

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, September 22, 1969

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

REPORTS BY STANDING COMMITTEES

HON. AL. MACKLING (Attorney-General) (St. James): Mr. Speaker, I beg to report the Third report of the Standing Committee dealing with the Law Amendments.

MR. CLERK: Your Standing Committee on Law Amendments beg leave to present the following as their Third Report. Your Committee has considered Bills:

No. 2 - The Statute Law Revision and Statute Law Amendment Act, 1969.

No. 3 - An Act to amend The Regulations Act.

No. 13 - An Act to amend The Public Utilities Board Act.

No. 14 - An Act to amend The Workmen's Compensation Act.

No. 17 - An Act to amend The Natural Products Marketing Act.

No. 24 - The Proceeds of the Contracts Disbursement Act, 1969.

No. 25 - The Ombudsman Act.

No. 28 - An Act to amend The Municipal Act.

No. 29 - An Act to amend The St. James-Assiniboia Charter and to alter the boundaries of the City and of The Rural Municipality of Rosser.

No. 31 - An Act to amend The Mineral Taxation Act.

No. 32 - An Act to amend The Mining Royalty and Tax Act.

And has agreed to report the same without amendment.

All of which is respectfully submitted.

MR. MACKLING: I move, seconded by the Honourable the Minister of Agriculture that the Report be received.

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

MR. SPEAKER: Notices of Motion; Introduction of Bills. The Honourable First Minister.

INTRODUCTION OF BILLS

HON. ED. SCHREYER (Premier) (Rossmere) (By Leave) introduced Bill No. 41, an Act to amend the Manitoba Development Fund Act.

MR. MACKLING introduced Bill No. 39, an Act to amend the Income Tax Act (Manitoba) 1962.

MR. MACKLING: Mr. Speaker, I am advised by His Honour the Lieutenant-Governor, having been informed of the subject matter of this Bill, recommends it to the House.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BUD BOYCE (Winnipeg Centre) introduced Bill No. 42, an Act to amend the Winnipeg Charter, 1956.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN (Elmwood) introduced Bill No. 40, The Manitoba Centennial Lottery Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I should like to direct the attention of the Honourable Members to the Gallery on my right, where we have 65 students of Grade 11 standing of the Glenlawn Collegiate. These students are under the direction of Mr. Wheeler and Mrs. Meleschuk.

The school is located in the constituency of the Honourable Member for Riel. On behalf of all the Honourable Members of the Legislative Assembly I welcome you here today.

ORAL QUESTION PERIOD

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

MR. WALTER WEIR (Leader of the Opposition) (Minnedosa): Mr. Speaker, I wonder if I could enquire of the First Minister whether or not he has considered the suggestion I made the other day about the method of appointing the ombudsman?

MR. SCHREYER: Yes, Mr. Speaker, I'm considering it but I must say at the same time that I'm a little puzzled. However, I hope to have a chance to speak to my honourable friend privately later this afternoon.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I wish to direct a question to the Minister of Consumer and Corporate Affairs. In view of an article in today's paper where one of the largest cattle operators or feeders in Canada has made a statement that because of the real drastic prices producers have taken in beef, he finds that the benefit has not been accruing to the consumer. This to me is a very serious situation and I'm wondering if he could tell us whether he is doing anything to investigate whether or not any action is being taken in this regard?

HON. RENE E. TOUPIN (Minister of Consumer and Corporate Affairs) (Springfield): Mr. Speaker, this is being taken under consideration. No action is foreseen in a few days, but I am looking at the matter.

MR. SPEAKER: The Honourable Member from Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I would like to direct a question to the Honourable the First Minister. In view of his legendary prowess on the diamond I wonder if he can tell us whether the provincial government is taking any active interest or role in current exploratory talks about the possibility of bringing Triple A baseball to Winnipeg and Manitoba.

MR. SCHREYER: Mr. Speaker, I can tell the honourable member that since the meeting between representatives of the baseball interests or community in this city and myself about two weeks ago, that since then, I have written to the proposed parent club the Montreal Expos and also to two or three other people that will be involved in the decision making as to where this Triple A Ball Club will go, whether it will be Winnipeg or, I'm not sure if it's Omaha or Tulsa -- I'm sorry Wichita, Kansas. So I can say to my honourable friend that we have taken whatever action is possible for us to take in this regard. It would be helpful if the honourable member would lend his efforts to this and also write a letter, anyone of influence that he knows, ask them to write letters to the American Baseball Association - that is the Triple A group.

MR. SHERMAN: A supplementary, Mr. Speaker. I thank the Minister for his suggestion which I intend to follow through. Would the First Minister consider striking off a committee under the leadership of the Minister of Tourism and Recreation to spearhead a provincial drive in this respect?

MR. SCHREYER: That sounds like a good idea, Mr. Speaker, and the Minister of Tourism and Recreation will take notice of that suggestion. I might add that we should be cautious, not express too much optimism because I understand that the decision will be made by a relatively small number of people at one of their forthcoming meetings in Chicago. But the suggestion will be followed up.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): A supplementary question, Mr. Speaker, to the Minister of Corporate and Consumer Affairs. If in fact, this investigation is made and it is proved that there is a 53 percent mark-up in our large chain stores on the price of meat, would he consider making Safeway Limited a provincial Crown Corporation?

MR. TOUPIN: I would have to say that this is a matter of policy.

MR. SPEAKER: The Honourable the House Leader of the Liberal Party.

MR. GORDON E. JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Speaker, my question is directed at the Honourable Minister of Transport. As he knows, there was rather a bad accident where eight people were injured on the west side of Portage la Prairie last evening and this has been the latest in a long series of accidents at that locality. Would he undertake to investigate and report as to whether or not something can be done to correct any bad lighting or poor design in that area?

HON. JOSEPH P. BOROWSKI (Minister of Transportation) (Thompson): Mr. Speaker, it just happened that I was a few minutes behind when the accident happened last night and I talked to the police about it. I have received a report and the report doesn't indicate any fault on the road. It was just one of those accidents, maybe because it was raining too heavy. I expect to get the complete report in a few days, but so far there is no indication that the road was responsible for the accident.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I would like to direct another question to the First Minister and ask him whether the government has any comment on today's newspaper reports about a visit of Her Majesty the Queen to Manitoba next summer?

MR. SCHREYER: Mr. Speaker, I don't personally and therefore I will take the question as notice for my colleague the Minister of Cultural Affairs.

MR. SPEAKER: The Honourable Member for St. Vital.

MR. JACK HARDY (St. Vital): Mr. Speaker, I would like to direct a question to the Honourable the Minister of Tourism and Recreation. In view of the confirmation contained in the local paper re participation in the Grey Cup Float, can the Minister advise this House as to the amount of financial participation?

HON. PETER BURTONIAK (Minister of Tourism and Recreation) (Dauphin): . . . financial participation, I would think you are thinking of the provincial participation? This I cannot inform the House at the present time. We have a committee acting on this matter. We have to look at some of the samples that will be forthcoming to this committee, but one thing I can assure you that the cost will be very low.

MR. SPEAKER: The Honourable Member for Churchill

MR. GORDON W. BEARD (Churchill): Thank you, Mr. Speaker. I would like to direct a question to the First Minister. Would he be prepared to act as Ombudsman in respect to Port Churchill. I understand Mr. Jamieson the Federal Minister of Transport appears to be looking for a naval base in the Arctic in respect to the commercial and sovereignty rights of the waters of the eastern Arctic.

MR. SCHREYER: Mr. Speaker, the suggestion by the Honourable Member for Churchill, like many of his suggestions, is a good one and deserves some follow up. That is why I would like to assure the honourable member that if the Federal Government is in fact thinking seriously of establishing a naval base for purposes of asserting sovereignty in the Arctic, that if this is in fact the case, then the government of the Province of Manitoba should want to communicate, which we will do, with the Federal Government to see about the possibility of locating such a base at a logical point, that is to say, Churchill.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I have a question for the Minister of Cultural Affairs. Is the Minister of Cultural Affairs considering a Centennial medal or some memento to be presented to all the school children in Manitoba in celebration of Manitoba's centenary?

HON. PHILIP PETURSSON (Minister of Cultural Affairs) (Wellington): Mr. Speaker, I'm sorry I was busy attending to something else, a bit of reading here, so I didn't hear the import of the question.

MR. PATRICK: The question was - is the Minister considering a centennial medal or some memento to be given to all the Manitoba school children in celebration of Manitoba's centenary?

MR. PETURSSON: Yes, Mr. Speaker, it is the intention of the government to distribute among school children, commemorative medallions during centennial year.

MR. SPEAKER: The Honourable Member from Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I would like to ask a question of the Honourable Minister of Labour. In view of the fact that we learned this morning in Law Amendments Committee that the Workmen's Compensation capital fund is at \$24 million, whether he might propose to the Workmen's Compensation Board that if they put some of this money into mortgage holdings that they might secure a larger interest return on the money and also do something to alleviate our housing shortage.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, since Law Amendments this morning I have had an opportunity of taking a closer look at the Workmen's Compensation Board Act. There is set up under the Act, the Workmen's Compensation Investment Board, who is charged with the responsibility of investment. It is my impression that they do not have the authority to invest in mortgages; their total investment must be in accordance with the Trustee Act. However, I know of the interest of my honourable friend in housing and mortgages and certainly I am sure that the ears of the Investment Board of the Compensation Board will take cognizance of her contribution to the debate.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, could I now redirect my earlier question to the Minister

(MR. SHERMAN cont'd.) . . . without Portfolio, and ask him if he has any comment on today's newspaper reports about a scheduled visit here next summer of Her Majesty?

MR. PETURSSON: Mr. Speaker, I have no information at the moment that I can pass on to my honourable friend.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question to the Honourable Minister of Tourism and Recreation. It is a further question that was asked just a minute ago. Can the Minister tell us if any other organizations will participate in the sharing of the cost of the float. I wasn't so much concerned about how little was going to be spent, but for instance, the City of Winnipeg and the Chamber of Commerce and perhaps Manitoba Travel Association, are they going to participate in this float?

MR. BURTONIAK: Mr. Speaker, in regard to that question, the answer is yes. We're hoping that we can get all the people, different organizations throughout the Province of Manitoba to participate in it financially and otherwise. One thing we must understand that, and I think we all do, that it is not a Winnipeg float really, it's going to be Manitoba's Centennial float which is the reason why we in the government are trying to help out in this respect, but it's primarily for the centennial year.

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

MR. WEIR: Mr. Speaker, a supplementary question. I wonder if it's a provincial float why the announcement was made outside of the House when the question had been asked in the House just last week?

MR. BURTONIAK: Mr. Speaker, in regard to last week, we were just only setting up a committee to look into the possibility.

MR. WEIR: Mr. Speaker, does the Honourable Minister not believe it would have been courtesy to have made the announcement in the House when the interest was shown by the House?

MR. SCHREYER: Well, Mr. Speaker, it may have been a matter of courtesy, but surely the Honourable Leader of the Opposition will admit that this was hardly in the nature of a major policy statement, therefore no breach of the privilege of the House was committed.

MR. WEIR: Mr. Speaker, the First Minister has asked for an admission. One I'm prepared to make is that there doesn't appear to be any courtesy on the other side of the House.

MR. PAULLEY: Mr. Speaker, I must object to that as House Leader. We give to our honourable friends opposite every courtesy and I'm sure my honourable friend's aware of that fact.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, my question is to the First Minister. Can he advise the House whether Mr. Cass-Beggs is still on the payroll of the Provincial Government as a consultant and if it is intended he will continue for some period?

HON. LEONARD S. EVANS (Minister of Mines and Natural Resources) (Brandon East): Mr. Speaker, I wonder if I could answer that question, on behalf of the government as the Minister responsible. Mr. Cass-Beggs was hired as a technical consultant and his fee is in relation to a specific project. In effect he is paid in accordance with the services rendered. He's not on a full-time payroll.

MR. CRAIK: . . . what I was trying to ask, Mr. Speaker. I was just asking if he is still working in his capacity as a consultant for this government.

