

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, February 28, 1966

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

MR. GORDON E. JOHNSTON, (Portage la Prairie): Madam Speaker, the Honourable Member for Assiniboia is delayed, and in his absence I would like to present this petition. I beg to present the petition of the Grace Hospital, praying for the passing of an Act to amend an Act to incorporate Grace Hospital.

MADAM SPEAKER: Reading and Receiving Petitions.

Presenting Reports by Standing and Special Committees.

Notices of Motion.

Introduction of Bills. The Honourable the Member for Winnipeg Centre.

MR. JAMES COWAN, Q. C. (Winnipeg Centre) introduced Bill No. 51, An Act to incorporate the Rabbi Kravetz Foundation.

MADAM SPEAKER: Orders of the Day.

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities) (River Heights): Madam Speaker, before the Orders of the Day I would like to have leave of the House to table the Annual Report for the year ending December 31st, 1965, of the Public Utilities Board.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, before the Orders of the Day, I would like to direct a question to the Honourable the Attorney-General in his capacity as Chairman of the Standing Committee on Statutory Regulations and Orders. I suppose I am correct in assuming that the meeting tomorrow morning is open to the public?

HON. STEWART E. MCLEAN, Q. C. (Attorney-General) (Dauphin): Madam Speaker, yes, and may I just say that we had scheduled a meeting of the Committee at 9:30 for the purpose of electing a Chairman of the Committee, since we don't have one since the re-appointments to the Committee, but that the meeting at 10:00 o'clock, we hope that all members of the Legislature will attend and, hopefully, members of the public as well.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, before the Orders of the Day, I would like to direct a question to the Minister of Education, and I apologize to him for not giving him prior notice. I wonder, Sir, when I might receive Orders for Return that I asked of your Department shortly after the House convened.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Madam Speaker, I hope shortly. I had distribute to other departments to be sure there was no other correspondence.

MR. LAURENT DESJARDINS (St. Boniface): Madam Speaker, before the Orders of the Day I would like to announce that the annual Pea Soup Night held in St. Boniface every year during the Session will be held this year on March 30th at the St. Boniface College. This is the night that Mr. Hebert has been so active with for a number of years, and of course the House will be reminded again and invited again, but I thought it might be an idea to ask people now to keep that date open.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Madam Speaker, Before the Orders of the Day. At our last Session I asked a question of the Honourable the Provincial Secretary regarding salary increases for staff, and asked him where I would find it in Estimates. He indicated to me that he would let me know where in Estimates. I wonder if he could give me that information now.

MR. STEINKOPF: Madam Speaker, I have a memorandum on it which I will give to the Honourable Member in a few minutes.

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to the Honourable the Minister of Labour. I understand that there is a subsistence grant to apprenticeship individuals taking training at M. I. T. I wonder if the Honourable Minister could tell us the amount of the grant, who can qualify, and does he anticipate a change in the regulations at this Session.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Madam Speaker, I'll take that as Notice.

MR. JOHN P. TANCHAK (Emerson): Madam Speaker, before the Orders of the Day,

(MR. TANCHAK cont'd)... I would like to direct a question to the Premier of the House. Since it would expedite the discussion of Estimates, I would like the Premier to tell us when his revised edition of the Budget will be tabled.

HON. DUFF ROBLIN (Premier and Provincial Treasurer) (Wolseley): Madam Speaker, I thank my honourable friend for his solicitous inquiry. I'm working at it very hard.

ORDERS OF THE DAY

MADAM SPEAKER: Address for Papers standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Member for Lakeside, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Government of Manitoba and the Government of Canada, and any of their boards, corporations or agencies, with regard to programs to provide housing for Indians and Metis in the Province of Manitoba, since 1964.

MADAM SPEAKER presented the motion.

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Madam Chairman, we would be glad to accept that order subject to the usual reservations.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for Emerson.

MR. TANCHAK: Madam Speaker, I move, seconded by the Honourable Member for Ethelbert Plains, that an Order of the House do issue for a Return showing: 1. The combined grant entitlements for the following school divisions in each of the calendar years 1960 to 1965: Winnipeg, Turtle River, Rolling River, Beautiful Plains and Dauphin-Ochre Area. 2. In each case, the amount of: (a) the general levy portion, and (b) the government support portion of the combined grant entitlement.

MADAM SPEAKER presented the motion.

MR. CARROLL: If we're talking about the normal welfare applications I believe this is information that is - - I'm sorry.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Honourable Member for Ethelbert Plains, that an Order of the House do issue for a Return showing: copies of all surveys and studies conducted by the Government of Manitoba or any of its departments, boards or agencies, in the past two years, regarding the assessment of farm buildings.

MADAM SPEAKER presented the motion.

HON. ROBERT G. SMELLIE, Q. C. (Minister of Municipal Affairs) (Birtle-Russell): Madam Speaker, the only information that we would have at the present time is a result of an incomplete study, and any reports that there might be of this nature are certainly not public documents, they are only inter-departmental memoranda; and there is nothing that I could file under this Order.

MR. MOLGAT: Madam Speaker, I wonder if I may ask a question of the Minister. Is it not correct that there were investigations conducted by the Department in certain municipalities of this province, and that a study was made of the effect of the assessment of farm buildings.

MR. SMELLIE: As I said, Madam Speaker, there is an incomplete survey affecting only a very few municipalities, and there is no sufficient information on which a report could be based at this time.

MR. MOLGAT: Madam Speaker, a subsequent question. Could the Minister indicate when this survey was started by the Department?

MR. SMELLIE: A survey was started in 1964. There has been no work done on it for over a year.

MADAM SPEAKER put the question and after a voice vote declared the motion lost.

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for Portage la Prairie.

MR. JOHNSTON: Madam Speaker, I beg to move, seconded by the Honourable Member for Carillon, that an Order of the House do issue for a Return showing: 1. Was the amount of \$134,345.12 shown on Page 235 of the Public Accounts of the Province for the year ending

(MR. JOHNSTON cont'd)... March 31st, 1965 as being paid to Camp and Associates Ltd., Dalton K., Toronto, Ontario paid to a corporation, firm or individual? 2. What is the name of the "corporation", firm or individual to whom the payment was made? 3. What services were rendered by said corporation, firm or individual for this payment? 4. To what Department or Departments were these services rendered? 5. Was the opportunity of performing these services open to other corporations, firms or individuals (a) by public tender (b) by competitive bidding (c) or otherwise? 6. Were the services to be provided covered by a written agreement, or outlined in a call for tenders or similar manner? If so, a copy of said Agreement, calls for tenders, etc.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for Portage la Prairie.

MR. JOHNSTON: Madam Speaker, I beg to move, seconded by the Honourable Member for Carillon, that an Order of the House do issue for a Return showing: Travelling expenses of every description incurred by every Cabinet Minister, and paid for by the Government of Manitoba, for every year since 1959 - (1) Within the Province of Manitoba; (2) Outside the Province, including travel to any country or continent in the world; (3) Purpose, destination and date of each trip (4) Means of travel

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for Gladstone.

