these trained people, I hope they are not going to take advantage of them and I hope they're not going to take advantage of the community by asking for tax concessions.

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MR. CHAIRMAN: Resolution No. 7 -----

MR. GUTTORMSON: Mr. Chairman, before we leave the item, I don't want to prolong the debate but I wonder if the Minister would answer the question I directed to him earlier this week pertaining to ARDA. I asked him about the projects, if he could tell me if they were all underway, and if they weren't, which ones were not. Could he indicate that now? -- (Interjection)-- In this document here, the ARDA catalogue, it says number of projects - 59, and gives the shareable cost, the federal contribution, and then it lists them. I asked him if he could tell me how many of those projects are underway and if they are all underway, with particular reference to those projects referred to in the Interlake, are all of them underway now or will they be getting underway or what? It was my understanding they had been approved but I wonder if they are all in process.

MR. HUTTON: Mr. Chairman, I would ask the Honourable Member to wait until my messenger gets here, to give him . . . . . I want to be accurate on it.

MR. SMERCHANSKI: Mr. Chairman, I'd like to clarify a few matters in connection with the Minister's Estimates. The thing that puzzles me most is how some people can misinterpret the remarks of another individual, but I think I am learning fast in this House as to how it's done.

In the first place, the Honourable Minister of Education tells us that on the one hand - and which is the same thing as the Minister of Agriculture told us - that on the one hand there are problems and they recognize them as being problems. But they are going to approach the existence of these problems by rather a refreshing and stimulating approach to these problems.

Mr. Chairman, I also admire the words of some of the people that take issue with me in reference to the possibility of employment in this area. Now they seem to think that one cannot establish an industry except with the assistance of the government, and possibly because of their socialistic outlook on life is why they approach this problem in this manner. But you know, Mr. Chairman, there are such things as the ways of life in some of our European countries where the people are able to enjoy a livelihood which is not necessarily linked to living in the city where you have to pay for every little item of food that you bring into the house. When I say it's an insult to the Interlake people, I mean just that. They can grow potatoes on this marginal land that will yield you on a per acre basis just as good as the best soil in the Red River Valley. Just as good. This marginal land will yield you the best results in alfalfa seed, compared to the best land in the Red River Valley. Now this is an area, Mr. Chairman, where you've got all the necessary requirements to establish industry. This is an area where you can give work to people on a part-time basis. This is where you can leave and give the local people in this area that personal satisfaction of at the same time working the soil, growing their small patch of potatoes, growing their small patch of vegetables, having their milking cows and having some beef cattle or chickens or turkeys - mixed farming they call it.

Mr. Chairman, when you consider that an average family of four or five has to buy all their vegetables, did you ever stop to add up the cost of the vegetables that a family of four and five has to purchase in the store in the City of Winnipeg? Now with all due respect to some of the remarks that have been said in connection with this, there are other ways to solve the problems of the people that do not enjoy a proper status of livelihood besides giving them a full-time job to work 40 hours a week. Maybe these people don't want to work a 40 hour week; maybe they'll prefer to work a 20-hour week and spend another 30 hours of their own time doing those things they like to, which is in connection with mixed farming. But strange as it seems, here is this very aggressive Roblin government, everybody is so alert and on their toes, to be able to detect and know the answers to those things that they themselves cannot do. And the proof of that is, how many industries have you established? What have you done with your ARDA funds? The results of all this, Mr. Chairman, is that there has been no success. I sometimes wonder when the Minister of Agriculture suggests to us that we must interject ourselves into the lives of other people in order to help them. I say, leave them where they are and let's only assist them from the outside and only assist those who need the assistance; because whether you take farming or fishing or labour, you are going to find a certain group of individuals that will never help themselves. -- (Interjection)-- Right. That's right. And this is what the Interlake solution is to all their problems. They only want part-time work.

MR. HUTTON: Ah, now we get the story!