MR. EVANS: He's available for advice to the government as required.

MR. CRAIK: Well, Mr. Speaker, a supplementary question. Does Mr. Durnin fall into the same category; is he still working for the Provincial Government too?

MR. EVANS: Mr. Speaker, Mr. Durnin was a technical assistant to Cass-Beggs and our dealings are primarily with Mr. Cass-Beggs and it's up to him to decide whether he requires services of technical assistants or what have you as the need arises.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Government Services. What is the government policy with respect to retroactive pay increases as they affect people who have since left the civil service if they had say, three months of pay increases coming to them but then left the service. Would the government pay these people?

HON. HOWARD R. PAWLEY (Minister of Government Services) (Selkirk): Mr. Speaker,

(MR. PAWLEY cont'd.) I'm pleased to receive this question from the honourable member. This morning the honourable member had pointed out to me a specific case where this very situation had occurred, and I'm now launching an inquiry as to just what the position of the government is in this respect. I'm very interested in the question. I hope to have answer for him within the next two or three days.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to direct a question to the First Minister in his capacity as Minister of Industry and Commerce and ask him whether now that Alitalia has slashed its transatlantic fares from Rome to New York, notwithstanding IATA agreements, will it be possible for new initiatives to be undertaken to have Air Canada adjust the transatlantic fares from Winnipeg to Great Britain?

MR. SCHREYER: Mr. Speaker, that would certainly seem to be the case. As my honourable friend may well know, for more than 18 months now the U.S. Civil Aviation Board has been very unhappy with the IATA arrangement and has been asking the U.S. Federal Government to take some initiative with respect to fare adjustments. It seems to me that now that Alitalia has taken that step and the U.S. seems likely to take similar steps, that certainly now the onus is on Air Canada and the Federal Government to do away with the rather inequitable portal system for the charging of the fare on international flights from interior points in Canada to Europe.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, I direct this question to the Minister of Mines and Natural Resources. The question of Upland game birds and its safety has been raised before in the House. I understand the department has been making some investigations. I wonder if he could make any assurances to Manitoba hunters generally and in particular to the Honourable Member for St. George and the Attorney-General whom I hope to join very shortly on a weekend shoot - can we take these birds home safely to our respective wives and enjoy the bountiful pleasure of our efforts?

MR. EVANS: Mr. Speaker, I believe I gave some extended detail remarks on this during the discussion of my estimates last week. But just to recapitulate very briefly, my information is that some mercury deposits have been found in some of these types of birds in Manitoba. However, I understand also though that considerable quantities would have to be consumed before any serious detrimental effects would occur. However, the department is conducting further tests and I will make it a point of getting an up-to-date report on this and give you the information as soon as possible.

MR. ENNS: A supplementary question, Mr. Speaker. I take it then there is no thought being given in Manitoba of curtailing the Upland Game Bird season?

MR. EVANS: Mr. Speaker, the final decision on this would depend on the outcome of this last set of tests, but I'm hopeful.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a supplementary question for the Honourable Minister of Labour. Does he think it would be useful in view of the Workmen's Compensation Board's tendency to be conservative, if you'll pardon the expression, of investing in only gilt edged securities, would it be useful to point out to them that in low income housing under the National Housing Act the Provincial Government can guarantee up to ninety percent of the loan.

MR. PAULLEY: As a courtesy to my honourable friend, I doubt if the question really is a proper one for this time, but I'll reread her remarks and transmit them to the Board.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I'm directing my question to the First Minister. I notice on the Order Paper, Manitoba Centennial Lottery Act standing in the name of the Member for Elmwood. If this Act were to pass would the lottery be operated by the government or by an agency or by a private party.

MR. SCHREYER: Mr. Speaker, the contents of the bill will indicate to my honourable friend just what the situation is.

MR. SPEAKER: The Honourable Member for St. Vital.

MR. HARDY: Thank you, Mr. Speaker. I'd like to direct this question to the Honourable the Minister of Labour. In view of the reserve funds of the Workmen's Compensation Board, and I have no quarrel with the Honourable Member for Fort Rouge, can the Minister advise the House as to whether or not these funds may be utilized in the purchase of municipal debentures?

MR. PAULLEY: The same answer to my honourable friend; it's under the control of the Workmen's Compensation Investment Board.

STATEMENT

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. EVANS: I have great pleasure to demonstrate to the members of the House the government's concern for the rights of all members of the House and that we are fully aware that we should extend all courtesies as making all policy announcements we can in the House, and at this time I'm pleased to announce that the Manitoba Government has decided to make available \$1,500,000 for use on the Keystone Centre Project at Brandon.

The Provincial Government will directly contribute \$1 million, several departments have an interest in the project and each will contribute a portion of the donation. Another one-half million will be provided by the Manitoba Centennial Corporation; the total of one and a half million will be made available according to the needs of the project in the fiscal years 1970, 1971 and 1972. The government felt that it should grant this amount because of the exciting benefits which will be made available to southwestern Manitoba. The multi-use nature of the facility was particularly attractive. One centre which can serve many different functions from agricultural fairs to hockey games, to a drop-in centre for elderly citizens, makes possible maximum use of the resources available. Although the initial cost may seem high; the consolidation of many services within one complex will eventually result in considerable savings. The amount of Provincial Government assistance equals the sum that the Keystone Centre Committee requested. The committee, ably chaired by Mr. Fred McGuinness, intends to raise another one and a half million dollars in the southwestern Manitoba area and hopes to secure additional financial aid from Ottawa. The Federal Government, I believe, has a development program which should include assistance for community projects of the Keystone Centre type.

The Manitoba Government will do all it can to assist the Keystone Centre Committee in its efforts to secure Federal money. The multi-use character of the Centre will be stressed by the government through the allocation of portions of the cost to a number of government departments.

I would also point out that the government promptly prepared and presented to the House an Act respecting the Keystone Centre which allows for the sale of the existing arena. As members know, this legislation has now been passed and the proceeds of the sale will be used to meet part of the cost of the Keystone Centre project. This interest of the Manitoba Government in this project demonstrates our concern for regional, economic development in the Province of Manitoba. The originators of this excellent scheme have shown foresight, resourcefulness and a sound understanding of the community and its needs. I would like to take this opportunity to congratulate them on their well developed plans. It is this spirit and this imagination which assures Brandon and southwestern Manitoba a promising and bright future. Thank you.

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

MR. WEIR: Mr. Speaker, I'd like to thank the Minister for his statement and wonder if at some point he could give us an idea of the distribution of the funds to the various departments and whether or not they're contained within the existing departmental estimates so that they can be discussed in terms of that appropriate department so we won't be discussing it all over the place.

MR. EVANS: I think we can give you this assurance.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: With respect to the statement just made by the Minister, if other communities were to prepare similar plans would they receive the same consideration? I know the City of Portage la Prairie is thinking along these lines. It would be helpful to know if there was a policy that they could either have a look at or meet and discuss.

MR. EVANS: Mr. Speaker, I would like to think that this government would consider all well thought out plans that would be helpful to the agricultural community, that would help senior citizens, as this one in particular that has this multi-use purpose. As I pointed out in the statement, I believe the Federal Government also has a program established which will provide some financial assistance for multi-use projects of this type.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD McGILL (Brandon West): Mr. Speaker, I would like to congratulate the government on this step. I think this announcement will be received with a great deal of pleasure by the people of western Manitoba and I congratulate you for making this decision. I think it will be a wonderful step in promoting our agricultural showcase in the Manitoba Provincial Exhibition and the Manitoba Winter Fair. I think this is a wonderful step forward and you are to be congratulated.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable the House Leader of the Liberal Party asked me a few minutes ago a question as to whether the proceeds from the Centennial Lotteries Act, if enacted, would - if the proceeds would be utilized by any agency of the Crown. That was the gist of the question. I'd like to answer it.

MR. G. JOHNSTON (Portage la Prairie): The question was, would the lottery be run directly by the government or an agency of government?

MR. SCHREYER: Mr. Speaker, I think I can tell my honourable friend that the lottery, if the bill is enacted, would be operated by and for the Manitoba Centennial efforts.

MR. G. JOHNSTON: The corporation . . .

MR. SCHREYER: Yes.

MR. SPEAKER: Orders of the Day. The adjourned debate . . . The Honourable Minister of Transportation.

MR. BOROWSKI: . . . take a moment of the House to point out something that's caused me some pain and embarrassment in the last few weeks. There's been a series of ads appearing in the local papers and the country papers, appearing over my name, highway ads and I've been getting some nasty phone calls and letters saying this is an irresponsible waste of taxpayers' money; and I think in some instances I agree. What I want to say is that I had nothing to do with these ads; these were contracted for by the previous administration and they are ending at the end of this month. I'd like to say here for the benefit of the House that any future ads that appear from this department will deal with safety or other such matters that are worthwhile and not as the type that we've had up to now.

ORDERS OF THE DAY

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Minister of Finance. The Honourable Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, as a courtesy to the Minister of Finance, I'd like to ask the indulgence of the House to have the matter stand.

MR. PAULLEY: . . . as a courtesy to both honourable gentlemen you will have this to stand.

MR. SPEAKER: (Stand). Adjourned debates on second reading. The proposed motion of the First Minister. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, the other day we were discussing the particular bill before us, namely the Act to Amend The Election Act, when time ran out and as a result the bill was left open for me to continue.

At the time that time ran out I think I was discussing the matter of the voting age and asked the government just how much research or just what research has been carried out in arriving at the figure 18 as the figure and years that the person has to be in order to vote - that will be the new voting age. I would certainly be happy to hear from them just on what grounds and what research had been carried out, if any, in arriving at this decision.

I also mentioned that I would be introducing an amendment to increase it from 18 to 19 because this is the voting age presently in effect in the western provinces of Alberta and British Columbia and I feel it has some merit. I think at the age of 19 high school students are generally out of high school. Many of them are already working and earning money on their own. They are already taxpayers by that time; they know what taxes mean to them and the tax deductions that are made off their salaries, so that I'm sure that when people get that experience they will take a greater interest in how their money is spent and what is being done in government, where the money goes and so on. So that there would be greater responsibility on their part in participating in elections and in voting. Naturally, too, as the person grows older there is more development and that these people get more mature in their thinking,

(MR. FROESE cont'd.) in their outlook, so that as a whole I think it would be to greater advantage if the age was rather 19 than 18.

I was interested also in the remarks of the Member for Elmwood and what he had to say. Then, too, I just wondered whether he would not be willing to carry out some research work in the matter that I just raised and probably another matter that should be researched - and this is the matter of whether female workers or female people should have a vote at an earlier age than male; what his reaction would be to that, whether the female is not more developed and further developed than the male is at that age. Probably he would be interested in carrying out some research work along that line. -- (Interjection) -- Russ would know probably without any research would he.

The matter of the spouse being entitled to vote was already raised by the House Leader of the Liberal Party and from his remarks apparently the servicemen or their wives are entitled to vote even though they're under age. Should this not be carried right through then in all cases, that once they get married that both of them are entitled to vote if the husband is entitled to vote. I think this should be done in my opinion. I see no reason why not. And certainly now if the voting age is going to be lowered to 19 in most cases they will be entitled to vote regardless, or if it's lowered to 18 then sure and by far in the vast cases they will be entitled to vote.

The mailing of ballots for those that are not able to get to the polls I think is a step in the right direction but I'm just wondering whether this will not give increased work to the returning officers and the people who are administering the Act. I would like to hear from the Minister concerned just what is entailed and how much more work it would involve and how many cases are there actually over and above the present cases that are involved in the hospital vote. I have no idea at the moment what this would entail and how many people it would involve. Perhaps we could have some indication by the Minister sponsoring the bill and give us some information. I imagine the decision rests to a large extent with the D.R.O. although we find that there is a certificate at the back of the page that has to be filed and also vouched for by another voter, so I think that is quite in order.