MR. SHOEMAKER: Madam Speaker, I beg to move, seconded by the Honourable Member for Lakeside, that an Order of the House do issue for a Return showing: (1) List of all applications or claims for compensation or welfare assistance made by individuals, firms or corporations to the Government of Manitoba or any Department, Board, Agency or Committee thereof arising from loss of opportunity, property or income, arising from the Grand Rapids Project. (2) The amount of welfare assistance of all kinds paid to residents of the Easterville area in the calendar year of 1965. (3) The number of individuals who received such assistance.

MADAM SPEAKER presented the motion.

MR. CARROLL: Madam Speaker, they refer here to names of individuals who make applications for welfare and I think this is information that has never been made public, nor is it possible to make it public under the New Canada Assistance Plan. This information must all be held in confidence. It has always been considered that way as a matter of policy by the government as well.

Now with respect to the amount of welfare paid in the Easterville area, a great deal of this information will not be available to us because a great many of the people living here are the responsibility of the Government of Canada, namely, the treaty Indians living on that particular reserve. We will try to provide the information with respect to the amount of provincial welfare that's been paid and the number of individuals involved.

MR. MOLGAT: Madam Speaker, to ask a question of the Minister. I take it then that on Item 1 he is unable to give the answer insofar as the welfare assistance but that he can give it insofar as compensation. Is this correct?

MR. ROBLIN: I think that can be done, Madam Speaker, if I may answer in his place. I might just say to my old friend, that if there happens to be - and I'm not sure - any item still under negotiation, we probably will not provide that information but anything that's settled.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable Member for Emerson.

MR. TANCHAK: Madam Speaker, I move, seconded by the Honourable Member for Carillon, that an Order of the House do issue for a Return showing: (1) How many miles of highway made up the provincial trunk highway system at (a) December 31, 1958, (b) December 31, 1965. (2) In the above mileage how many miles were classified as (a) Earth, (b) Gravel, (c) Oil treatment, (d) Bituminous surface, two lane, (e) Bituminous surface, four lane, (f) Concrete, two lane, (g) Concrete, four lane

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for Emerson:

MR. TANCHAK: Madam Speaker, I move, seconded by the Honourable Member for La Verendrye, that an Order of the House do issue for a Return showing: The average daily traffic as shown by the latest available traffic count on the Morden Sprague Provincial Road at each point taken.

MADAM SPEAKER presented the motion.

HON. WALTER WEIR (Minister of Public Works (Minnedosa): Madam Speaker, the information requested by this Order is information that is of a confidential nature and I cannot support the motion.

MR. TANCHAK: Madam Speaker, . . . clarify that? I can't see why the government treats this information as if it was a military secret. Last session I implored the Minister to look into the death, or life hazard on the Morden-Sprague, and the Minister promised, or told me first, that traffic counts determined the priority, and he gave me to understand that he would undertake to take certain traffic counts on the highway, Morden-Sprague, and subsequently the traffic counts were taken; and I cannot see why I, as a representative of Emerson constituency, should not be entitled to this information.

MADAM SPEAKER put the question and after a voice vote declared the motion lost.

MR. MOLGAT: The ayes and nays please, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House, the Order for Return standing in the name of the Honourable the Member for Emerson, that an Order of the House do issue for a Return showing: The average daily traffic as shown by the latest available traffic count on the Morden-Sprague Provincial Road at each point taken.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Desjardins, Froese, Guttormson, Harris, Hillhouse, Hryhorczuk, Johnston, Molgat, Paulley, Peters, Shoemaker, Smerchanki, Tanchak, Vielfaure, Wright.

NAYS: Messrs. Baizley, Bjornson, Carroll, Cowan, Evans, Groves, Hamilton, Harrison, Hutton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Roblin, Seaborn, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir and Mrs. Morrison.

MR. CLERK: Yeas, 18; nays, 30.

MADAM SPEAKER: I declare the motion lost. The adjourned debate on the second reading of Bill No. 7. The Honourable Member for St. Boniface.

MR. DESJARDINS: Madam Speaker, I have but a few words to say on this debate. Some of the questions that I wanted were answered during the estimates of the Attorney-General. I hope that he will remember the point that I was trying to make. It took me quite awhile to try to explain in the - my colleague the Honourable Member for Ethelbert Plains brought in a suggestion that was on this accident and I hope that the Minister will look into that.

But on this Act - as you notice, Madam Speaker, I asked that this be allowed to stand for awhile - there certainly was no intention of delaying this. We felt, here from this side, that we would have a chance to see the Highway Traffic Act, and we wanted to see some of the new charts that could come under this; unfortunately, this doesn't seem to be coming and we don't want to be accused of holding back, but With this in mind, we certainly have no other recourse but to vote against this. We will oppose this; we feel that it is premature and that this is bringing the cart before the horse. We think that this is a change, that this could be dangerous, that it's taking something away from the freedom from the individual. Especially because of the fact that we have not the new proposed Highway Traffic Act in front of us, we will oppose this in second reading.

MADAM SPEAKER: Are you ready for the question?

MR. McLEAN: Madam Speaker, if no other member wishes to speak, I move, seconded by the Honourable the Minister of Industry and Commerce, that the debate be adjourned.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 28. The Honourable the Member for Emerson.

MR. TANCHAK: Madam Speaker, I have the bill before me, Bill No. 28, and it provides for four councillors and a mayor. That's an even number of councillors. Presently there's an odd number of councillors in this municipality. Now the intention of the bill is to forestall

(MR. TANCHAK cont'd)... the possibility of a deadlock arising out of an odd number of councillors as I said, as we have at the present time. That seems to be the intention - to forestall a deadlock. Now but this bill is just temporizing. I don't think that the bill when it becomes an Act would improve things. It would simply perpetuate the difficulties by procrastinating the inevitable.

Now, it does not provide any remedy for future eventualities. Things may happen the same way as it happens now. It says that if the population in Ward 1 increases rapidly, as it may - we know it may - there are high-rise apartments coming up now - but, then, they still wouldn't have the privilege of electing another councillor. The inequity will spread even further as far as Ward No. 1 is concerned. They will still only have two councillors.

Now, another inequity is that if the population increases in either Ward 2 or 3 sufficiently, then either one of these wards would be entitled to another councillor, if it increases to 65% of the total then population of Ward 1. So to me it seems it will just be another merry-go-round because the same situation would develop as presently exists, and that is an odd number of councillors.

Now when we come to Clause 6, I think that this legislation is most undemocratic; in fact, it's discriminatory, because this bill when it becomes Act would take away the rights of any future council to petition, to make boundary changes or increase the number of councillors in any one of these wards, and they have the right to do it now by petitioning through the Lieutenant-Governor-in-Council, and it seems to me that this democratic right would be taken away from them indefinitely - I'm not going to say forever, but indefinitely - and I know, I have a lot of friends there who tell me that the feeling of the people of this municipality is that they should have a referendum and that the councillors should be elected at large.

We have these reservations on this bill at the present time, but I don't see any sense of proposing it now. I think some points may be clarified when this bill comes before the committee. I am sure that there will be presentations, and I hope that at that time the government may have a change of heart and at least, if nothing else could be done, delete Clause 6.

MADAM SPEAKER: The Honourable the Member for Rhineland.