MR. SMERCHANSKI: . . . . . and you give them an industry and give them part-time work, they are going to make a wonderful living the way they have in the past. Because I would like to ask Mr. Chairman, just what is the yearly annual wage in this area? If my honourable friends know that better than 50 percent of the population is under 21, why are you so

(MR. SMERCHANSKI cont'd), . . . . . concerned about them? If they are going to get a high school education this is better than average in the province. They can go on to technical schools then or to university. What is so wrong about it? You seem to think that the answer is that because they are 21, Mr. Chairman, this is a complete contradiction of the facts, because they are young and 21, because they have all had a high school training, they have got a wonderful opportunity to go to university if they are capable; and if they are not capable they will join the industrial forces; but bring industry in to that area and provide them with work in the area so that they can live at home. And I'll tell you this much, if you do that, then you are going to find that that individual who will work in industry and lives at home, is a far better worker and is a more contented worker than he is when he has to come into the city, because in the city he has to pay out for board and room, which is always far more expensive than it is at home. And to say that this educational program is refreshing and stimulating; and to say that it is below the average rate of pay for part-time basis, is complete nonsense - complete nonsense. Because there is just one final analysis of this whole thing and that's this; what have you accomplished, what have you set up in the last five or six years? What have you accomplished? Let the record speak for itself. So we don't know what we are talking about. You apparently do. So what have you accomplished? Nothing!

MR. CHERNIACK: Mr. Chairman, this afternoon I had occasion to admit my ignorance of agricultural economics and I then stated that I was not clear on the policies of the Conservative and Liberal parties as to what should be done. I can understand an attack, and a justified attack, but I wanted to know just what it was that was planned to be done in a positive way. I asked that of the Liberal Party and I think I now have the answer, because the only person who spoke in that way, about a definite program was the Honourable Member for Burrows, and he has made it clear to me -- and I hope I'm not misinterpreting him, but I listened carefully to what he said -- that the answer for the Interlake area is industry, and the type of industry that he envisions is part-time employment industry and this to him, appears to be the solution to the problem there. Well I recognize that he is an industrialist and presumably knows something about his work. I think he knows the way industry can step into an area and make a success for itself and I would like him to clarify just why it is that industry goes anywhere. Why is it that industry decides to establish itself in, let us say, any town of the Interlake area? Is it because the raw material is there? Is it because there is something in the ground which is easy to get out and can be used for the production of whatever it is this industry is concerned with? If it is, he hasn't mentioned it. Gravel I suppose is what he could get there. He hasn't recommended the type of industry that should go in. Is it because there are facilities in that town that can provide the services that are needed by industry, mechanics, machinists, plumbers, electricians, whatever it is that industry needs, in order to service its requirements? Is that the reason industry moves into a town? Is it because it is easy to get the supplies that one needs in the manufacturing process? Are they easily attainable in that town? Is it power that is cheaper there so that one can operate more economically in that town? Is it that transportation costs nothing when it comes to moving in raw materials, moving out finished products, moving in the various needs, the establishment itself? Is it because there is a market in that town that this industry wishes to serve? Just what is it in that town that makes it attractive for industry to come in and establish itself? What could it be, Mr. Chairman? I ask the Honourable Member for Burrows, what could it be? Am I naive when I think that it could be tax concessions? Am I naive in thinking that possibly you invite industry to come in and tantalize industry by saying, well you'll have a cheap time for five years or ten years, or twenty years? Is that why industry moves? Is that why Saskatchewan just this last year has announced some great projects on the basis of tax concessions? Or am I wrong about that, and possibly the Honourable Member for Burrows doesn't want tax concessions to be made on the Municipal level. Is it because industry wants government guaranteed bonds, loans? Can it be that that's what he thinks ought to be done? If it is, he ought to tell us. But then he says government should not be there to help establish - he said that. It's not necessary. Only the Socialists think that government is needed to establish it.