There is a further matter that I thought I would briefly like to touch on and that is something that the NDP Party has been advocating for many years. This has to do with eliminating the deposit. How come we are getting an election act or an amending bill brought in and that there is no action on this particular aspect? I felt for sure that if they were going to lower the voting age that they would also remove the deposit. -- (Interjection) -- How come? Well does this mean that we will be getting further amending bills before this House that will remove the deposit? I'd certainly like to see it removed or at least if it's not removed that just a very nominal charge be made and certainly not put a licence on democracy. This is what we are doing by attaching such a large deposit on candidates that want to enter into an election. We know from the recent B.C. election that many candidates lose their deposits. In B.C. forty-seven Liberals lost their deposit in the last election. Thirteen New Democratic Party members lost their deposits in the B.C. election, and there was even one Social Crediter candidate that lost the deposit. I see no need for this deposit. I claim that it is actually a licence on democracy and I would certainly like to see it eliminated completely. The excuses that we have heard in previous years why this should be kept in I don't think holds water. I don't think we'd have that many more candidates, and if we did have, why shouldn't we have. Why should they not be allowed to enter an election. So I do hope that this government will bring in further legislation dealing with this matter and eliminating those large deposits.

Civic courses. This matter has been discussed, too, by the Member for Elmwood. I certainly endorse something in that line. I think our younger people should be studying up on this and should be conversant with civic matters and how the elections are conducted and so on. I think it's a responsibility that they should learn at an earlier age than what they are doing at the present time.

The matter of political activity clubs in our high schools. I've been attending special events or special occasions in high schools and speaking to high school students on our parliamentary system, on how we conduct this House and the experiences that we have and so on. I think this is very good and this gives the pupils also an opportunity to question us who are involved in this and get firsthand experience and information. Therefore, I do endorse activity of this type in our high schools. To what extent you want to carry it this is another matter that probably should be a matter of discussion if not now at some future time to go further into

(MR. FROESE cont'd.) this, because I also believe that our high school students if they are going to be allowed to vote at the age of 18 certainly they should have an opportunity to discuss and to assess the various parties and what they have to offer, their beliefs and also the economics of our country so that I -- (Interjection) -- Sure, why not. So that I am rather inclined toward that way and I would like to see more of this activity carried on.

So with these few words, Mr. Speaker, I do support the bill but in a qualified way because I'd like to see it further amended.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I beg to move, seconded by the Member for Emerson, that debate be adjourned.

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

MR. SPEAKER: The proposed motion . . .

MR. PAULLEY: Mr. Speaker, I wonder if I might have the indulgence of the House before we go into the next bill. The indulgence of the House is that it's been drawn to my attention that dealing with the proposed motion of my colleague, the Minister of Finance, of Mr. Speaker leaving the Chair to go into Ways and Means Committee, a request was made by the Leader of the Opposition to have this matter stand, and according to the rules of our House this would deprive him of the opportunity of speaking tomorrow unless it was done by unanimous consent. Now the reason for the Honourable Leader of the Opposition desiring not to proceed today is in deference to colleagues within the House who are today observing the festival of Yom Kippur. So my purpose in rising now, Mr. Speaker, is to ask for unanimous consent, that notwithstanding the rule of the two adjournments that the motion be allowed to stand in the name of the Honourable Leader of the Opposition.

MR. SPEAKER: (Agreed.)

MR. FROESE: . . . just going to be dealing with this one item then I take it on Private Members' Day, which is actually government business, nothing further?

MR. PAULLEY: . . . my honourable friend tomorrow we deal with government business. The motion to go into Committee will come up at the proper time, at 8:00 o'clock in the evening, . . . government business. So it doesn't make any difference. It's just . . . for my honourable friend or not.

MR. FROESE: Well I wasn't objecting but tomorrow afternoon it's Private Members' Day.

MR. PAULLEY: That's right.

MR. FROESE: Therefore I was asking whether we would just be dealing with this one item of government business and then proceed with Private Members' business.

MR. PAULLEY: No, Mr. Speaker, I assure my honourable friend that government business will not be called during private members' business time.

MR. SPEAKER: (Agreed.) The proposed motion of the Honourable Minister of Government Services. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, the Bill that is up for discussion now is the Civil Service Act or an Act to amend The Civil Service Act and on a previous occasion I was not quite prepared to proceed with the bill. However, I've examined most of it and I do have some questions arising out of the examination.

For one, I would appreciate getting a schedule of the pay range that is presently in effect under the various categories. Is such a schedule available? It must be because the Civil Service naturally must have it in order to arrive at decisions as to when an applicant applies as to what the pay would be. I would appreciate getting such a schedule for my own perusal and probably other members likewise probably in the same position. Then there are other matters such as the delegation of powers to sign, to delegate this power. I was going to check into that further with the main Act. I don't see too much trouble with that; however, I do hope that when these powers are delegated that the necessary responsibilities are there too so that they will act accordingly, because I don't see that within the amendments that we are proposing here to go with this particular power.

The matter of probation, six months - is this more or less standard generally or is this something that is particular to the Civil Service in Manitoba? Here again I would like to have the Minister comment on if possible. I notice that the Oath is brought into the amending sections of our legislation. The reason for this. In my opinion there is not any change in the

(MR. FROESE cont'd.) Oath that the people have to take, but again if there is no change why bring it in? I would like to have the reasoning behind this.

The major part of the bill has to deal with arbitrations. Here again I do not see anything wrong with the particular bill in that regard. I'm just wondering will the Civil Service Commission or its board, will they be allowed to appear before Law Amendments when this bill comes up? I would have some questions to direct at them. Are there any strong differences of opinion by the civil service of the provisions that are presently before us? This is something I think we as members would appreciate to hear, whether they do take exception to certain of the provisions that are being proposed at this time or whether there is any wishes that they might have which the government is not prepared to go along with but maybe which we as members should have a right to hear about. Therefore, I would like to have probably representation from the Commission present when the bill is before Law Amendments.

I note there are various sections dealing with minor matters. The matter of the chairman has a vote only when there's a tie. I would question this if it was a larger board but seeing that it's only a three-man committee the matter doesn't come to play actually. Normally I think, in a larger anyway, the chairman should have a vote in the first place so that he would be part of the decision that would be made. But being a very small committee of three this does not come into play actually because he will then be always making the deciding vote if the other two are not unanimous.

So with these few remarks, Mr. Speaker, I am prepared to allow the bill to go to Law Amendments.

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

MR. PAWLEY: Mr. Speaker, . . .

MR. SPEAKER: Will the Honourable Minister be closing debate?

MR. PAWLEY: Oh, I don't want to close debate if there are further comments.

Mr. Speaker, in connection with, firstly the question that was directed to me by the Honourable House Leader of the Liberal Party in connection with Section 23 of the bill and what responsibilities were being transferred in connection with that particular section. Just very quickly a rundown would be as follows, Mr. Speaker. The establishment of a classification plan; the administration of the classification plan; the establishment, the administration of the pay plans for civil servants; the application of the pay plan to individual employees; the section 20 dealing with the retirement; the re-classification of a position and the effects on the incumbent of that position; the providing for the making of regulations dealing with compensation for overtime; the making of regulations and working conditions covering the employment of casual and term employees; the maintenance of personnel records; the loan of employees to other governments or agencies; the dealing with educational leave and assistance for employees; and the attendance at meetings of joint council. These are in general the items being transferred, and the reason for this, to the Honourable Member for Rhineland, is that the staff is now made available to, and has been for some time, is available to the Management Committee rather than to the Civil Service Commission. The Civil Service Commission no longer has the facilities that they are able to adequately deal with this matter. The representatives of the Civil Service Commission will be in attendance at Law Amendments, that you could ask them in more detail, questions pertaining to this.

The honourable member requested a schedule of pay range available to civil servants. . .

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I hesitate to interrupt the Honourable Minister, but do I understand he is closing the debate?

MR. SPEAKER: That's right.

MR. PAWLEY: Yes, I had indicated very clearly that . . .

MR. BILTON: I simply rose on behalf of a colleague that intended to speak to this matter, but however, he has lost his opportunity.

MR. PAWLEY: If I can obtain such a schedule, and I am sure that it can be obtained, I will make it certainly available to the honourable member. In connection with the probationary period, re six months, I understand that this is an increasing practice. Again there will be questions that can be posed to the representatives of the Civil Service Commission in Law Amendments. Personally it seems that it is a logical move. A person should be able to tell in six months whether or not an employee is going to meet the standard set by the department; should be possible to test him out sufficiently during a six month period. It seems that a twelve

(MR. PAWLEY cont'd.) month period is unnecessarily a lengthy period; and it is in keeping with the request of the Manitoba Government Employees Association.

The providing of the Oath in the Act. This is there to provide more ready form and availability to those that wish to use the provisions of the Act. There may be other reasons that can also be made available at the committee stage.

A disagreement on the Bill. To my knowledge there was no major disagreement at all on the part of the Members of the Manitoba Government Employees Association even in respect to the articles dealing with compulsory arbitration. There seemed to be, to my information, complete agreement, that compulsory arbitration was a request that they wished along with the other items; so to my knowledge there was no disagreement within the Association.

Possibly we can leave further questions and detail to the committee, Mr. Speaker.

MR. SPEAKER: Are you ready for the question?

MR. HARDY: I wonder if the Minister would accept a question at this time?

My apologies to the Minister in view of the fact that I did intend to speak on this, but I wonder if the Minister could advise the House of the ramifications contained in Section 49.

MR. PAWLEY: I don't know whether the honourable member was in during the first part of my address. He must not have been, Mr. Speaker, because I was dealing with the various transfers of powers contained within 49 (a) at that time, and all that I might suggest, Mr. Speaker, should appear in Hansard tomorrow. I outlined the various duties that were being transferred. It's a lengthy group of powers and responsibility; the establishment of the classification plan, the administration of classification plan, the maintenance of records and what not, I would not wish to go right through this whole list again, as I did at the early part of my address, Mr. Speaker.

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

MR. PAULLEY: I wonder, Mr. Speaker, if you might pass the next two items, Second Readings on Government Bills and call the adjourned debate on the resolution introduced by myself as amended by the Honourable House Leader of the Liberal Party.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Minister of Labour. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I haven't got my notes with me. I wonder if we could have this later on in the day; otherwise I would have to ask indulgence to have this matter stand.

MR. PAULLEY: (Stand.) Mr. Speaker, I would beg to move, seconded by the Honourable Minister of Agriculture that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of Supply with the Honourable Member for Elmwood in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Department of Agriculture. The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Chairman, the other day when I spent some 10 or 15 minutes dealing with some of the questions that were raised by my honourable friends opposite, I had arrived at the point at which I was to deal with the question of coarse grains marketing. I believe I didn't make any specific remarks with regard to that subject matter.

I simply want to point out to honourable members opposite, that raised the question that the whole matter of grain marketing is under current review by my department and that in due course we will have some policy to state to the House, if indeed we have a position, a definite policy by that time. But I am undertaking some extensive studies into the subject matter to find out just what is the best way to rationalize the impasse as we have it today.

With respect to the Member for Carillon, having to do with the question of assistance to vegetable growers, I believe I did deal with that on Thursday, so I won't repeat that particular matter at this time.

The Honourable Member for Carillon made mention of the fact that farmers are in some categories in a worse position today than they were in the 1930's. I don't know whether it is quite that bad. I know it is a bad situation compared with other sectors of the economy and certainly I agree with him that we ought to do what is within our power as a provincial administration to try to cope with the situation and to alleviate their problem as much as is possible

(MR. USKIW cont'd.) within the jurisdiction that we have as a provincial administration.

I want to point out in that connection that there will be policies announced by this government with respect to something to be done for the grain producers that want ways and means out of their dilemma. It is hopeful that policy will be announced within a few days, perhaps early next week, with respect to availability of capital to redirect the course of agriculture in Manitoba.