MR. J. M. FROESE (Rhineland): Madam Speaker, I just have a few comments to make in connection with Bill 28. In my opinion it's not fair - - we do have wards as the bill sets out, because we have certain areas that have a higher degree of population and if it was just one general ward, naturally the elections would tend to elect the people from the more densely populated area, and if we want representation from the other areas as well, they're bound to have wards. I for one would like to see this put to committee, and would welcome people to make representations so that we can hear their views once more in this respect, whether this bill meets their requirements. Maybe the Minister could tell us whether he does expect representation at the committee level.

MADAM SPEAKER: The Honourable the Member for Kildonan.

MR. JAMES T. MILLS (Kildonan): Madam Speaker, if the House will remember last year, the bill was brought before Law Amendments, but it was due to a lot of confusion over in North Kildonan whether we should go ahead with the bill or not, but it was referred back to the Minister of Municipal Affairs. In August of last year, Mr. Frame of the Department went out and he examined all the facts referred to the Municipal Board. At that particular time, the Minister, Mr. Frame and myself were in favour of the complete abolition of the ward system out there, but there were no facts to prove for this to be done. Therefore, when the Municipal Board had its readings and findings and studied the situation, it came up with Bill No. 28, and I would like to tell this House and also the residents of North Kildonan who I represent a portion of, that I still feel that the abolition of the ward system is a correct thing, but on the findings of the Municipal Board, I hope that their findings are correct and that members and these constituents in North Kildonan will come to the Law Amendments and point out if they have any reasons why this bill should be defeated or any other advice they can give to the committee.

Madam Speaker, I only want to do for the residents of my area in North Kildonan what is right for them, and unless we can secure information that will give this proof, I think we'll have to leave it up to this bill to do just that.

MR. S. PETERS (Elmwood): Madam Speaker, I just have a very few words to say on this bill. We are going to support it going through second reading so that the people in North Kildonan will have a chance to air their views in front of the Law Amendments Committee, and I think - or the Municipal Committee, pardon me, Madam Speaker - but we do propose to vote

(MR. PETERS cont'd) . . . for this to go through second reading and let the people of the Municipality of North Kildonan have their say in front of the committee.

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

MR. ROBLIN presented Bill No. 18, The Manitoba School Capital Financing Authority Act, for second reading.

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, I think there is very little on the matter of principle respecting this bill that was not ventilated at the time of the committee stage. I shall just repeat then, the outlines of what this legislation is intended to do. It is intended to provide a source of the most economical supply of capital to school boards and divisions for the building of new schools, and the machinery that has been adopted is to establish an authority that gives this bill its name. The Authority will consist of representatives of the Treasury and the Department of Education. The procedure to be followed is that school districts and school divisions will go through the regular procedure that they follow now in connection with the raising of money by way of law for the building of new schools; that is, that it will go through the usual stages in the School Authority itself; it will go through the machinery at the municipal board; it will go through the local vote and all the various procedures that are followed at the present time. That's when the difference will come in, because instead of going to the open market for their money, to borrow their money, as they do at the present time, they may now if they wish apply to this new Authority, and this new Authority is under this Act given the power to buy, in effect, the bonds of the school area concerned.

The source of the fund is the accumulation of Canada Pension Plan contributions which are at the disposition of the province. The Capital School Financing Authority will therefore be able to issue its own bonds to the Canada Pension Plan people and thus receive the money which in turn is handed on to the school board, and having accepted the school board's obligations in lieu. So this Authority really is nothing more nor less than a channel to enable the school boards to have access to the Canada Pension Plan funds.

There is authority in the bill that if cheaper money than Canada Pension Plan money could be found, that enables this Authority to borrow from this other source. This, I must admit, is a fairly long at the present time and it is unlikely that this will be a practical effect, but it is in the bill should this be ever thought advisable. Our intention at the present time, however, is to use the Canada Pension Plan funds and to give these school boards and districts the first call on the proceeds of these contributions.

I recall a number of questions being asked on the other day. I think we answered all of them, and in any case the principles which underlie this bill are those which I have just expressed.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): I only wish to make a few remarks, Madam Speaker. If I read this bill correctly, I have a slightly different interpretation on it than what the First Minister has. It appears to me that one of the aims of the bill is to divorce the government from guaranteeing securities issued by the Board of Trustees of any division or school districts as they have been doing in many instances to date. The second point is that it would appear from the way the bill reads that the districts will bear double the cost that they used to in the past. What I mean, Madam Speaker, is this. If a school division issued a debenture and sold it, they only stood the costs of having sold that debenture on the market. Under this Act there are double costs; there is the cost of selling the securities to the Authority; there's also the cost of the Authority raising the money to pay to the school divisions for their securities. As long as we have funds available under the Canada Pension Plan, this argument may not apply, but we do not know whether the funds available under that plan will be sufficient to meet the demands of the school divisions, and it may be necessary for the Authority to raise money on the open market. I don't know whether my interpretation of the bill is correct, but it appears to me that both of the points I make are valid.

MR. FROESE: Madam Speaker, before the Honourable First Minister gets up to answer the questions of the Member for Ethelbert Plains, has the government given any thought to accepting the reserves that are presently being held by school districts, that is, capital reserves for building purposes, whether this Authority could accept these reserves and that they could be used for these purposes intermediately? I think there's a certain amount in those reserves at the present time - I don't know just how much - but it would seem to me that if this bill is setting up a special School Capital Financial Authority that they would combine

(MR. FROESE cont'd) . . . the two, and I would just like to know whether they have given any thought to this and whether they intend some time in the future to make provision for it if it's not in the bill at the present time.

MR. PAULLEY: Madam Speaker, if I may just make a comment on the bill itself, or the principle of the bill itself, it seems to me that it's a perpetuation of the situation insofar as the Province of Manitoba is concerned, that it's high time and highly desirable that we end -- and that is the perpetuation of the costs of school construction being still levied at the local level. We in this group have consistently argued before this Assembly that the costs of education bear no relationship to private property as such, and that the burden on local taxpayers for school purposes and school construction is altogether too great, and it is time that the whole basis of taxation for educational purposes was changed in the Province of Manitoba.

We find, Madam Speaker, municipality after municipality engaged in a rat race to attract industries within their boundaries in order that the industry may be in a position to aid in the financing of school costs. If we had a system of taxation in this province that was more equitable and more fair, it wouldn't be necessary for municipalities and school districts to continue the type of fight that I refer to, simply to ease the burden of the costs of education at the local level; and while it seems to me that the First Minister in his capacity as Provincial Treasurer is carrying through one or two of the statements that he has made in the past that the first claim of the province for funds which will be accruing in the Canada Pension Plan will be for the purpose of education, I regret that there still is that same principle carried through in this bill, Madam Speaker, the principle that the local taxpayer still is going to have to raise a considerable portion of school costs here in the province.