I wish he would go to Saskatchewan and find out what the today socialists that are in charge of the Saskatchewan Government are thinking in terms of industry. --(Interjection)-- Well but that too was a similar thing that he seems to deplore. But since the honourable member now compares what is being done now with what the shoe factory was during the CCF government there, then apparently he does think that government should invite industry by making some sort of concessions or loan. And I am sure that the honourable member does not object

(MR. CHERNIACK cont'd), . . . . . to the Manitoba Development Fund. I say I'm sure, but I don't really know. I invite him to tell us whether he feels that the work of the Manitoba Development Fund is worthwhile in helping industry establish itself.

But I think I have left out one other factor that might make it attractive for industry to go into the Interlake area. I think that the factor I left out must have to do with manpower. It seems to me that that is the great attraction to my honourable friend from Burrows. I think that the attraction of getting cheap labour is very attractive to industry and I think that that is the motivation that would bring industry into the Interlake area. There's no raw material there; there's no market there; the market that needs to buy the goods is not there; there aren't very many railway lines there and the way the railways are going these days, especially the CPR, there'll be less and less, so that the transportation costs won't be either easy or cheap. But there must be a reason, and I suggest possibly it's cheap labour that the honourable member feels is attractive there; and if that's the case, then that is something we must ask him and challenge him to clarify for us.

He speaks now, not of a labour force as such but a part-time labour force. A labour force that will consist of families on pieces of land that will grow potatoes and vegetables and alfalfa seed, and milking cows, and corn he says -- and there's a lot of corn came from him already. He now tells us that he's going to have this family working the land, the children will not be delinquent because they'll be working the land, producing vegetables in order to make up the difference in income between what they would earn in the city and what they would earn on the farm, because in industry in the country I think he as much as admitted, that they won't earn as much as if they were in an industrial area; and maybe they'll work 20 hours a week.

Well I've never been an industrialist, Mr. Chairman, but I know something about certain of the industries that have moved out of the City of Winnipeg and into some of these small areas and their biggest complaint is that they can't keep labour that will come and work a full 40-hour week -- and I suppose in some cases they would rather it was a 48 or 50 hour week -- but even a 40-hour week they say, "We can't get these people, they are too busy on their farms, and the result is we can't train them, and we can't rely on them. The big problem that we have is that they don't have the incentive to stay and work a full week." So that the industry I've met up with is not all happy with even the 40-hour week they are now getting from their labour because they feel that that labour is practically transient. It moves on and off the farm. So now the Honourable Member from Burrows suggests that industry can adapt to the farm situation. If you're on a marginal farm, obviously you can't be working all the time; industry will make use of that worker. I wouldn't have any doubt in my mind that he visualizes possibly three minimum wage levels in the province, one in the City, one in the better established areas of the Province and the lowest minimum wage in the Interlake area where this industry has to be enticed.

I believe that that is something that would be within his orbit of consideration of the solution for the Interlake; cheap labour, labour of the kind that is told, well you can always live off the farm, you can always have your chickens and you can always have your milking cows and you can grow your alfalfa seed. I don't know whether --(Interjection)-- honey too. Honey is another attraction that the honourable member suggests to these people. Well I think that rather than honey and corn that they either have to be established so they are self-sufficient in producing the products which can be gotten out of the land, or that if industry goes in, it can only go in on the basis where it can compete in a fair way, with the rest of industry in Manitoba. And when I say compete in a fair way, I think it must be clear to the Honourable Member from Burrows that I mean on the same standard of pay and the same production that one can expect.

Now I don't see how that can be done because industry as I see it has no reason to go out without these concessions. And I repeat them; subsidies of some kind, cheap labour of some kind -- and if I am wrong, and I admit freely that the Honourable Member from Burrows has proven that he, I think he used the expression many a time "One can make a buck" -- and if one can make a buck out of industry in the Interlake I would like him to explain to me because I don't know how it is that industry can make a buck by establishing itself in the Interlake area.

MR. CHAIRMAN: Resolution No. 7.

MR. MOLGAT: Mr. Chairman, I wonder if the Minister is prepared to answer my question regarding a vote on the question of the Vegetable Marketing Board and the Potato Marketing Board. I appealed to him to reconsider the matter. Is he prepared to do so?