With respect to the question raised by my honourable friend the Member for La Verendrye, with respect to the vegetable marketing situation and whether or not we respect the wish of the majority of producers in the setting up of marketing boards, I'm certainly quite familiar with the subject matter, having dealt with this subject in this House on previous occasions in a very extensive fashion, if I may . . . I want to point out for the benefit of members opposite that with respect to the potato commission operation, the majority of members, of course, did express support for that operation. While it was four votes short of meeting the two-third requirements under the Act, and the fact that it has continued in operation, to me demonstrates the fact that the government although having legislation on its books was not quite prepared to stick to the letter of the law, or the letter of the legislation before us and that perhaps some thought should be given to amending legislation in keeping with the wishes of (a) the legislative body; and (b) the majority of producers in question. I don't think that we ought to maintain a policy, that is, an Act which is out-dated and one which we are not prepared to live with. If we don't agree with it, let's change it and let's do things above board. I wholeheartedly agree with my Honourable Member for La Verendrye that this ought to be rationalized. This, Mr. Chairman, will come about in due course. As I mentioned during question periods prior to this time, I had indicated that we will be looking at the whole question of the Marketing Act and that perhaps during the next session there will be some substantial amendments to that Act in keeping with points which I have just mentioned.

The question about the dilemma we find ourselves in, insofar as Veterinary Services are concerned is a very important one. It has been brought to my attention on a number of occasions by various farm groups and indeed my department. We are looking at ways and means of dealing with the problem. I have had some insight into what other provinces are doing. Some are placing their veterinarians under the civil servants of the respective provinces; they are directly paid by the government to service areas. There are varied programs throughout Canada. I think Manitoba has to seriously look at our program if at all we are going to provide the kind of service that is more and more required as we move along towards diversification in agriculture. I certainly recognize this and I am hopeful that in the estimates of my department during the next session there will be something showing, some direction as far as the Veterinary Services are concerned. -- (Interjection) -- You're not suggesting "Vedicare". Well I don't know what it's going to be either, Mr. Chairman, but I do know there is a serious problem before us and that my department and myself are looking at it and hopefully we will come up with some sort of a program for the next session. -- (Interjection) -- Hopefully you will all endorse it when it is before you in recognition of the fact that we do have a serious problem.

The Member for Pembina deplored the fact that we have from time to time strikes that interfere with the movement of agricultural products; a suggestion was made that some methodology ought to be established to prevent labour strikes. I would only say to him that I am sure he doesn't mean what he says. I am sure he doesn't believe in compulsory labour or in the slave labour trade. I can only take his comments with a grain of salt at this point, although I do recognize that from time to time there is a serious problem posed as a result of labour disputes, the likes of that. I think the area in which we can be most helpful in that connection is in good public relations and proper liaison between government, agriculture and the trade union movement. This is about the most positive way in which to cope with that particular situation. In connection with that I want to remind my honourable friends opposite that it wasn't long ago that I had some discussions with the people at Vancouver and indeed I think it is possible to arrive at some understanding wherein we can reduce at least, if not eliminate, this kind of dislocation and this kind of problem in the movement of agricultural products throughout the country.

The Member for Gladstone talked about the problem of the grain marketing system, the

(MR. USKIW cont'd.) fact that we can move grain out of the country into export markets; suggested that possibly we might be better off to abolish the Canadian Wheat Board and to in fact, give away our grain if necessary through the free enterprise channels. I don't know if we accepted his position whether or not that would indeed put any money into the pockets of the grain producers. I hesitate to say that it would; that it would only complicate problems that much more, and that, too, I take with a grain of salt so to speak. Seriously, I don't accept that as a suggestion at all. I think if we are going to talk about marketing of grain, we have to talk about orderly marketing of grain and it is up to the grain producers to establish for themselves the type of marketing system they want, in that it is their own production that they are dealing with and they have the full right to determine what kind of policy ought to be set up to market their own product. -- (Interjection) -- A feed grain board? I haven't heard that one although it's very interesting.

The Honourable Member for Roblin mentioned the problems related to Federal dairy policy and the dairy quota system. I recognize that we are receiving the bad end of the stick, if you like, in connection with dairy policy. However, I recognize that the Federal Government's dairy policy is determined to deal only with products which we can indeed consume in this country and that their policy is designed to discourage production beyond that point.

I think that the provincial government in this connection can involve itself to some degree. I find that in many instances where we have people that have given up dairy quotas, the fact that they have done so was never public knowledge and that those dairy quotas were quite often transferred to eastern Canada, which they shouldn't have been in my opinion; that had we had the kind of publicity and information service that is necessary we could have indeed accomplished a transfer of quota within the same area in which the quota was lost in the first place. At least we should research that possibility. I have asked my department to look into the possibility and ways and means of our department becoming some sort of an information centre to provide our producers with that kind of information as it arises. Hopefully we will get something rolling on it before too long so that we can at least watch what is developing with our dairy production in Manitoba, and indeed if necessary, to bring the necessary pressures on the Federal Dairy Commission and the Federal Government to alter policy if at all in a reasonable way it can be done.

It has been mentioned by, I believe it was the Member for Churchill, that we ought to do something about marine insurance, Port of Churchill. I think I don't have to reassure him that the administration is looking at this possibility, as has been mentioned by the Premier on a number of occasions.

The question arises: where should Manitoba go as far as the grain problem is concerned? I just don't recall who -- I believe it was the Honourable Member for Churchill that posed that question. I don't think that I would under-emphasize diversification as much as is possible. I think Manitoba has a way out of its dilemma, much more so than any other of the three prairie provinces, in that we don't have the extensive amount of land in grain production as do the other two provinces and therefore anything we do to minimize over-production in grains would make some impact on the total picture of agriculture in Manitoba. Having to diversify three million acres, if you like, in wheat production is a lot easier than fifteen or twenty million acres. To that extent our problem is not near as acute as that in Saskatchewan, for example, or Alberta. It presents us with an opportunity to indeed make the best use of our agricultural economy if we put the right amount of money into diversification programs. Land resources in Manitoba are such that it lends itself towards this end, and that indeed the two industries can complement each other; that is, the grain producer and the livestock -- the people in the business of feeding cattle, hogs and poultry. This can be somewhat of a team effort and that agricultural policy should be developed to that end without encroaching on anyone, for that matter, but a matter of working together for the benefit of the total economy of Manitoba. This is something that we have to look at very sincerely if we are at all to avoid the ups and downs in the rural economy of Manitoba. And it's something that we can develop overnight. I want to say that we are looking at ways and means and certainly will be attempting programs to do this, programs of information and persuasion if you like, programs of credit, hoping to somehow minimize the present situation as much as possible.

As far as credit policy is concerned, I want to point out, as has been by the First Minister on one or two occasions, that it will be our intention to make credit available to farmer-owned corporations, if you like, corporations which have more or less shareholders owning an equal

(MR. USKIW cont'd.) amount of share capital, or shares rather, and co-operatives as well as individuals. We do not intend to support a policy of agro business getting into primary production, and when I refer to agro business I identify it as people that have interests other than agriculture. I don't think it's our responsibility to provide the credit and the support for this kind of entry into primary production. I would tend to discourage it as much as possible. I think we have a farm income problem; we have to rationalize it and we have to encourage our farm people to either become economic units as individuals or to group themselves into farmer-owned co-ops or corporations, whichever they wish to choose. I refer to that when I said "as individuals". This would be the three areas in which we would be prepared to support the development of agriculture in Manitoba. I want to point out that any credit policy that we adopt which will be revealed within a short time, it will be very directional; it will be a policy which will be designed to somewhat reduce the production of surplus commodities.

One of the areas that we must take a good look at is what can be done to improve the cow-calf operation in Manitoba in order that we may properly supply the beef industry, the feed lot industry. I think this is becoming a critical problem and it's an area that we're going to have to pay some special attention to through credit and possibly incentives. This is something that will be revealed in due course.

As far as Wheat Board grading regulations are concerned, as has been mentioned by the Member for Morris. He pointed out that the high protein wheat should not be grown except in southwestern Manitoba. I gather from my experts in the department, Soils and Crops Branch, that this is not necessarily so; that a lot has to do with the managerial capacity of our farmers as to whether or not they can produce that kind of quality in wheat. It's not necessarily a soil condition in itself.

My honourable friend from Lakeside expressed some concern as to where we are going so far as ARDA and FRED are concerned. I want to point out that the whole program is under review. While we may not change the over-all pattern, there will no doubt be changes in emphasis within certain sectors of the program. These will be revealed probably during the next Session, if not before, but at the moment the whole program is under review and we are not in a position of indicating to my honourable friend what our policy is with respect to the total program.

The Member for Rhineland talked again about inland storage for grain. I can only say to him at this time that it's a very interesting subject and I am thankful of the advice that he's providing for us. Perhaps he has a good idea, but it needs some looking into.

This sums up most of the questions that were raised, Mr. Chairman; I'm sure that there will be others and I will be prepared to rise again.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, this afternoon -- I must say apologies that I wasn't in the House when the Minister of Agriculture gave his short address in introducing his estimates. He stated then that he was going to be very short, and I would too like to add a few comments to the debate that has already proceeded, myself. I think, too, I would be remiss, Mr. Chairman, if I didn't extend my sincerest congratulations to the honourable member for attaining the portfolio that he holds. I think that in view of the debate that he conducted in this House when he sat on this side in the last Session it would certainly warrant that he should fill that role, not to say that this is any statement in regards to any other member that might not be able to fulfill those qualifications.

I was rather interested too, Mr. Chairman, in the comments that the Minister has just made when my colleague here talked about the Canadian Wheat Board and probably we should find some other method, if I understood it correctly, in trying to solve our marketing problem, and the reply was that he felt that we should leave this matter for the decision of the farmers; and if my memory serves me correctly, it seems to me when he spoke from this side last year it wasn't the decision that the farmers were concerned about, it was the government of the day that should be taking the initiative and doing these various things, and I'm rather surprised to see him sort of take a change of attitude right now.

MR. USKIW: Mr. Chairman, . . . my honourable friend that in 1949 there was a plebiscite which determined the course of action that the farmers wanted, and I simply made my position quite clear in the House on previous occasions that if there is any change of policy it should be referred back to the farmers themselves.

MR. EINARSON: Well, Mr. Chairman, I'm fully aware of the plebiscite that was

(MR. EINARSON cont'd.) conducted insofar as the Wheat Board was concerned. Getting to some of the problems that I'd like to discuss this afternoon, first of all I would like to tell the Minister of an experience that I've had in my own community just about the last week of the crop year whereby, I think around the 23rd of July, we didn't have quite the three-bushel quota. There were many other areas in Manitoba that had the full five, and I took it upon myself to do some investigating with both the railway and the Wheat Board, and I found that -- information, of course, that the Wheat Board supplies to the railroad and this indicates as to whether cars should be forthcoming to those various points. The point I discussed myself was in my own point where we were one of those unfortunate areas, and I found to my disappointment that there wasn't the proper liaison between the railroad and the Wheat Board. In other words, I'd get one story from one area and another story from another, and I think that this is a very serious matter when we're trying to solve a problem that is as crucial as it has been in this past crop year, probably the worst we've seen since 1956-57. I would appreciate if the Minister could look into this particular matter.

Another matter that concerns many farmers and also grain buyers, and I'm given to understand that in a given point where there may be three different grain-handling companies, they decide -- that is, the Wheat Board has no jurisdiction on this but it is left to the grain trade to decide who is going to be the one responsible for requesting for an increase in quota. And if I may just use an example to explain my point. You may have the Wheat Pool -- that is the Pool Elevators -- you may have United Grain Growers, you may have Federal. There's no significance here other than to mention these names to explain my point. And we maybe assume that the Federal is the one that is chosen to ask for further cars when they get . . . quota. But say, for explanation purposes, that Federal still have room for maybe, say, 50,000 bushels while the other two companies are loaded. This, I have come to be given to understand, this is not a good arrangement. I can go back a number of years when we didn't have this crucial situation where it didn't really matter so much, but when we're involved with a situation in which we find ourselves now, with the fantastic glut of grain, it's just not working out, and I think that there should be some improvements made in this field.