If my honourable friend the Provincial Treasurer, in my opinion, was really concerned with the cost of education at the local level, here was a glorious opportunity for him through the funds available in the Canada Pension Plan, to enter into a better partnership with our school districts and our school divisions, by using this fund - The Canada Pension Fund - at the provincial level to supply the necessary funds for school construction costs. After all, Madam Speaker, is it not a fact that the contributions to the Canada Pension Fund are going to be made by the community at large, be they workers in industry or self-employed individuals? It's their money and their portion of the money that the province now is going to use under the scheme that the Provincial Treasurer has before us. I think, Madam Speaker, that the Provincial Government should take a second look at its taxation basis, and here is a glorious opportunity for the Legislature of Manitoba to, in effect, say to the contributors to the Canada Pension Fund, "We're glad that your money is going to be available back to us for loan purposes, and we are going to accept the responsibility at the provincial level for the full cost of school construction."

Having said that, Madam Speaker, I'm not really opposed to the bill as such, or the contents of the bill as such, but I do say the principle is wrong, because it is not taking cognizance of the fact, at least in our opinion, that the costs of education should no longer be borne at the local level to the degree that they are; and notwithstanding the new grants that have been announced by the Department of Education, teacher grants and construction grants, it's still out of line, and many people are being forced into too great an expenditure in the field of education, which responsibility, in our opinion, lies with the Provincial Treasury.

MR. TANCHAK: Madam Speaker, I just wanted to ask a question in here. The Manitoba School Capital Financing Authority says that it will have the right to employ officers and servants, and pay for the services of these officers and servants, and I would like to know who will pay the expenses of this Authority and also the help. Is it the Provincial Treasurer or the Department of Education?

MR. ROBLIN: If I may close the discussion on this bill, Madam Speaker, I will deal with these points raised in reverse order, replying first to the Honourable Member for Emerson, and to tell him that this is just the usual provision that is put in an Act to enable the government to pay the civil servants who may have to carry it out. My own feeling is that no extra staff will be required to handle this matter because it's estimated that the demands will approximate \$10 or \$12 million dollars, and that the transactions can be handled within the present staff in the department, but provision is made to hire some extra staff should that be required.

Dealing with the remarks of the Honourable the Leader of the NDP, he's expressing a common sentiment which I think we would all be inclined to share, and that is that we want to reduce the load of school taxes on property as far as we possibly can, and there have been

(MR. ROBLIN cont'd)... pretty substantial steps made in that direction. This is a part of those measures. The use of the Canada Pension Plan money will enable the school boards to borrow for construction at probably about one percent less than they borrow now, and one percent on, say, 6 1/2, is, say a 12% or a 15% actual reduction in cost. So there will be about a 15% actual reduction in cost of money to these bodies, and we think that they are the people who should get the first crack at this fund of relatively cheap money, as things go these days, and that is why we are doing this, and this whole aim is designed to help this question of school tax burdens on the local taxpayer.

It may interest my honourable friend to know that at the present time the school taxpayers in Manitoba pay substantially less than half of the total school tax bill in the province. I wonder if members appreciate that? In the City of Winnipeg, for example, in spite of the recent figures that the City Board have been showing around, the local taxpayer in Winnipeg pays 70% of the bill and the province pays 30% of the bill. That's the figure in Winnipeg today - much higher than the one that's generally quoted. And in the province as a whole, it goes from 30% in Winnipeg, which being the richest area in point of view of assessment, to the areas which have a much smaller assessment base, and where the provincial share is much more than 30 percent, it goes up to a very large percentage indeed. Taken over the province as a whole, the cost to the local taxpayers is substantially less than half of the total cost; the cost borne by the Provincial Treasury is substantially more than the total cost.

Now that doesn't mean that we're satisfied with that, and we propose, we intend to propose certain other measures, which may - and I emphasize the word 'may' - relieve the situation somewhat, and I expect to be speaking about that question at greater length at the time that the provincial Budget is presented. I would not like anyone to feel that we are satisfied with the present situation, or that we do not concur with those who are seeking more relief for the local taxpayers. We do. It's going to be a question of trying to fit it into the financial obligations that we face over the whole range of provincial government services.

Speaking to the Honourable Member for Rhineland, may I say that some thought was given to mobilizing the reserves that the school divisions and districts had, and making them available, and we might do that; it's possible; but the trouble is that those reserves would have to be on demand, in the hands of the Provincial Treasurer. In other words, the School Authority concerned should be able to get them back simply by asking for them. Yet, on the other hand, we want to invest this money for the twenty years or so that is the term of the bond issues that the school districts bought for construction. So, balancing off the short-term nature of the credit they might give us against the long-term nature of the debts, presents certain complications, so for the present time, not wishing to get into the same problems as the Atlantic Acceptance Corporation got into, we have not thought fit to proceed with that matter. However, it might bear some further investigation.

Speaking now to the Honourable Member for Ethelbert Plains, may I say that I really don't follow his line of reasoning at all. I think he has got a misconception of what the bill is intended to do. The first point he made was in connection with guarantees. Well it is perfectly true that under certain circumstances guarantees have been given in the past to school districts and divisions, but there have been no guarantees on the part of the Provincial Treasury for a long time. This is, in effect, a dead letter. But we are intending to guarantee their bonds indirectly now, through this School Capital Financing Authority system. So we're getting back into the business of guaranteeing school bonds through the medium of this system.

Then he says, "What about the question of paying twice?" Well there I'm completely at a loss to follow his reasoning. We have a great deal more money in prospects coming in under the Canada Pension Plan than the school boards will require, according to the record of the past and our best estimates for the future. So, as for any fear that they'll be paying twice in any way, I really am at a complete loss to follow his line of thought. The whole aim of this thing is to have them pay less, not pay twice. The costs of placing bonds these days are quite high. The sort of operating charge that we are likely to ask the school boards to pay for this service, would be one-eighth, one-sixteenth - it hasn't been settled yet; something like that, but a relatively nominal amount that will cover all the risks that we may carry in this thing, and I think they're rather small indeed. So I think I can reassure him that this will not impose larger costs on school districts, in fact, we expect that it will be the one percent less, or really 15% of the total cost of money as we have mentioned. So I think he can vote for the bill without any reservations. I think that those answer the points that were raised by members at this stage, and I thank the House for their interest in this measure.

MADAM SPEAKER put the question and after a voice vote declared the motion carried. MR. BAIZLEY presented Bill No. 26, An Act to amend The Employment Services Act, for second reading.

MADAM SPEAKER presented the motion.

MR. BAIZLEY: Madam Speaker, the object of this amendment is to make it abundantly clear that an employee does not have to pay a person or agency for job placement.

MR. PETERS: Madam Speaker, I would like to ask the Honourable Minister, he says that the Bill is to make it abundantly clear than an employee should not have to pay a person or agency for obtaining employment for him. I know that I've talked to some people about -- is it Office Overload? There is actually no direct charge to the employee, but there is a charge made, and the same with Manpower. Now I have no definite proof. I have talked to a few people who have worked through Manpower, and they claim that there is actually not a charge directly made to them, but they were paid \$1.50 an hour and then they charged Manpower \$1.75 an hour, or something like that. And these are the things that I would like cleared up, Madam Speaker, because I don't think that -- in my own personal opinion I don't think these places are necessary. We have an Unemployment Insurance Commission. I think that's where all the people should go and get their employment from, and I think that these agencies, in my own personal opinion, are not necessary.

Now there's one other point, Madam Speaker. In the bill it says that an employee may recover any fees if they were charged to him. What I would like made clear to me and to this House, would the employee have to institute action himself in a court, or would the Department of Labour do it? And if it isn't the intention of the Department of Labour or the Attorney-General to take action, I think that they should.