MR. HUTTON: Mr. Chairman, the government is not at this time considering providing for a referendum in respect to the Vegetable Marketing Commission.

MR. MOLGAT: Is not?

MR. HUTTON: Is not. In answer to the question put by the Member for St. George, there have been 60 ARDA projects negotiated under the 1962 to 1965 agreement, 59 have been put under way - the one at Dennis Lake in the Interlake has not been started. Ten new programs have been negotiated to date under the new 1965 to 1970 agreement. However, not all the 60 projects were in the Interlake, some were in the Interlake -- the great majority were in the Interlake, but there have been projects in southwest Manitoba, the Oak Lake project for instance, damming Oak Lake was an ARDA Project. There have been projects in the Westlake area, there have been some province-wide programs, ARDA contributes to the forage program where we seed down Class 4 land, etcetera, across the province. Some of the drainage programs have been in the south-central as well as the Interlake area. The programs carried out on ground water investigations are at Carberry and again in southwestern Manitoba at Melita.

All this information is available in this ARDA catalogue.

MR. FROESE: Mr. Chairman, I don't know whether I got the facts straight which the Minister just quoted as far as statistics are concerned. I would like to know from him how much has ARDA spent on the Interlake in total since the program began and what has been the Provincial Government's share in this.

Then also it has been mentioned here that this program that they propose is one that would probably help 150 people, the first year as I understand it, with an average of \$5,000 per individual or per family, whatever the case may be. So that this would roughly amount to 750,000. Where is this contained in the Estimates? Or is it not in the Estimates?

Then I note under Resolution 18 there's an item here for provincial waterways, water control works, etcetera, \$1,690,000.00. Is that part of this program that we're considering here or is that separate? And if it is separate could we have an outline of the general program that is being carried or will be carried out in Manitoba under the provincial waterways program.

Then I thought I wanted to make a few comments in connection with this ARDA catalogue that we have before us. I note that there's many studies that are going to be taken under consideration in connection with the Interlake area. For instance here is one, No. 7011 for an amount of \$12,400 as far as the Federal contribution, \$24,800 as far as the provincial share. It says Land Capability Survey by Air. And there's innumerable studies. A number of these are strictly by the Federal Government. I notice on Page 60 that the Federal Government is paying for a number of them on its own. Now in these particular ones where the Federal Government is paying the full cost, are we providing the staff or how does this work. Or do they come in and carry on the investigation? Then I also notice in some cases there will be construction as far as drains is concerned and I think this is worthwhile because I'm sure there are areas from what I know that definitely need draining. But it seems to me there will be very many of these studies and I doubt just what use is going to be made of them, whether they'll not be just later on collecting dust somewhere on the shelf.

Is it actually necessary for every dollar that we spend to always have a study of some kind preceding it? I think this is wasting money in many cases. I think good common sense would indicate some programs without having to precede them with a study.

I also notice that the Municipality of Morris and Roland are getting a good chunk, \$1,235,000 for improving drains. This is something worthwhile. -(Interjection)- I doubt whether it comes from my particular area. Some of it though no doubt, I am certainly not one that would like to deny the Honourable Member from Morris this because I note that my particular area will also stand to gain to improve the drainage and provide flood control for 260 square miles or arable land through reconstruction of the Hespeler floodway. And this is very essential too. Actually I would like to see this part of the program speeded up so that we could do more than we are doing. However if the Minister could give me a few of the statistics that I asked for and also probably outline the general program as far as the provincial waterways are concerned, I'd appreciate it.

MR. CAMPBELL: Mr. Chairman, before we move away from this Item, and I can understand that some members of the Committee are getting anxious that we should, I would like to ask either the Honourable the Minister of Agriculture or perhaps I should address this question to the Honourable the Minister of Education because he spoke on it, if it is not a fact

(MR. CAMPBELL cont'd).....that the pilot project that's being instituted in the Interlake is primarily to equip people to move away from that area? Is not that primarily the reason for that pilot project?