I also wanted to touch on the cattle situation, as the Minister has mentioned about feed cattle operators, and I have directed questions to the Minister of Consumer and Corporate Affairs in the past week or so, and even today. I was really alarmed to read this article in today's paper where one of the largest cattle feeders has been very concerned about what has been taking place in the past two months. I might say too, Mr. Chairman, that as a producer of beef I have been mighty concerned as well, and I'm wondering what kind of co-operation the Minister is getting from the rest of his colleagues when we are discussing a problem of this kind where the prices of beef have dropped eight to nine cents a pound in the past ten weeks but, according to this article, we are given to understand the consumer is not benefitting by this reduction. I can fully understand that maybe for the first week or so that prices start to drop, you don't see any change, but after such a long time going by you would think something would happen in the way of a reduction in prices.

I also questioned once about the increased costs of cars and the Minister was not aware of this, but I think that these things do hold significance when we are talking about the farmer's plight, because this is an added cost to him. Not only would it be cars, it could be trucks or many other commodities where prices are going up and have no regard for the reduction in the prices of the things that he has to sell. And so I feel that the Minister of Agriculture has a very very important role to play if he's going to be successful in trying to solve some of these problems.

He also mentioned something about the veterinary services, and I'm in full agreement with him that a great deal of improvement could be made insofar as veterinary services are concerned in Manitoba. I know a number of veterinarians have come to me and discussed this matter with me that something should be done along those lines. I also want to say, while I'm on that subject, a constituent of mine -- there's been two or three of them in the past few months who have come to me and asked me if there was any possibility of getting some compensation for cattle and other animals that have been stricken by, say, a rabid skunk and they in turn become rabid. They have had to destroy them. They have called a veterinary out to assist them and they have asked the veterinary about this but he says, "I'm sorry, my hands are tied. I have no jurisdiction over your animal other than to help you to diagnose the case and what to do about it." But insofar as compensations are concerned, a number of farmers

(MR. EINARSON cont'd.) are wondering if something can be done along those lines.

There is one other subject that I think is a very touchy one but it's a matter that has concerned farmers across western Canada, and that is when we talk about the grain handlers' strikes, both at the Lakehead and the West Coast. I'm inclined to agree with the Minister that probably there is room for a greater deal of understanding. Nevertheless, I want to point out to him that it didn't appear to be any other way than obvious to the farmers that when these strikes took place it was done for a deliberate purpose, and the one who really suffered most in the long run was the producer, and they don't feel that this is justified because it's happened so many times in the past. And while probably it isn't all the jurisdiction the Minister in a province can do, it's also the responsibility federally, but I think, and I urge upon the Minister here, to do what he can and probably use his good offices to influence in that regard.

MR. USKIW: I wonder if the honourable member would permit a question?

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: The honourable member, in stating his position with respect to strikes, indicated that he feels the blame is always one-sided - he always talks about labour strikes. I would want to know whether he doesn't recognize that in many instances management goes on strike. I don't know how to define a strike. Who is at fault when there is a dispute, a labour dispute? Is it management all the time or is it labour all the time, or is it some of both? I think we must be very precise here, Mr. Chairman.

MR. EINARSON: Well, Mr. Chairman, there are many strikes that I am not referring to in my comments that I make this afternoon, but I'm referring to some of the strikes when they affect the economy practically of the nation and experts have said, when we made a \$500 million sale of wheat to Russia it was the saviour of the economic situation for the whole of Canada, and it's these situations that I want to stress that the farmers are concerned about, not all strikes in general, no. Certainly it's a two-way street, and labour and management they are both -- there's two parties involved and if they can't settle them then probably someone else should step in and try to do it for them, but the point I want to make is that when the strikes do occur, possibly when it's affecting the economy of so many people, that the people should continue to work and in the process try to find some way of solving these problems, or the differences that labour and management have. This is really the point that I want to make. I'm not speaking of strikes in general, I'm referring to some of the major strikes that have a very important bearing on the economic well-being of the whole nation, and this is the thing that I consider very very important, insofar as farmers are concerned at any rate.

Also, there is one other matter that some farmers have brought to my attention and that is in the field of crop insurance. We still have PFAA in existence and some farmers have been asking me whether there was any possibility of doing away with the Prairie Farm Assistance Act in that we have the crop insurance program and that it has developed over such a large area of Manitoba. I don't know what the Minister's view are on this but I think that probably it would be worth looking into and seeing what he could come up with. Generally speaking, agriculture at the present time is at the crossroads, in my opinion, of some very serious times ahead, and when I think of the times that the Minister spoke in this House last year, the importance that he attached to it, I would hope that he would be able to see his way clear, at least with the support of the rest of his colleagues, to see what he can do to overcome some of these problems.

As I said, Mr. Chairman, I wasn't going to be long. I wanted to just make some of these comments to him and hope to hear from him a little later on.

MR. CHAIRMAN: Resolution 6. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman, in rising at this time, all I can say initially is that I go along with flowery tributes paid by other members to the Minister; I congratulate him on his appointment; and I feel sure that the NDP party have chosen for their Agricultural Minister the best member of their group. Having said that, I will continue and state that I am quite alarmed at the nihilistic attitude of the Minister. He has assumed the responsibility of government and is trying to blame his estimates and present conditions as far as he can on the previous government. Some of these criticisms of previous administration are justified and I, as one of the members of that previous administration, accept some of that responsibility. However, I feel that at this particular time in the farmer's dilemma, the attitude of the Minister is not one which will improve the situation with the farmer; it's not one that will instill

(MR. GRAHAM cont'd.) confidence; it's not one that would produce a feeling of progressive approach to the serious problem that faces us in the immediate future. At the same time as I say this, I'm going to say that in the picture that faces us today I am not one that has the really pessimistic outlook on the agricultural picture. I believe there is a future for agriculture in Manitoba and there's a good future for agriculture in Manitoba, but this can only be achieved by good leadership, by active participation by the farmers, by the farm organizations, by those in the grain trade, by the Provincial Government and the Federal Government all working closely hand in hand; that the problems that face us can be solved and they will be solved if everyone works together.

Now we are quite concerned about the grain farmer, or the grain producer, as being the one that is being most affected at this particular time, and I will agree that he has probably the worst situation in agriculture. However in Manitoba, as the Minister has stated, the Province of Manitoba probably faces a faster return to a healthy economy than the other two western provinces because we are not engaged in grain to the same extent in comparison to the total agricultural picture. However, I come from a constituency where grain is the major factor. Coming from the extreme western side of the province, our picture there is very similar to that in Saskatchewan. In the parkland region we do have room for cattle in certain areas, but there are many areas in my constituency which are ideally suited for grain production, and if, as the Minister stated on his credit policy statement a few minutes ago, where they will be designing policies which will be contrary to the production of products which are in surplus. . . .

MR. USKIW: . . . complementary, not contrary.

MR. GRAHAM: Very good. I accept your correction then, Mr. Minister. But Mr. Chairman, these are the areas which need any credit policy changes more so than any other type of agriculture. This is the area where there are resources, but the resources are tied up in grain bins and the farmer needs immediate cash.

Now it's interesting to note, even though the First Minister is not in his chair, that he is leaving in the very near future on a trip to Japan - I believe it's the 12th of October - on a trade mission; I assume this is as the Minister of Industry and Commerce. And it's also interesting to note that there will be agricultural experts from the various walks of life in Manitoba who will be travelling with him, and I would urge the First Minister to make the agricultural aspect of his trip the first importance, because agriculture still remains the No. 1 industry in Manitoba.

Now we all realize that the marketing of grain is a federal responsibility, but the policies of the Federal Government I should hope are not dictated only by the Federal Government, and I feel sure that strong representations made by provincial governments should have a beneficial effect on the results of federal-provincial deliberations. And I would ask the Minister to consider some of the policies that are presently in effect in the grain trade, and one that has concerned me in particular has been the announcement by the Federal Government in the past year in the establishment of a National Grains Council. I believe the policy, the principle of the establishment of a National Grains Council, is perfectly in order, but the personnel that were appointed to that National Grains Council are the same men that are heading the various existing grain handling organizations. There's been no new thinking brought into the establishment in this National Grains Council, and we need new approaches. New approaches are essential in the handling of grain. And I, for instance, just question whether the appointment of a member of the Harbours Board would be appropriate in a National Grains Council. I realize that there has to be a tie-in, but I don't think that the policy on grain should be that important to have a man from that particular category placed on that council.

Going on to another subject on the Board of Grain Commissioners' report on protein and the effect that this could have on marketing, I have no quarrel with the policy of grading on protein content. We in the western part, I think, would be favourably dealt with on that matter. There's one point, though, on the Canadian Wheat Board's handling of grain that I think is quite interesting, and this is their proposed block system of handling the collection, the transportation and the disposal of grain, and I believe the faster we have this block system implemented, the better off the farmers will be. As we all know, in the past the Wheat Board have issued shipping instructions for certain types of grain, and the end product that is delivered to the Lakehead or to Vancouver has been in many cases other than that which was ordered for shipment. This has not helped the facilities, especially when the facilities are already congested. It has slowed down the movement of grain. It has caused considerable embarrassment to the

(MR. GRAHAM cont'd.)... Canadian Wheat Board and to Canada as a whole in the marketing of grain. I believe the block system could help materially, so I would urge the Minister to press the Federal Government to implement the block system over the entire western Canada as quickly as possible.

Now, Mr. Chairman, last winter I believe some members of the government party - I'm not too sure if it was the Minister who was involved or not - brought up the subject of bootleg tractors and farm equipment in western Canada. This subject is of interest to many farmers, especially in the Farmers Union Movement.

MR. USKIW:.... accept a question?

MR. GRAHAM: Yes.

MR. USKIW:....

MR. GRAHAM: If the Minister will bear with me, I'll try to explain. In the past year, I believe the practice started in eastern Canada and it showed quite some interest in western Canada, whereby foreign tractors were purchased and brought into Canada by the farmers either singly or acting in groups, and they showed that this practice was of considerable saving to the farmer. The farmer, when he went into this program, realized full well that when he purchased these tractors there was no guarantee, no warranty that went with them, but the initial saving in cost was substantial, and I was just wondering if the Minister was familiar with this, if he was intending to encourage it, or whether he was just going to let it go by unnoticed.

MR. USKIW: Well, can my honourable friend explain where he gets his bootlegging idea from? He hasn't explained that part.

MR. GRAHAM: Well, Mr. Minister --(Interjection) --

MR. USKIW: Mr. Chairman, if I may, to clarify my point. I don't think that what he has illustrated is an illegal practice and that's why I don't understand why...

MR. GRAHAM: I have not stated that it was illegal.

MR. USKIW: Then what's bootlegging all about?

MR. GRAHAM: In the Good Farming issue - I believe it was the last one out - there is a major article entitled: "The Case of the Bootleg Tractor", and why this story has to be told, and I wouldn't want to read it to all the members because it entitles about eight or nine pages -- (Interjection) -- but if the Minister would care to....

A MEMBER: Read it to Harry Enns in your spare time.

MR. GRAHAM: care to have a copy I'd be glad to give it to him.

MR. USKIW: Mr. Chairman, I do have a copy of it but I still don't see where the bootlegging lies.

MR. GRAHAM: Well, I'm not going to argue with the writer of a story. Probably he wants to create a headline which would certainly create interest on the part of the readers, but I wonder if a practice such as this would be of benefit to Western Canada right now because the farmer already is facing a serious problem of servicing his equipment. Implement dealers in western Manitoba, I believe in the whole of Western Canada, are facing difficult times and these implement dealers have been the backbone of the farm policies and have served the farmer well. Now, if a practice of wholesale importation - rather than bootlegging - if a wholesale program of importation was to develop in Western Canada, I think that it would be -- the long-term effect would be detrimental to the farmer, so I would urge the Minister, if he is looking into this particular aspect, to look also at the long-term aspect and the effect that it would have on the farmer in being able to avail himself of the services that are so essential today to the rapidly increasingly complicated farm equipment. I think that any effort in this particular direction would probably achieve better results if it was aimed at the direct negotiations with the implement companies and probably, if necessary, to deal directly with the implement companies to make sure that there are maximum benefits derived to the western farmer through the economical use of farm equipment manufactured in this country.