MR. GUTTORMSON: Madam Speaker, I move, seconded by the Honourable Member for Gladstone, that the debate be adjourned.

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

HON. STERLING LYON, Q. C. (Minister of Mines and Natural Resources) (Fort Garry) presented Bill No. 48, an Act respecting the Boundary between the Provinces of Manitoba and Saskatchewan, for second reading.

MADAM SPEAKER presented the motion.

MR. LYON: Madam Speaker, the Province of Manitoba, in co-operation with our adjoining provinces and the Dominion of Canada, has been engaged in a continuing program of surveys directed to the demarcation of the boundaries of our province on the ground. The surveys of the boundaries between this province and the Province of Ontario, and the North-West Territories, have been completed. With the completion of 76 miles of the Manitoba-Saskatchewan boundary this winter, the boundaries of the province will have been fully marked. The natural resources were transferred from the Dominion to Manitoba on July 15, 1930 and to Saskatchewan on March 11, 1931. Prior to these dates, the respective natural resources have been developed and administered by the Federal Government and the definition on the ground of the boundary between the two provinces was not then an important consideration. After the transfer, however, the situation changed completely, and the definition of the boundary on the ground became essential for the proper administration of the resources. The situation was particularly pressing at Flin Flon where the large ore body and some of the mine buildings of the Hudson's Bay Mining and Smelting Company were astride of the boundary. Prior to the transfer of the resources to -- the southern portion of the boundary have been surveyed under instructions from the Surveyor-General of Canada. The Manitoba-Saskatchewan Boundary Commission was originally appointed in 1936 and reappointed by Privy Council Orders in 1941, '58 and '63. The Surveyor-General of Canada is the Chairman, the Director of Surveys, Department of Mines and Natural Resources is Manitoba's Commissioner in the person of Mr. Edward Gauer.

The terms of reference of the Commission provide in part for a report of the survey to be submitted by the Commission to the Parliament of Canada and the Legislatures of the provinces of Manitoba and Saskatchewan. The costs of the survey are to be shared equally by the three governments. Previously for about two-thirds of its length, the boundary was described as the centre of the road allowance between Ranges 29 and 30 West of the principal meridian and for the remainder, the boundary is the second meridian and shown on the maps in theoretical line only.

The present bill, Madam Speaker, provides for the consent by the Province of Manitoba,

(MR. LYON cont'd)...that the boundary as surveyed and shown up on the 15 map sheet in the Manitoba and Saskatchewan Boundary Atlas be the true boundary. The confirmation of this boundary removes any doubt as to where provincial jurisdiction begins and ends, so long as the territorial possessions of Manitoba otherwise remain unchanged.

I should say by way of further explanation, Madam Speaker, that the Bill presently before the House covers the most northerly 253.8 miles of the meridian portion of the boundary between the Province of Manitoba and the Province of Saskatchewan; that is moving from a point on the - where our boundary intersects the boundary of the northwest Territories of Saskatchewan, in the northwest corner of the province, 253 miles south. This demarcates and sets out that boundary as approved by the three Commissioners.

I lay on the table of the House at this time, Madam Speaker, the report of the Commissioners relating to this portion of the boundary -- and you'll notice that the report is marked as Part I, because there is a remaining portion to do with the Province of Saskatchewan -- and along with it a copy of the Manitoba and Saskatchewan Boundary Atlas, which sets forth in detail the studies that went into the demarcation of this boundary and sets forth on the atlas the exact demarcation line laid out by the survey party.

One further word I should add at this time, Madam Speaker; this is one of the basic types of work that is carried on by a service branch of government, namely the Surveys Branch of the Department of Mines and Natural Resources. The work that is involved in this particular demarcation line was carried out over a period of two winters and represents a tremendous amount of effort on the part of the survey leaders, the survey party leaders, and the individual chainmen, instrument men, so on, who were involved in this work; carried out as I've mentioned during the winter time and one can imagine what the winter conditions were as they surveyed along the 253 mile line in northern Manitoba. I, for my part, would like to take this opportunity, I think on behalf of all the members of the Legislature, to congratulate the Director of Surveys of Manitoba, Mr. Gauer, and his staff for the very excellent work which they have carried out in this boundary demarcation and largely for the unsung work they carry on day in and day out, week in and week out, in such basic studies for the advancement of our province.

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

MADAM SPEAKER: The second reading of the Bill No. 49. The Honourable the Minister of Mines and Natural Resources.

MR. LYON: Madam Speaker, I beg to move, seconded by the Honourable Minister of Welfare that Bill No. 49, an Act respecting the Boundary between the Province of Manitoba and the Northwest Territories be now read a second time.

MADAM SPEAKER presented the motion.

MR. LYON: Madam Speaker, this Bill is similar in intent to the bill that was just passed second reading by the House. This demarcates and sets out the boundary between Manitoba and the Northwest Territories running from Saskatchewan over to Hudson's Bay. Again, this boundary was demarcated by the Commission which I mentioned in connection with the previous bill. The confirmation of the survey redefines the boundary in accordance with the terms of the British North America Act of 1871, that is, the boundary is defined to conform with the survey and establish markers throughout its length giving the physical evidence on the ground that the line between Manitoba and the Northwest Territories in place of the former theoretical line of the 60th parallel of north latitude.

And without going into any further detailed explanation, I should like to again in this case, Madam Speaker, to lay on the table of the House, the Manitoba Northwest Territories Boundary Report from the Commissioners - indicating the report took from '57 to '62 to complete - and the Manitoba and Northwest Territories Boundary Atlas in support.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable the Minister of Agriculture and Conservation that Madam 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.

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

COMMITTEE OF SUPPLY

MR. ROBLIN: Mr. Chairman, before we commence the regular work of the Committee, perhaps the Committee would permit me to give a short report on the conduct of the business in the Committee of Supply.

As I intimated in speaking to the House on the matter of concurrence in the new Rules, a meeting was held at which two of the party leaders and the three whips - my the honourable friend from Radisson was unwell that day - had, I think I can say, a congenial meeting in my office to discuss this matter and -- (Interjection) -- no, I think if my honourable friend had been there he would have added to the congeniality of the moment. -- (Interjection) -- Well, I'll settle for either. I like my friend when he is jovial and when he is congenial. The both of them suit me very well. We made a short survey of the time taken in committee in the last couple of years for the various departments and decided to circulate this to Members of the House, Members of the Committee, so they would all have that information in front of them. It will be seen that we took 93 hours altogether in '64 and 111 hours in '65, and our target this year is 80 hours. We've already spent 10 hours and 5 minutes.

Now it seemed to us that rather than attempt to schedule the proceedings of the Committee in any detail, that we should give this information to the Members, remembering the discussion we've had on this point and trust that the use of discretion on all sides of the House would enable us to proceed in a satisfactory way. It was agreed that after we had spent 40 hours in the committee, we would review the situation and see how we're getting along. If we were fairly close to the target, then I think we would proceed. If we find that we're not close to the target, then I think we'll have to consider what else to do because it is important that there should be reasonable consideration of all the important matters before this committee.