MR. HUTTON: It's to equip them so that either they can be employed in the area if there's a need for their training; or if there is no opportunity in the Interlake to seek employment elsewhere.

MR. CAMPBELL: As far as the vocational part particularly would be concerned, wouldn't it be correct to say that as matters stand at the present time and according to the forecasts that have been made, that's it's likely we are training them for moving away rather than being in the area?

MR. JOHNSON: Mr. Chairman, I'd just like to say one quick word on that. I think the problem the people have identified themselves is that in the four-room high school their top students aren't getting the break - the geography of the area, the distance is mitigated against too many small schools - over 100 one room schools, you can't teach new mathematics in a one-room school any more. The administrative structure is on a collision course with curriculum development and change and with extra assistance to these people this project, I hope, in fact will be offered a massive program. The idea is that by having multiple courses you reduce the dropout potential, you keep all of them in school longer and hopefully leave the public school system directed toward a skill or having been oriented towards a skill at that level. At the adult level the hope is that there will be the resources made available through this program to support for example, a man, his wife, two children with up to \$300.00 a month of income which gives him the security to leave a losing proposition and he may determine to train for something that he thinks has a hope in the Interlake. I think he'll want to stay at home. If we can find those opportunities in the area and train him for them I think we should. It will be his personal decision.

MR. CAMPBELL: But isn't it a fact that until these industries are established or some other line of work comes along, that this simply means he has to move out - he's being trained to move out rather than to stay there?

MR. HUTTON: Mr. Chairman, in respect to the request made by the Member for Rhineland that I outline all these programs, I note that he has a catalogue - 1962-'65 - that is Canada's publication. I have here the ARDA program in Manitoba, 1962 to 1966, which is an up-to-date review of all the programming and I'll be distributing this to the Members in the Legislature so they can all have a personal record of the programs.

MR. CHAIRMAN: Resolution No. 7 passed; No. 8 passed; No. 9 passed; No. 10 --

MR. MOLGAT: Mr. Chairman, on No. 9, is it your intention to merely call the major headings or are you going to call the details? Because there's some very substantial elements there Mr. Chairman, under a number of these. First of all under the Animal Industry. Has any particular study been conducted by the Minister and his department regarding the cow camp operation in the Province of Manitoba? I mentioned this the other day in my general comments and I fear, knowing the industry in my own area, that we could be faced with a very substantial decrease in the production of calves in the Province of Manitoba, because it is simply not a paying proposition for a lot of the operators right now. As I mentioned to the Minister the other day, even people with a herd of a hundred, producing, hopefully, a hundred calves, on the present market would get something in the order of six to seven thousand dollars in the fall when these are put out at the feeder auction; maybe \$7,500.00. When you consider the cost of their operation there is really very little left for the operator. He's eking an existence. I fear under the present circumstances that a number of these people will simply drop out of the operation. Has a study been made of this? Are there figures showing what is happening to that basic herd because unless we are keeping up that basic herd then there is not hope of building up our total population. We'll have a problem getting feeders, we'll have to depend on other areas.

MR. HUTTON: Mr. Chairman, there was a study carried out under the ARDA agreement - a Ranch Budgetary Analysis - which was specific to the Interlake and certainly would apply in the Westlake area.

Indications are, from the trends in the past years, that in the Interlake area and the Westlake area, the trend is to more herds and larger herds. As a matter of fact it was this area of Manitoba that balanced off or counteracted quite a major movement out of the cow camp operation in other parts of the area. I think that one has to recognize that with strong markets for grain and cash crops, in these good grain growing areas, they feel -- some work

(MR. HUTTON cont'd)..... has been done on this by The Farm Accounting groups attached to the University. An analysis has been done on the cow camp operation in the better soil zones and it seems to indicate by the book that it is not an economic proposition on that kind of land but all the indications are that it is here. As you say the movement is to larger herds.

MR. MOLGAT: Are there any statistics though on what is happening to our basic herds? Is it staying level, going up or going down.