Mr. Chairman, just in passing interest, I note that the new variety of durum wheat, Hercules, is to be available in a limited supply this year, and I think this variety of durum has a tremendous advantage for farmers, particularly in Manitoba, because of the shortness of the straw and the strength of the straw, and I see a good future for this particular variety in Manitoba. In the whole agricultural picture, I see a good future, provided that we have the co-operation of the Department of Industry and Commerce, through regional development and the eventual marketing of an agricultural product rather than the commodity of a raw material. We have established regional development areas in Manitoba; we had a very active Department of

(MR. GRAHAM cont'd.)... Industry and Commerce in the past, and I would urge that through these regional development boards or areas, with the co-operation of the Department of Industry and Commerce and perhaps the Manitoba Development Board, that secondary industry in the agricultural field be established throughout Manitoba. Now I noted that the Minister has stated that coarse grain marketing will be currently under review by this government. I noticed also that policies will be developed in the near future and I would urge the Minister not to wait too long. If he is going to establish review boards to look at these things, I would suggest that he do it immediately before other departments rob him of the various defeated candidates in the last election. At the rate that these candidates are - and other members of the NDP Party - are rapidly appearing as special assistants, technical advisors and what not, he may not have sufficient left if he doesn't act quickly.

MR. USKIW: Mr. Chairman, will the honourable member accept a question? Does he really think that this government is going to follow the practices of the previous one?

MR. GRAHAM: have I seen any evidence to the contrary.

MR. USKIW: I think you have. Yes.

MR. CHAIRMAN: Will the honourable member proceed.

MR. GRAHAM: Well, Mr. Chairman, I won't keep you too much longer, but I want to again bring up the point that the Member for Roblin did, on the dairy policy in Manitoba. We realize that the dairy subsidy system is a federal one and that many dairy quotas have been allowed to go to Quebec, and I know that the previous Minister made many representations objecting to this practice. This is especially important because Manitoba in itself does not produce sufficient dairy products to meet the demands of the people of Manitoba. In other words, Manitoba is an importing province with regard to dairy products. And I think that it's very wrong to see dairy quotas disappearing from this province when we are already in a deficit position in regards to dairy products.

Now, Mr. Chairman, there is one other item that the Minister mentioned which caused some amusement to me, when in effect he said that by changing management and management procedures we could increase the protein content of the grain, and I would like him to explain how they are going to do this.

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MR. CHAIRMAN: Resolution 6 -- The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Chairman, I would like to join in the debate on the estimates of Agriculture but before, of course, I would like to extend congratulations to the Minister. I think he's conducting himself very well and I'm looking forward to a very interesting relationship. Of course, in the field of farming I am a bit of a novice and certainly I see it from, not an expert point of view, but more from hearsay of the people I represent. I bring to you, then, the farmers' problems in my area more or less as I see them.

I think we have one specific area that is problematic in the eastern portion of Emerson constituency, and this is the problem brought about by farmers who would like to increase their operation but are in the area that is bordering Crown property, and they are frustrated in expanding their own property by the fact that Crown property is not available for rent or sale, and I would certainly appreciate the Minister's concern in that area. I think it's a worthwhile thing to investigate.

Now, in the western part of Emerson constituency we have, as many other areas of Manitoba have, people who are earning a living through the grain trade. Farmers in that area are facing the same dilemma as other parts of the province. I think that in the past these farmers have been able to obtain with relative accuracy, recent information that has been very helpful to them on a technical kind of approach. They've been told what kind of fertilizer to buy, what kind of seed to grow. They've been told the various aspects of good farming from a technical point of view because valuable information has come to them from the marketing point of view and from the long-range information as to the saleability of their product. Given that set of circumstances, many farmers have invested very heavily into their operations and now find themselves with a product in surplus that has no value or has no sale. I would suggest that it possibly is the responsibility of their organization, be it the farm union or the farm bureau or whatever organization that the farmers might have, to keep their members more informed than they have in the past, but in fact, if this is not done I feel that it is the responsibility of the government to assist in all ways possible to keep their farmers informed on this particular aspect especially.

There is another matter which causes many farmers to hesitate in expanding and even converting their operation, and I understand that the emphasis now is on conversion from the straight grain kind of production to mixed farming or even livestock, but hesitation on the farmer's behalf is a reasonable one. We are asking these people to convert their multi-thousand dollar operation into another kind of multi-thousand dollar operation without giving them any kind of assurance whatsoever of the marketability of that product on the long-term basis. And therefore it's reasonable to expect a farmer who is a straight grain farmer today to convert into a hog growing operation and find himself with a market that is not so healthy in the very near future. I think what the farmer needs is conviction that his operation and his investment is relatively secure. Farmers, for the past years, have worked on a very small margin of profit. I don't think they are looking forward to an increased margin of profit but what they are interested in is a bit of security.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I'd like to enter the debate again and more or less ask some questions, and I appreciate the Minister trying to give us the answers although I believe there are some things that he has under review and he's holding back because I guess this is a matter of policy and he finds it very hard to state his position in these cases. One of these, he said there'd be incentives offered. Is this in the Agriculture Department or is this possibly in Regional Development Branch? I was also wondering, when we were talking about immediate help, whether he was talking about something in the line of acreage payments or whether it might be on grain - total grain in storage. And the other part that we differed quite strongly on, I think, is probably the remarks that I made about labour, because when I spoke, I spoke for some time about labouring people getting more for their dollar today than they ever got before as far as agricultural producer's concerned. One hour at work never bought more food than it's buying today.

I went on then to state that the strikes, like the one we had at Vancouver, were of national importance and that I deplored them and I don't think they should happen - they shouldn't allow these to happen. I didn't go into the part as to who was to blame, whether it was management or labour. Now, we realize labour has its place and so has management, but things like the sale of grain which is so important, it's really of national importance and really international importance, because if you don't have a happy customer when he comes for his grain and he's

(MR. HENDERSON cont'd.) paying demurrage, you've lost a real good customer and this is very important. It's really of an international scale. I said that I deplore strikes like we had at Vancouver and I don't think they should be allowed to happen again, and I'm sure I'm speaking for all people in agriculture when they believe that some way or another should be figured out that we cannot have these sort of things happening. -- (Interjection) -- Yes.

MR. USKIW: Would he offer suggestions to how we could deal with the problem?

MR. HENDERSON: Well, I know it's very difficult. I'm not trying to say I have the answers but I do hope that you, as the Minister of Agriculture with the responsibility -- and I'm not going to say that when you were over here you had the answers, and I'm not saying they're easy, but I do want to say that as the Minister of Agriculture, if you're working for the farm people that you will really have to see that these things don't happen because they're terrible. Another point that I made and that several others did make was marketing research, and when you were commenting you didn't state your opinions on this. Now I mightn't be familiar enough with the whole set-up as to know what your plans are, but this is very important because if we can convert this raw material into a finished product in any form it's very important because then we could probably have a market for it. So I'd like to know your opinions on these things. I think I'll let it go at that for now, if you'd like to try to answer those points.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Thank you, Mr. Chairman. I believe I should draw to the attention of the Minister a point that came across my desk on the weekend related to the distribution clauses of agricultural food products which, because of competition and many other characteristics, is peculiarly vulnerable to pressure groups of all kinds, and I think there is every indication, Mr. Chairman, that right now that these pressure groups are going to increase. Consumer pressures in fact may become more and more a reflection of the . . . critical forces attacking the primary agricultural industry and the producer as I stand here today, and I don't think we have to reflect on the experience that we've had with the beef industry. But the most recent and the most blatant example of a new type of pressure happened recently when a distant American union put pressure on local unions to put pressure on city council and even the churches to put pressure on the retailers, not the consumers, to boycott, . . . and it seems to me, Mr. Chairman, that the problems of agriculture, which are many, tend to spill over into the food processing and the food distribution industry in many ways that encourage the involvement of more and more pressure groups, and even government involvement. The view that's expressed by some that government should stay out of the nation's bedrooms is not likely to apply as well to the kitchen of Canadians and Manitobans, or to the stores or to the farmers.

I only need to reflect on the immediate and vigorous reaction to the spurt in beef prices for one to fully realize how far we have gone in the farming industry towards becoming what I might describe as a public and a dividend property. Here was the normal build-up of supply and demand forces which no amount of tinkering, short of subsidy in my opinion, Mr. Minister could likely have been avoided; yet in a matter of a few days, a very few days, there was a clash between the Department of Agriculture and the Minister of Consumer Affairs in Ottawa which the Minister well knows; and in a matter of a week, I believe it was, seven days, a report was rushed through by the Food Council and yards of newspaper items were printed; hours of air, many hours of air time were used - all made very necessary as a sort of defensive explanatory means of soothing the segments, what I say of a public ever ready to accuse, and in my opinion, to keep as low as possible the barriers of misunderstanding that seem to come up from time to time between the farmer-producer and the distributor, to say nothing of the consumer. I think it was a major and a very drawn out process that could have been avoided.

Hindsight I think tells us now, Mr. Chairman - or reminds us sadly maybe I should say, that the whole time consuming and sometimes spiteful exercise could have been avoided. For the fact remains that nobody in the agricultural industry, the cattlemen, or the farmers, or the packing plants or the stores had the initiative or the foresight to use the market knowledge in a sort of a meaningful way at the public level to forecast and explain to the consumers at least

(MR. McKENZIE cont'd.) the possibilities of a situation such as that. It's a situation in my opinion, which was neither terribly - how can I say it? - abnormal, nor in many ways is controllable, but I do believe, Mr. Minister, that it's a credit in the end of the daily press who continually, through their articles, brought about some measure of conclusion after reporting all the various blame shifting that went on and that inevitably crept into this unfortunate situation.

So I submit, Mr. Minister, that there is no reason to believe, in my opinion, that the problems of agriculture in this province, will not spill over into the public domain. I think we had evidence of it here last winter when on a milk increase, the now Speaker of the House jumped up and was really concerned about the three percent, three cents a quart increase in milk and went down and sat in on the hearings that were being held downtown. So again I remind the Minister that in the interests of the distribution industry of farm products in this province, that he as Minister should take the lead and make the public available of what is going on, why these price increases are in there and not lay all the blame on the farmer.

MR. CHAIRMAN: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Chairman, we have heard some excellent speeches by members on this side and other parties on agricultural estimates and I think it would be foolish on my part to try to duplicate many of the arguments that have been put up, because of the fact of the seriousness of the situation as it presently exists that we need action at this time and not just simply words.

But first of all, before I go on any further I would like to congratulate the Minister on his appointment to the position of Minister of Agriculture. We heard you many times on this side of the House during the last three years and I was hoping that you would have the answers readily available to help us in our endeavours in the farming industry. I hope that other members of the Cabinet are not holding you back from forming your policy because never in history have we needed action like we need it today. I only hope that we will see some of that vim and vigor that you so vividly displayed on this side of the House come into action at a very early time.

MR. USKIW: . . . my honourable friend that there is no holdback within this government as there was under the previous administration.

MR. McKELLAR: Well Mr. Chairman, I had only intended to speak five minutes and that just brought me to my feet for another 20 minutes beside that, because I'm going to illustrate just what you haven't done. You know it is easy to give advice, I found that out over the lifetime. I never had that privilege in my 12 years being in the government, only in the caucus, I never had the privilege of giving advice to the Cabinet level, so now that I am over on this side of the House I'm going to take that privilege and hope that I can give you some ideas that might be acceptable in forming policy. Because I'm telling you, don't wait for 4 or 5 months to form that policy, the game will be all over. I hope the federal government too, take similar action because about the 1st of January many of the farmers will be beyond the point, I think, of trying to go any further because of lack of funds -- not because of lack of grain, because of lack of funds.