I wanted to give this report so members would understand why this information about times was circulated and I hope that they will find it useful in their work in the Committee.

MR. CHAIRMAN: The Honourable the Minister of Agriculture and Conservation.

HON. GEORGE HUTTON (Minister of Agriculture & Conservation) (Rockwood-Iberville): Mr. Chairman, the First Minister just gave you the reason why he had circulated this information. When it appeared before me, I thought it was specifically for me, and to prove the point that it doesn't take 20 hours to get your estimates approved by the House.

I'd like to make a little statement about the direction that the department has been taking in the past year and where we think we are heading for the future. And I trust that you will appreciate that I'm trying to keep my part in this program to a minimum when I come in with a prepared statement.

Manitoba Agriculture enjoyed a reasonably good year in 1965. In spite of the very difficult harvesting season, a large crop was taken off and the gross value of agricultural production in the province achieved a new record estimated at \$453 million. We can be encouraged by the approach that our farmers are taking in adjusting and expanding their production in keeping with the times. There has been a steady increase in interest in various special crops and horticultural crops, which compliment our traditional cropping program; provide additional income for our farmers and provide for expansion in the manufacturing industry.

We were encouraged this past summer to note that our hog production did not dip as severely as it has traditionally done at the low point of the hog cycle. Our hog producers, as other livestock producers apparently, are committing themselves to more continuous production. This of course, is a very desirable trend, both for us as farmers and for those dependent upon us for their living.

The objective of this government though its agricultural policy is to provide an environment in which Manitoba farmers may adjust and expand their farm business; thus, providing a better living for themselves and making a greater contribution to the province's economy. A major portion of the economic activity of the province is still directly dependent on our farms.

The Department of Agriculture in addition to placing a heavy emphasis on education and extension through short courses, news releases, bulletins, television, farm business groups, and other means, is emphasizing the development of services which will assist our farmers.

Our Agricultural Credit Program, Crop Insurance, Soil Testing, Farm Management Guidance, have all achieved new heights of success during the past year. The Marketing Commissions, which were established about a year ago have proven to be beneficial during the past year.

(MR. HUTTON cont'd). . . .

You will recall that our Agricultural Credit Act was amended at the last session of the legislature to increase the ratio of loan to equity, to extend the maximum loan, and to increase the age of young farmers from 31 to 35. These amendments have resulted in a dramatic increase in the use of credit by our farmers. For the full year ending March 31st, 1965, 187 young farmers had obtained loans from the Corporation. However, for the nine month period April 1st to December 31st, 1965, 210 young farmers obtained loans from the Corporation. The average loan to the young farmers for the earlier year was \$13,249; but the average loan to young farmers during the period April 1st to December 1965, was \$17,480.00. The total loans during the current year will be over \$7 million. This compared to \$4.8 million during the previous year.

Our crop insurance program was extended to offer insurance to 16,555 farmers in 1965; 8,610 farmers insured for 52 percent participation. The total coverage carried in 1965 totalled \$18.7 million compared to 13.6 million the year before. As you know, insurance will be offered to 90 percent of the province's farmers this coming year, with the remainder of the province to be covered in 1967. Our insurance program is now reaching a point where it will remove the sting from crop reversals over practically the whole of the province.

In the field of marketing, I would like to say a word about the Hog Marketing Commission. They have been operating just about the year now. It is interesting to note that the operations of the Commission have dramatically reduced the differential that has traditionally been maintained in the price between Toronto and Winnipeg. Over the last week or so the eastern hog market has been tending toward lower levels. The average Toronto price for the week, last week was \$43.28 per hundred weight. The average price for Winnipeg on the teletype for the week was \$43.08. While the traditional differential between Winnipeg and Toronto has been \$3.00 to \$3.50, an acceptable differential is \$2.75. This is considering the movement of some pork to eastern Canada. The difference between the actual differential, that is of last week, and \$2.75, is \$2.55 per hundred. This \$2.55 can be considered a direct gain to the producer resulting from the work of the Commission. There were 10,000 hogs marketed in Manitoba last week. The total saving to the producer during that one week was \$38,000; a very substantial saving.

In the case of the Vegetable Marketing Commission, it has only been operating for about three months now. It's a little early to make any comments about its operations in respect to the seven vegetables that it now has, jurisdiction over; but in respect to potatoes alone, it was interesting to note that in the fall of 1965 the price for potatoes to Manitoba producers was much more stable than had been in the previous year even with a short crop. It is also interesting to note that the returns to the producers in Manitoba, through selling through their commission, were higher than those realized by producers in other jurisdictions where they did not have the assistance of a central selling agent. As a matter of fact, the returns to the Manitoba producers were substantially higher.

Our Farm Business Group Program, which has 900 young farmers enrolled at the present time, has been most successful in assisting farmers becoming better managers. Some of the graduates of these groups have requested a continuing service, and we have for this reason offered a Farm Management Consulting Service at a fee sufficient to cover the direct cost of the program. With the increasing size and complexity of our farm business, it is recognized that even greater efforts must be directed to assisting our farmers in developing their management ability. We experimented with farm management extension through television, through our "Matter of Fact" television series. It was a first attempt in Canada in agricultural extension at using the correspondence course through the television approach; and it is interesting to note that farmers, some 650 farmers in Manitoba bought the kits that were offered to them that complemented the television series; 450 of those who bought the kits filled them out in detail and completed this part of the study. In addition, some 350 farmers in Saskatchewan took part in the program thought the auspices of one of the grain companies which has a fairly large business in that part of Saskatchewan.

Our soil and feed testing services have been well accepted by farmers. We anticipate that close to 10,000 soil samples will be handled by our soil testing lab, this year. Our farmers are prepared to cover the costs of essential and important services of this kind.

The agricultural industry which in today's language is really the province's food industry will continue to face very real challenges in changing in keeping with new technology which is continually being made available to us. It is important that we look ahead and examine

(MR. HUTTON cont'd)... the future of this industry. It is for this reason that we have announced our intention to establish a Manitoba Agricultural Productivity Council. The council will be made up of representatives of the various segments of the industry and it will make it possible for the industry collectively to examine the objectives and the problems of the industry and to gear for the future.

I could use, for example, the dairy industry of this province. It is a very important industry, providing an important proportion of our farm income and providing the raw materials for a very important segment of our manufacturing industry. With a continual decline in the shipment of cream for butter production and with a relatively static market for fluid milk, it is important that we examine carefully the adjustments which may be appropriate in order that this industry may make use of new opportunities and achieve new progress.

We have been working in the ARDA field during the past year, and I know that there are some members of the legislature who were skeptical about the time, the effort, the energy and the money that has been expended in studies and surveys, etcetra, but I think that such a careful examination of the circumstances of the resources in the area, the circumstances of the people, the institutions, etcetra, is essential if we are to come up with a realistic, practical and pertinent program to develop our potential in various areas in Manitoba.