MR. HUTTON: In the two years -- going back a year, two years prior to one year ago, we made a 12 percent increase in our population, total cattle population. This year, this past year, we lost ground and we would have lost a lot more ground if it hadn't been as I say for the Interlake, Westlake and southwestern Manitoba.

MR. GUTTORMSON: As the Minister knows there's been concern in the Interlake because of the lack of veterinary services. Is there any program or any plan of the government to assist the Interlake area, or any rural parts of Manitoba for that matter, to encourage veterinarians to come into these rural parts of the province?

MR. HUTTON: Yes, we have The Veterinary District Services Act and we to date have only had one district established. Another one is being established in southwestern Manitoba for a three year term in order to be able to attract a veterinarian in there. There is a movement on the part of the Area Development Board at Ashern to do something about providing an incentive for a veterinarian to come in there. Now the thing hasn't come to a head at all yet, but they are working on it and we are willing to entertain and consider their proposition, whatever it may be, because we believe that it would be in the interests of that area.

MR. GUTTORMSON: If they come up with some kind of a proposition, that the department will assist them with any proposal they have, is that correct?

MR. HUTTON: I can't say we'll assist them with any proposal, but we are willing to negotiate with them.

MR. CHAIRMAN: (a)--passed; (b)--

MR. MOLGAT: Under Veterinary Services, in the past we had to depend on Guelph and St. Hyacinthe, mainly Guelph as far as we were concerned here in Manitoba, for our veterinarians. There was a program of assistance for vets if they were going to take their course and come back to Manitoba. I think the assistance that was given to them was remitted, was it not? Is this program still in effect insofar as Guelph and St. Hyacinthe? Secondly, what is the situation with regard to the college in Saskatchewan? Does that same rule apply there? Have we students in Saskatchewan now?

MR. HUTTON: We have at the present time currently enrolled and on scholarship, seven students. They will all be at the eastern colleges. I believe there is one student enrolled in the western College of Veterinary Science at Saskatoon. The Department of Education of Manitoba is assisting this young man in getting his tuition there.

MR. WRIGHT: A question I have - I don't know whether this is the item or not - it has to do with the Milk Control Board report - Milk Control Board. I believe it would be in order to ask the questions here.

In the Farmers Union Brief, Mr. Chairman, they showed some concern over the fact that a milk producer had never been a member of the Board. I believe they said "never". I am just wondering whether the Minister has any thoughts on that. And while I'm on my feet, I'd like to ask a question about -- it seems to me, if I read the report right, that the increase in consumption of milk is not keeping pace with the increase in population, and in one of the information bulletins issued by the Department of Agriculture, it said that fluid milk consumption in Manitoba could level off at .59 pints per capita per day barring any increase in price. It said an increase in price would cause a further reduction in per capita consumption.

I suggested two years ago to the Minister that perhaps we should be looking at a subsidy for milk because we have it for butterfat. We know that the sale of butter has declined somewhat and he expressed concern at the time - at least sympathy with the idea at the time - and I just wondered if he had given any further thought to it. I would like to see Manitoba in a place where milk is kept at the lowest possible price even if we have to have a subsidy. I wonder if he has any further thoughts on it. I would like to have an answer about the member on the Milk Control Board, whether it is necessary in your opinion.

MR. HUTTON: Well, putting an active producer on the Milk Control Board raises a problem and that is -- then following the same argument you should have somebody on there from the distributors, and if we had representation on there from both the distributor and the producer, the Board would lose its independent character. Now what we attempt to do is to



(MR. HUTTON cont'd). . . . . put somebody on there who is experienced as a producer, as we have a man who dairied for many years in the Portage area. He is not an active producer today, but he can draw on his experience as a producer in the consideration of the responsibilities of the commission.