The Member for Rock Lake mentioned today I think so vividly about the price of cattle having dropped about 9 to 10 cents a pound since about the first of July. At that time everybody had great hopes that this might supplement the loss of income in the grain growing parts of Manitoba and now we come to a point where many people have bought cattle feeders around 35 - 38 cents and having to sell them during the months of October - November at about 7 cents per pound less than they paid for those feeders after looking after them during that length of time. They will eventually dispose of their grain but come out with a very little profit.

Now where do we go in the feed lot business? This is one of the great things I think where you thought you were going to play a major part, in supplementing the loss of income in the grain growing parts of Manitoba. Well I think that most farmers would have to have second thoughts today if they are going into the feed lots because they want to know where they are going and what the trends are going to develop to know whether their money is wisely spent. Most farmers will have to go out and borrow money at 10 percent interest and they have to come up with not only the interest but they have to come up with all the costs that they are involved in and re-establish themselves into the livestock industry. It was mentioned by one of the members of our party, I think it was last Thursday or Friday, I guess it was the Member for Gladstone, that the average age of farmers is 55 years of age. That age was taken in a census in 1966 and I would say the average age of the farmers in Manitoba today is

(MR. McKELLAR cont'd.) around 56 years of age, which means that they have not very many years to go until they reach retirement if this is possible.

Now most farms only have one man on a farm, so they are really caught in the squeeze of knowing how to readjust to meet present day conditions. I am hoping that you will come up with something positive when you change your policies or try to develop new policies that will try to meet the needs of the younger farmers especially who have entered into long term loan agreements - well 30 year loan agreements with both the provincial and federal farm credit corporations and who have interest rates around 5 to 6 percent on the average, and will need extra money not only to pay part of the capital but also to meet the interest costs which will have to be met annually, while we are hoping that the principal will be able to be delayed for at least one or two years so that the farmers can get enough food on the table to provide their families with a living.

Now I have before me here, and I wish that more farmers would take this magazine - Canadian Farm Economics Magazine. I don't know how many farmers in our caucus or across the way get this. You don't have to send a group of people out to the country to find out what's necessary. We have sufficient farmers in our caucus or even yourself to tell what actually the problems are. It is very difficult to find what the answers are because things are changing too quickly like the prices of cattle. But in this book here, - "Expected Patterns and Practices in Agriculture in 1980" - 11 years away, there's some excellent articles in here that relate to the changes that are going to take place in the production of wheat, production of coarse grains, the needs and the outlooks for the coming ten years, and assessment of export problems within our world. One of the factors they explain, that if we are going to in this computer age -- many of the farmers in Manitoba, a large percentage of the farmers presently farming only have elementary education and it's easy enough for the experts to bring out these new changes but they have to put them into average layman's language so that they can understand them if they are going to be of any good to the farmers of Manitoba. So I would like to suggest to you, if you bring out any changes in policy, that you have someone there that can write it that the average farmer will take time to read and also to understand. And also maybe it would be wise if your people went around to the different areas of Manitoba and explained these changes in policy so that they might also have a chance to ask questions.

I heard where you made the statement about cash advances and I was thinking at that time, if your wishes came true that I would end up with quite a bit of money just to put in the bank or pay off some of my debts that I had to incur on providing grain storage. I'm one of those average farmers because around me we have about half a dozen that are quite a lot bigger than myself. I have a section of land. At the present time I have 30,000 bushels stored up on a section of land, '67, '68, '69 crop, and to provide that I had to spend \$5,000 last year on extra storage and another \$700 this year and all the wheat I have sold since the 1st of January is 800 bushels of wheat, a total sum of \$1200.00. I don't expect I'll sell another bushel of wheat during this year, because there doesn't appear to be any space in the elevator, or there will be in the next three months, so you can be assured that the provincial government, the present Minister of Finance, or the federal government, under Mr. Benson is not going to get very much income tax from me this year. This is another factor which I would like to say that in the year 1968 I only paid 20 percent of the income tax which I paid in '67 and I think this pretty well represents the situation of farmers. So you can see the depression that they get among most farmers of having not taken in enough grain to even meet present day expenses.

Now you mentioned I think in your statement that you were hoping that the Federal Government would supply each farmer a minimum of \$6,000.00. Is that not true? Well I have in my pocket here today - and I think this is the cheque that I received as cash advance. I'm still carrying it. I should have cashed it but I was scared the banker might decide he might want to use it for other purposes, so I thought I'd have the privilege of carrying it. It is just a shade over \$3,000 and I want to explain -- \$3,060 on an acreage of 550 acres. But I was not aware when I got this cheque that the flax acreage is not permitted to be used on cash advance so you have to deduct the flax acreage off before you can come up with an actual figure.

So what that \$3,000 has to do will be far more grain than I'll ever sell this coming year; but how far will \$3,000 go meeting the operation of a farm. The cost of operating your farm - seed, your fertilizer, your spray, your taxes, your insurance, your labour costs, fuel, grain storage and you gotta live. Now I don't know where any man would ever get enough left out of that \$3,000 to put groceries on the table. It's quite true, that I would say half the farmers of Manitoba have no livestock. It is easy to say that people should switch. Now how are you

(MR. McKELLIAR cont'd.) going to go about switching? Unless the farmers can be sure - and I mean that - that the markets are going to level off -- and I know you can't guarantee me that, the federal government can't guarantee that -- so how is the farmer going to go into more debt as was suggested by the First Minister quite recently, where he mentioned that farmers would have to reorganize their whole farming operations in order to survive the next ten years. I don't think any lending institution will lend money when cattle are fluctuating at the rate at which they have fluctuated in the past six months, going from a price of around \$27 up to \$37 and back to \$28 all in a matter of six months. It's an impossible situation. It's only the man that has been in the livestock business the last 10 or 15 or 20 years can stand that kind of pressure, because he has taken the good with the bad. I would hope that some of these people who say that the farmer must change his whole farming operation, go out of wheat, oats and barley and revert to livestock or revert to hogs, that I wish they would come up with the answer and tell the farmers of Manitoba how they are going to meet this challenge when the day comes. It won't be easy and I know that many farmers are going to have second thoughts about going into more debt when we are in such a depressed condition as we presently are.

Now, Mr. Minister, I don't like to belabour too long, because I know many of the farmers in our group have brought home many points that have been mentioned in past years gone by and I think that they have been very well dwelt on. But I have in my hand here a speech that Mr. Runciman, Chairman of the Board of Directors of the United Grain Growers, and he drove it home there I think in no uncertain way the situation as presently exists. He made this speech on August 26th in Saskatoon. There are four points he dwelt on: First, he says, "I believe any time the world price of wheat gets above \$1. 80, traditional importing countries will start growing more of their own wheat, either for internal consumption or export, and western Canada will get into trouble. No. 2. I believe that while the present wheat situation isn't hopeless, it will get worse before it gets better. I think we will have trouble selling anything near what we've produced for at least five years and possibly more, unless a peculiar climate catastrophe has occurred over much of the southern hemisphere in the mid 1960s." What he's referring to is the crop failures. "And the third, I believe increasing the livestock population will not come anywhere near using up the excess grain production of this country. When you consider an extra two million hogs or an extra half million feeder cattle only use up to 30 or 40 million bushels of grain, I think we will agree with this." And then he went on his fourth: "And this leads to my fourth point: I believe that we need to expand feed grain exports, despite the fact that many people in Ottawa circles think we can't, and I believe we can increase these feed grain exports if we put our mind to it."

Now these are four points, I think, which he established, and he goes on -- and it's a very good speech: if anybody wants a copy of it I'll be glad to get copies run off.

But in yesterday's, or today's paper, I think, it brings home one point where the last shipment of barley, overseas shipment, the Wheat Board sold this at 77 cents at Montreal, shipment, a drop of 20 cents a bushel from the regular Wheat Board price. Now I'm hoping the Wheat Board will supplement this by bringing it up to at least the present Wheat Board price as listed in the paper, because if they don't we're going to have another price war on our hands with likely France and some other country, and we're really going to be in deep trouble again. I think this action should have been taken last winter because I understand many millions of bushels could have been sold had they been a little more flexible with their price; and I'm sorry at that time they didn't drop it one or two cents rather than have to drop it 20 now to get on the world market.

Now wheat, having been the main topic as mentioned by many members, has brought me to look at the paper, I think, and if you realize in the paper here, as many people don't really pay that much attention, because our wheat is handled through the Canadian Wheat Board, but I would just like to put on record just what the prices of wheat are at the present time on the Canadian Wheat Board prices so that each farmer here, and if they're not aware -- now No. 1 Northern's selling at \$1. 83, No. 2 Northern at \$1. 79, that's a 4-cent spread, and here we're down to No. 3 Northern is \$1. 67 - that's a 13-cent spread between 2 and 3 Northern; No. 4 Northern \$1. 50, a 17-cent spread between the 3 and 4 Northern; 30-cent spread between the 2 and 4 Northern wheat. All right, I think this really brings one point home, that we're really in trouble when you get that high a spread. Now, if they were only selling wheat I wouldn't care about that spread, but it's going to hit many many people very hard for those who were caught with a 4 Northern instead of a 2 Northern wheat, and I don't know how long this will continue but I would imagine it'll carry on for a long long while due to the excess

(MR. McKELLAR cont'd.) bushels that we have on our farms and in storage. The price of oats is down about 20 cents over a year ago; one feed oats 65-1/2; barley 99 - 3/4, and so on; and flax is holding about the same.

But, regardless of what the prices are, our elevators are plugged to the eyebrows right now. No room for initial quotas, no room for flax, and I can see little change in the next three or four months. Now I just wondered what discussions you've had with the Federal Government - Mr. Pepin, the Minister who is in charge of the Canadian Wheat Board; I wonder what discussions you've had with the Wheat Board people in Winnipeg - Mr. McNamara; I wonder what discussions you've had with the grain companies who are really having to sweat it out in the Province of Manitoba - the United Grain Growers, the Wheat Pool, the Manitoba Wheat Pool, and the private grain trade, because I think that we at this time, I think, Mr. Chairman, we'd be well advised to follow the resolution of my seatmate here, the Honourable Member for Portage la Prairie, the House Leader of the Liberal Party. He has a resolution on the Order Paper that asks that a Committee on Agriculture be set up to ask these people what their point of view is on the problems of the day, and maybe we could, among us all, we could do something to help the farmers in Manitoba.

Now I don't know whether you're going to go along with this resolution or not, but I would say that we're in worse trouble, far worse trouble than we were at any time in the thirties, and I mean that because I know them very well, I came through them, and I think it's high time that the governments of the day will have to take action, and if farmers are left in abeyance, they don't know what to do, then I think that the people who are in authority from now on are going to have to meet with these farmers and give them every bit of advice that they can, whether the farmers take it or not, but that's a different thing. But I think it's up to both levels of government, along with all the grain trades and the Canadian Wheat Board, to get together -- whether they want to meet in this building or not, that's up to them, but I think they should get together immediately and see what can be done to help the farmers of Manitoba.

Now, Mr. Chairman, I think that's about all I have to say at this time. There might be an opportunity at a later date because I can say a few more words on a different subject matter.

MR. CHAIRMAN: Resolution 6. 1(a) . . . The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Chairman, I just want to take a minute or two to explain some of the problems that we have within the constituency on agriculture. It's been gone over quite well, by all the members on this side in particular, and we face pretty well the same problem, the lack of a market for the grain. I'm probably classed as a city member although 50 percent of the Municipality of Charleswood is agricultural, 18 sections of land, and the bad point about this is it's near an urban area, some of the farmers are forced to sell, and of course when they do, it's sold to developers. They come out of there with a good price for the land but it jeopardizes the position of the balance of the farmers.