The government has been doing a lot of work. As you know, ARDA is a multi-department approach, it's not the work of the Department of Agriculture only. The Department of Agriculture, of course, is in a sense the co-ordinator, since the ARDA co-ordinator is attached to the Department of Agriculture; but the ARDA program itself embraces programs not only in the Department of Agriculture but in the Department of Education, in the Department of Labour, in the Department of Mines and Resources, in the Department of Industry and Commerce; and we have been doing a great deal of work in designing practical programming for the coming Year and the years ahead -- and we'll be talking about this aspect of the program at greater length. Suffice is to say that you know that under the new agreement that was signed with Canada, there is in addition to the funds that are allocated on a population or on a population basis, there is an additional fund -- we call it "Freddy" -- and it is the business of this government and has taken a great deal of our time in designing a program for the Interlake area of Manitoba in which we could take advantage of the special financial incentives that are available from Ottawa. One must always keep in mind, however, that it takes money to get money. In other words, we can only get dollars from Ottawa if we have dollars available, free to match with those of the Government of Canada. When one takes into account the tremendous programming that has been outlined in the field of education, it is not hard to appreciate that there is some competition for available funds which are at the disposal for any given program, and this applies to ARDA as well.

I would like at this time to pay some tribute to my staff who I believe represent the best agricultural staff of any province in Canada. During the year men who have made a tremendous contribution to agriculture and to the community generally, men such as D. C. Foster, who headed our Extension Branch for many years, retired. He was replaced by Dr. Halvie Austman, who has been with us for some years. Mr. Frank Muirhead, was appointed Assistant Director of Extension in charge of administration; Mr. Glen Arnott was brought in from Boissevain to take the position of Assistant Director in charge of programming. During the year Mr. Perry Killick, who had been a tremendous force in the dairy industry in Manitoba, who was the Director of our Dairy Branch and subsequently became Director of the new Animal Industry Branch when dairy and livestock were amalgamated. Mr. Killick left us. He and his wife are now living in British Columbia. He certainly assured me before he went away that it was because they wanted to be close to the family, not because they were in any way disillusioned with Manitoba. Mr. Killick's position was taken in the department by Mr. Church, Mr. Al Church, who is now Director of the Animal Industry Branch. Mr. Ross Cameron, our former Poultry Specialist, has been appointed as Assistant Director of that Branch. And, of course, a very outstanding record of service to Manitoba came to an official end, although I don't think that it has ended unofficially, in the person of Howard Murphy, who served the Government of Manitoba and the people of this province in one capacity or another for over 50 years. This is a remarkable record. His position was filled by Mr. DeRosiers, who not only is a very competent accountant but you will know is a very accomplished musician as well. At this time on behalf of myself, and I am sure on behalf of all the members in this legislature, and on behalf of the people of Manitoba, we would like to say "Thank you", a sincere "Thank you" and best wishes to those gentlemen who have left us. I certainly want to say a sincere "Thank you" to

(Mr. HUTTON cont'd) . . . my staff for the tremendous effort that they sustained throughout the year working for the agricultural industry and the people of rural Manitoba. Thank you.

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, first, I would like to associate myself with the Minister, and also offer my very sincere wishes to the members of the Department of Agriculture who have left. I would also like to pay tribute and congratulate all the civil servants in the department who have I am sure a difficult task to do. I have always been of the opinion that after the Department of Welfare, it was probably the civil servants in the Department of Agriculture that had one of the hardest jobs to perform. In many occasions it is a matter of, because of our improvements, our modern ways of farming, and so on, it is a matter of trying to advise people to change their methods of production and in certain cases it is even a matter of trying to convince them that maybe if their way of living was changed, it would be an improvement. But this is not always easy to do. I think it takes people with a great deal of love of their work and dedication to be able to do this kind of a job, and I am convinced that we have these people in the Department of Agriculture and I certainly want to congratulate them at this time.

Now, Mr. Chairman, as we have reached the Estimates of the Minister of Agriculture, before I start speaking on the Estimates themselves, I would like to make a few comments on a statement made by the Minister of Agriculture on the 14th, in this House, which affected me very much. The Minister said "I doubt very much, Madam Speaker, if we can do a great deal to help the kind of an operation that the Honourable Member from La Verendrye is associated with. I understand he runs about 1,200 hogs in an enterprise in his constituency. At today's prices, when he sticks his foot on the edge of the pen, and surveys that operation, he's looking at about \$72,000 worth of hogs walking around. I am not really too concerned. I am not too worried about the fellow who's got \$72,000 worth of hogs on the hoof walking around."

Well; Mr. Chairman, may I be permitted to give this House some explanation about this statement. First may I say, that as far as I am concerned, this kind of personal involvement, in my opinion, was not necessary. I think there are enough important matters to be discussed here that one doesn't have to bring in personal discussion. But since the Minister has decided to bring in my own personal business under discussion, I think it is in order that I give the members of this House, some explanation of the matters brought out by the Minister.

First he says that I am associated with an operation that has 1,200 hogs. Mr. Chairman, this is absolutely true, and I am very proud of it. We employ, directly or indirectly, about four or five people. I think we are contributing to supplying the country with a product that is in demand right now, and I'm very proud of it. Then he says, "at today's prices when he sticks his foot on the edge of the pen and surveys that operation, he's looking at about \$72,000 worth of hogs walking around." Well, Mr. Chairman, I am told the Minister of Agriculture is a farmer in private life. It is really none of my business what my honourable friend does in private life. It has never been my habit to bring in personal matters on the floor of this House, and I do not intend to do it now. But if my honourable friend is a farmer and he says a stock of 1,200 hogs in a feeder operation which comprises hogs of all sizes from 25 pounds up to 200 pounds, and that they are worth \$60.00 apiece, then he is definitely misconstruing the figures. I am sure my honourable friend knows better than that. The figures accepted by the Taxation Department are around \$30.00. This is much more realistic. So why my honourable friend doubled the figure, is something I'll let him explain.

Then, Mr. Chairman, he says he doubts if the department can do a great deal to help my operation. Well if it isn't falsification of facts, I don't know what falsification is! I want this House to know that exactly because I was a member of this House, I made sure that we did not even ask the Department for plans. That we made sure that no money was borrowed from either the Provincial or the Federal corporation, because I did not want it to be thought that I had used my position in this House to promote my own operation.

Later in his speech he says "when you've got that much pork, you can live pretty high on the hog." Well I don't know what he really means by that statement. But again I don't think it was necessary. But since he made it, I want to tell my honourable friend that I have nothing to hide in my own life. If he wants to check, I invite him through my constituency and my community and my home town. It is true that right now we are enjoying favourable prices in the hog industry, and naturally, we're making considerable profits which are used to pay off our investments; but I don't think the statement "living high on the hog" was necessary.

Further on, Mr. Chairman, the Minister says "I think an apology is in order to the department for anyone making such a statement that we add staff and a little more work for all

(MR. VIELFAURE cont'd)... the staff -- and we do little more work for all the staff." Well Mr. Chairman, let me say that I have absolutely no intention of making apologies to anybody. If the Minister would get off his name-calling and personality track, maybe he wouldn't always be asking us to make apologies. I want to inform my honourable friend that I have just as much respect, confidence and appreciation of the civil servants of this Province, as he has. If I had anything personal against any civil servant, I would go directly to my honourable friend, not on the floor of this House.