Speaking of a subsidy for fluid milk, one of the problems now is that when the price goes up on fluid milk, the people substitute powdered milk and this sort of thing. It's a good product and people sometimes mix part whole milk and part of the dried milk. I think the big problem in Canada today is in the area of manufacturing milk. We face a shortage in this country in dairy products in the future unless we can reverse the present trend, and I think that the Federal Government, their chief concern at the present time, as I believe the dairy industry - speaking in the broadest sense - across the country is concerned about, and this is in the area of pricing and manufacturing milk, because I think everybody agrees that we are going to have to get up close to \$4.00 per hundred for manufactured milk if we are going to have to have any incentive for the dairy farmer to stay in the business at all.

At the present time he gets a little over \$3.00. He can hardly keep from scratching to break even with present day economics in dairying, and so if this nation wants to have abundant dairy products in the future, the producer is going to have to get a better price for them. The biggest problem lies in the area of manufacturing milk production, and I think this has to be tackled and dealt with before any more is done in the area of fluid milk production.

MR. CAMPBELL: Mr. Chairman, is the point that the Honourable the Minister was making in this connection - and I'm sorry that I missed part of the discussion - is the point that he is making, that the manufactured milk that he's speaking of, would be paid for regardless of the butterfat content or on the basis of a lower butterfat content. Is that the point he was making, or did it deal only with the manufactured or surplus milk.

MR. HUTTON: I was speaking of the dairy industry generally, outside of the fluid milk production. Our source of supply of cream is drying up. Our creameries are facing extinction in parts of Manitoba if this trend continues. Now they see for themselves - I'm speaking of the creameries - the creamery men see a solution in this if they had a central manufacturing plant where they could take the milk from the producer, skim the milk at the creamery, put the butterfat into butter and forward the skim milk to a milk manufacturing plant. Now the trouble is that at the present time the returns to the producer for manufacturing milk are not high enough to encourage him to make any adjustments to enlarge his herd, etc., to create the volume of supply that's needed to do this sort of thing, and so the price somehow has to be increased. I know that the Government of Canada is giving this very serious consideration at the present time.

MR. CAMPBELL: Mr. Chairman, is there not this other point involved as well. I haven't the report of the Milk Control Board before me at the moment, but as I remember it, the Board report called attention to the fact that whether the reason was found in the dietary considerations that are receiving so much attention these times or whatever, that the fact was that there was a noticeable increase in the consumption of the skimmed milk or partially skimmed milk. Now my question arising from that is if the basis of determining the price is still maintained on the butterfat content --(Interjection)-- It is. Well then would it not perhaps - if the public are inclined to buy the lower butterfat content milk anyway - would it not perhaps meet the point of a rise in price by lowering the butterfat content - the basis of payment according to the butterfat content.

If the price is now based on a 3.5 or 3.4, or whatever it is of butterfat content, and if the public is showing a preference, or at least a trend toward more consumption of the wholly skim milk or the 2% milk or something of that kind, if that is a trend, then wouldn't it be reasonable to pay on the basis of a lower butterfat content and accomplish this raise to the producer that the Minister was speaking of.

MR. WRIGHT: . . . . . in mind because I know what the Honourable Member for Lakeside said is true, that there is a noticeable trend during the past few years - it said in the report - on the part of the consumer to move from the consumption of whole milk to that of the lower priced partially skimmed or even skim milk. This is because we have heard so much about cholesterol in the blood and so on, but my main concern is for children. The pediatricians now find out that while all the mineral salts are in the skim milk, the body cannot properly absorb the minerals without a certain amount of butterfat. This is a fact and I'm concerned with the subsidy on the price of whole milk for children.

MR. EVANS: Mr. Chairman, unless the Minister wishes to make some brief reply at the moment --(Interjection)-- the Minister wants to go home, and I imagine that applies to the rest of us, so I move the committee rise.

MR. CHAIRMAN: Call in the Speaker.

MR. CHAIRMAN: Madam Speaker, the Committee has adopted certain resolutions, directed me to report the same, and asks leave to sit again.

IN SESSION

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for St. Vital, that the report of the committee be received.

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

MR. EVANS: Madam Speaker, I move, seconded by the Minister of Agriculture, that the House do now adjourn.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 10 o'clock Friday morning.