In the country you get taxes, \$1.50 per acre, you get into the Charleswood area, it's 12.00 to 16.00. The increased assessment is also caused on some occasions by re-zoning of properties to light industrial and the likes of it. Drainage is a big problem there because, in order to drain one municipality, you've got to get on to another one, and this is pretty hard. To deal from one municipality to the other we've spent \$110,000 to drain about 15 sections. We had to deal with two other municipalities, to give concessions with our money so as to get through theirs, their municipalities. It's an inter-municipal problem and I think what we need to do is to set up drainage boards - re-set them rather. We had them; they were abandoned; and I think that's the thing we have to have again. It's the same problem, I'm sure, that goes on through the balance of the province. We had to cut through MacDonald and also through Fort Garry, and it's just about impossible to make deals. The west end of the municipality is involved with the same problem. We're trying to get over the Assiniboine River. To do it, we've got to go through Cartier and they are also hard to deal with. If we could, in the first instance, at the east end of the municipality drain into the Assiniboine River we would have no problem, but there the river is about eight feet higher than the south end of our property and we have to drain to the Red.

That is our two major problems, Mr. Chairman, and I don't want to hold up the procedure of the House here. I know that we're on a speed-up motion and sand box situations don't help it so I'll leave it at that. Thank you.

MR. CHAIRMAN: Resolution 6. 1(a)--passed; (b)--passed; (c)--passed; (d)--passed. The Honourable Member for Rhineland.

MR. FROESE: I had hoped the Member for Arthur would speak previous to me. However, the other night when I did speak we were short of time and I was rather remiss in congratulating the Minister on his appointment, and also his staff on their work, their hard work in carrying out the duties of the department. I do wish him well and I do hope that he is able to solve some of the problems that are confronting the farmers in Manitoba today. I know there are many and they're mounting instead of declining.

One of the main items that I was interested in speaking on, has to do with the matter of the Manitoba Agricultural Credit Corporation. Some of the members who are new here are probably not aware as much of the functions of the former Agricultural Credit Corporation and the way it functioned before and the way that it made direct loans to farmers, and that younger farmers were subsidized in the way of interest rates through the previous arrangement. This worked out, I think, very satisfactorily; in fact, many young farmers bought farms, either from their fathers or from other people, and in this way got set up in the business of farming. I think this served a very valuable purpose and at the time that the act was changed I certainly reserved my position on the matter because I felt that we should not make the change that we did, and opposed it at that time. And I think we're seeing some of the results now of the changes that were made, because now we have just the federal Farm Loan Corporation from which to get credit. That's the only source of credit available to farmers in western Canada to buy properties and . . . farmers to sell, and in this way be able to make satisfactory financial arrangements and settlements. I feel that this was a mistake and I feel that this should be rectified. I feel that the present government should proceed and bring into being the former Act. We need the provisions of the former Act so that we are not tied to one big monopoly down east, and that they can dictate the terms.

I know through the Credit Union operations we have serviced many a farm deal during the early stages and the intervening period before the loans with these Farm Credit Corporations were finalized, and in this way we assisted farmers and members in this way and it worked out beautifully. As a result, I think farm land values increased. I think this had a direct bearing on the increase of farm land prices and now that the Manitoba Act is defunct, it's changed; now we find a slump as a result, and a very severe slump. Just take a look at the farmers in Manitoba today on their net worth statements. I'm sure that the net worth statements in most cases is down by a third within a matter of a year or so, and this is all because of the sources of credit drying up and the high rates of interest involved, and the low return of the farmer on his products and not being able to sell them. These are primarily the reasons for that large drop in the net worth. Not only is it a matter of a slump of the net worth, it's a matter of life and death with many farmers as to whether they can remain on the farm because of their low cash position, and this matter is deteriorating day by day.

The Member for Souris-Killarney pointed out the situation in his area and this can be multiplied over and over again all over the province. I think this is also shown by the many farms that are being advertised for sale. I talked to the local real estate dealer the other day and he has a large list and he says he could increase his list by hundreds of farms that are available for sale and there's no buyers. So the situation is really very bad and I think we must find a solution; we must find an answer. If we don't find an answer, when we meet here next time it will be just that much worse and we'll still need a solution at that time.

I already indicated the other day what we might do in the situation as a province, on a provincial basis, knowing fully well that this is only an action that can be taken as a last resort, or at least it's not remedying the source at all. The source lies with the Federal Government, and in my opinion it also lies with the credit that is being extended. In my opinion, we must make a complete change in the extension of credits to other countries with the sale of our wheat and, if it's necessary, I would make the sale and wipe out the balances, just forgive them, because we know from sales that have been made in years gone by, where we've made large write-offs in connection with Russia and this has also been the case with other countries, that we wrote off large balances, and if we can take into consideration the growth national product of Canada if it's around \$70 billion and if we sell, let's say, 500 million bushels or million dollars worth of wheat to the underdeveloped countries and write it off, it is less than one percent, and surely enough if the farmers would be paid by the Treasury and the Federal Government would write it off, this amount of purchasing power would be in the hands of the western farmer and we would have the needed, the very badly needed purchasing power at our hands and at our disposal. This is what we must have and I think this is what

(MR. FROESE cont'd.) we should drive home to the Federal Government, that such action be taken and made available to the farmers.

We note from the federal estimates that they called for \$1,600,000 in interest rates on the national debt. This is being given to the private banks and under legislation which is on the books at the present time, and if we can give that much money in interest on the creation of credit by the chartered banks, for which they pay nothing, I think we can do what I have proposed here in extending the credit to these other nations, giving them wheat. Certainly they are in need of wheat because I'm sure the people of Biafra who were starving by the thousands and thousands, they would have been only too glad to take some of our wheat or flour for that matter. Surely we have the means whereby we could export large amounts of flour if it was needed and this would then be in a form that we could use more readily. -- (Interjection) -- That would be federal expense in my opinion, but I think it is up to us to make our views known to the federal authorities in this matter and that such action be taken.

The matter of the age of the farmer today was pointed out by the Member for Souris-Killarney. This also means that our farmer is getting older and very soon he will have to sell out. If the credit to make a sale is not there, what is going to happen? Will he just move off the farm and leave it and not have any production of it in the future? We are talking so much of corporation farming and that production can be increased still further. This might well be so as long as we have the farmer on the land, and as long as we have people who will operate those farms. But I'm telling you that these corporations cannot function without any income much less than individual farmers can, and they would not be prepared to operate without any return or with a very meagre return. We have heard in past years from real estate dealers associations that the return on the farm investment is one of the smallest on record, around 3 percent, and I am sure with the way the market is dwindling now, that this will be lower than ever, so that the farmer who will be retiring, will have no market to go to in disposing or selling of his land.

In connection with the sales that I'm proposing should be made and written off, I feel that there are other measures that can be taken and which I have recommended in the House on previous occasions that we should make allowance for because we have the industries down east that are protected at a very high rate. Why couldn't we also make arrangements whereby the goods that are being imported by Canada from other countries, from the poorer nations, set up an export-import board so that the goods coming in would be raised to a certain level and our goods going out would be reduced accordingly, so that there would be some relation to the goods coming in and going out and in this way to start and create a better balance.

These are some of the things I think that should be considered by our Federal authorities. This is an area that we cannot deal with indirectly but I think we should make it known and in no uncertain terms, what our views are and that some action should be

MR. J. DOUGLAS WATT (Arthur): Mr. Chairman, the time is coming short before 5:30 and I am sure that the Minister wouldn't want to leave his salary without hearing a few pleasant remarks from myself in regard to some of the answers that he gave earlier today.

Much has been said, of course, about the grain situation in Manitoba and western Canada and I think that we all are quite aware that it is almost an impossibility for the Minister of Agriculture or any government in any particular province to do very much about although, during the last session when I was the Minister of Agriculture for this province, the present Minister of Agriculture didn't take this position, but I don't intend to berate him for the situation that he now finds himself in and must now be aware of, that it is very difficult for a Minister in his position to make any effective moves that would relieve the farmers at present.

I just want to run over a few things and I have a few notes, Mr. Chairman, on some of the things that the Minister did mention, and first I was interested in his remarks about a move towards the establishment of better relations between labour and between the producers of the province, and I have no objection to such a position of the Minister of Agriculture taking, but I do take some exception to the fact that he has made no indication that there should be better relationship and promotion of better relationship by the government, and particularly the Minister of Agriculture, in all aspects of the agricultural community of the province of Manitoba, and here I refer not only to labour but I refer to the consumer, I refer to the processors, to the suppliers and to the service people within this province; and I am sure that the Minister will agree with me that there are more people because of our grain glut at the moment in trouble than just the farmers themselves, and it does apply to our suppliers and particularly our

(MR. WATT cont'd.) service people throughout the province of Manitoba. I would hope that in his deliberations and his consideration for better relations in the agricultural community, that all aspects of agriculture would be considered - and I refer again to the service people and to the suppliers who are in deep trouble at the moment because of the cash position of the farmers.

The Minister has referred, of course, to the coarse grain situation and that he will be looking at legislation to do something about the marketing of our coarse grains. And again I am surprised, Mr. Chairman, that after the research that has been done by the former CCF party and the present NDP party throughout the years, and which they have constantly harassed us on that side of the House, when we were government and the government before us, to come up immediately with answers insofar as the marketing of our grains was concerned, that the Minister now sits in his seat or stands in his place and says that he will be considering legislation. I had hoped, Mr. Chairman, that in view of the research that has been done, of the advice that has been offered from that party when they were on this side of the House, that they would have had answers, immediate answers, to our problem.

The Minister spoke briefly about the dairy situation in the province of Manitoba. When I was Minister, the Member for Lakeside was Minister before me, before that the Honourable George Hutton who was Minister, we had the same problem. We are perfectly aware of the situation that we find ourselves in insofar as the central provinces are concerned, and the dairy industry, and the subsidy as it applies at the moment.

During the short time that I was Minister of Agriculture we did have discussions in Ottawa in this regard and I think we did get recognition from Ottawa that there were discrepancies, that we were losing our quotas because of the subsidy and because of lack of representation on the Dairy Commission, and I think I can say to the House, which I believe I did when I was Minister, that Dr. Barrie agreed that something would have to be done about it, and at that time agreement was reached between myself, the Minister of Agriculture in Ottawa, Dr. Barrie and the Ministers of Agriculture from Alberta and Saskatchewan, that while, we did not really expect to get direct representation on the commission, that at least we should have agents of that commission in our three prairie provinces that would have access to free and floating quotas, and that it would at least put us in a position where the dairy farmers in this province could have access to quota-free - what we described as free and floating quotas, that is dairymen who were going out of the industry, other dairy people who wished to increase their production could find where these quotas were being freed up. Subsequently, and I believe it was established, that an agent was established in the province of Manitoba, not with the express purpose of increasing our quotas here, but at least to hold on to what quota we had. So I just point this out to the Minister, that I would hope that he would follow this up and that probably he could give the House or the committee some indication of what results have occurred insofar as the establishing of this agency within the province is concerned.

I wanted to speak for a few minutes, Mr. Chairman, insofar as the Agricultural Credit Corporation is concerned, and I am somewhat puzzled at the remarks of the Minister when he indicates that money will be made available for the establishment, that is for corporate farms, I believe, or for groups wishing to come together in larger units. I could probably be wrong but I believe I took from him that that was the indication and that money would be made available for the diversion from straight grain farming into probably the production of cattle or possibly cow-calf operations, and this is badly needed, but what I am wondering, Mr. Chairman, is exactly where this is coming from.

MR. PAULLEY: I wonder, Mr. Chairman, before my honourable friend gets really into the subject matter that he wishes to raise, that it may be a convenient time to call it 5:30 and then my friend can start in again at 8:00 o'clock. And if I may, Mr. Chairman, before doing so, announce to the House there will be a normal notice on Votes and Proceedings, that it would be our intention to call Law Amendments Committee for Thursday morning at 9:30. There was the question arose this morning as to representation from Brandon dealing with the bill from Brandon in regard to the students. I think that would be a convenient time for the faculty and the students and any other interested parties to attend Law Amendments Committee.

MR. CHAIRMAN: It is now 5:30 and I am leaving the Chair to return again at 8:00 p. m.