Mr. Chairman, when I criticize my honourable friend's department, it is nobody individually, but the policies and programs of my honourable friend. What does he think one is elected to this House for? To come here and stand up and say "You're doing very well, keep on, terrific." Well I don't think we have to do it from this side of the House. I think my honourable friends across are doing a great job of publicizing their own activities, and I don't think it is necessary for me to do it. I think my job as an elected member is to point out to my honourable friend, what in my opinion is not right, should be done, or is not done. I think this is what the people of my constituency and what the people of the Province expect from the opposition. When I told my honourable friend that in many cases their advice in their programs reach only 20 percent of the people, it is not this 20 percent that I am worried about, that I'm thinking about, but the 80 percent that I think the programs don't reach.

I have no quarrel with my honourable friend about the success of the farm business groups. He is right. These are good programs. The dairy improvement herd program, is another good program, where the farmer pays part of the cost. The Minister quoted from the Steinbach Business Group. Many of these farmers are my personal friends. They involve the different communities around Steinbach, and they are in a district where there is good transportation, good roads, well organized municipal service, and so on; but I don't think that my honourable friend should be satisfied with these groups that have succeeded very well.

What about the other part of the country, where drainage programs are virtually unknown; where there are no organized municipalities, and so on. These are the people that I am talking about when I say that our farmers need more help from the government. Now I want to be realistic. I know it is not easy to organize in these districts. The facilities are not there and it is not easy. But these people are the ones that need the most in the worst way, especially in drainage, land clearing, and in many cases, in organization. It seems that in many of these areas of sub-marginal land bordering forestry, that the farmers are wondering what is expected from them. It would seem quite often that they are under the impression that the Minister of Agriculture would like them to stay on the farm and that the Minister of Mines and Natural Resources would like them to take their farm for natural resources.

The government says there are many ARDA projects. The Minister just pointed out a while ago that it is slow, and I agree with him, because as far as I am concerned, I haven't seen any in southeastern Manitoba. My honourable friend says there are great possibilities for beef in Manitoba. Here again I agree and certainly southeastern Manitoba is fit for many of these cattle farmers. So let's tell these people they are wanted. Let's show them that there is interest in drainage programs in these unorganized districts. I think there is a very good opportunity for cheese, milk shippers in the future.

Both major parties in Ottawa have promised better milk prices, and my honourable friend told me to look in the Farm Outlook book, and here is what I find on page 37, on milk shipping. "Total milk production in Manitoba is likely to remain lower in 1966 than it was in 1965. It will be the third consecutive year in which milk output has declined. In 1966, production will possibly fall below one billion pounds. For the first year since 1951 the main reason for this decline is a drop in production of farm separated cream. This decline in output during the last three years can be attributed to four things, -- and naturally the first one doesn't apply in southeastern Manitoba. It says first and foremost the farmers are able to sell more wheat, and as long as many of them can do this they will not milk cows and ship cream." Well this naturally doesn't apply in my end of the country. But number 3 "The price received by the farmer for manufacturing milk and cream does not provide enough incentive to increase production." And certainly it isn't the responsibility of the Provincial Government, I agree. But it says on number 4, "There are very limited opportunities for farmers to ship manufacturing milk in Manitoba. At the present time there is only one such market outside the Greater Winnipeg milk shed." Well I think this is a field where we could provide help. Farm business group organization among these people I am sure would provide some very interesting figures, which would be a far cry from those produced by our existing groups, but which

(MR. VIELFAURE cont'd)... might very well serve as a yardstick as to the amount of help that should be given to these farmers as milk shippers in these particular areas. I am convinced that we would soon find that there is an urgent need for drainage, organization and land clearing that would change completely the income, living conditions and productivity of these smaller farmers. But this Mr. Chairman, will be found after we have given these farmers even more in the way of organizing, organization I should say, advice and help that is easily available to our better organized groups.

Now in closing, Mr. Chairman, I want to make it very clear that when I say that the government should provide more help to farmers, I am not seeking help for my operation or similar ones. It has never come to my mind since I have been here that anybody in this House has ever thought of using his position in this House to further his own ambition, and I was nothing less than shocked when the Minister the other day brought out the description of my own operation, grossly exaggerated, to insinuate that I was asking this government for help for myself.

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MR. CAMPBELL: Mr. Chairman, I agree with the statement that the Honourable the Minister has made as to the objectives of the Department of Agriculture, and I am sure that all of us can heartily endorse these objectives to see that the food producers of the province continue to do their job in the most efficient possible manner, and that they receive their just reward. I guess this is probably the matter that has been the bone of contention through the years in here is the latter one rather than the former, because I'm one of those who has continually taken the position that the farmers are prepared and do accomplish the first part of that objective. They do their job very well of production, and they have to continually run a simply stupendous group of hazards in order to do it, but they keep on doing it and doing it well, I think, on the average, if they're assured of a market for their product and a reasonable price. And the question of the reasonable price -- what is the reasonable price? is the thing that's been giving us a lot of concern in recent years, and it's on this subject rather than the amount that is left, of course, to the farmers -- it's on this subject rather than on the question of production that I find myself in disagreement with the government because of their failure to do what they had suggested they could do in relieving the pressure on this cost price squeeze.

Now my honourable friend said the other day when speaking on the Throne Speech debate, that at the Brandon conference, he said, we gave the farmers a very optimistic outlook. Well, I think he would say that he gave us an optimistic outlook today, and I believe he figures that the outlook that they gave the farmers at the conference in Brandon was an optimistic one. But it was far from optimistic in one particular, Mr. Chairman, because it was admitted at that conference, if I find my friend the First Minister correctly reported in the press, it was admitted that the cost price squeeze continues without interruption. It gets worse rather than better. And this is the point, Mr. Chairman - and my honourable friends can deny it if they wish or they can play it down if they wish - but the fact is that this was what they undertook when they became the government that they were going to deal with, was the cost price squeeze.

Now I want to be fair to them and say that I think it was always impossible that this government could have dealt with the fundamental and basic issues of the cost price squeeze. It lies, as I have said many many times when we were in government and have repeated while we were in opposition, it lies in the wider field rather than in the field that is available to the government of a province. But my honourable friends led the farmers of this province to believe that through the provision of credit, through the encouragement of industry, through the building up of the general economy of this province, through more specialists working on different kinds of production in order to increase the efficiency, through a variety of programs which my honourable friend has mentioned today in his brief review, that through these they were going to deal with the cost price squeeze -- and this is where I find my honourable friends wanting in their performance. So I must again say that I think they should have realized at the start that the problem was bigger than any provincial government could cope with; but this is the position that they took, and I want to read a few of the quotations through the years that bear out the stand they took with regard to it.

Before I do that, however, I want to refer to one matter that my honourable friend the Minister of Agriculture mentioned on February 14th. On Page 203 of Hansard, I read this - my honourable friend giving a general statement on the position of agriculture and saying that this government had done a good job. That's not an unusual statement for him and his colleagues to be making, but the way he put it on that occasion -- and I don't want to misquote my friend so I'll have to read a whole paragraph. This is on Page 203, approximately the middle of the page, and I'm quoting now: "I have a few more figures here that I would like to give you before I sit down, because under the aegis, if you want to call it that, of this government, under the programming of this government, the farmers of Manitoba have responded with a new confidence, with a new belief in agriculture, and when we talk about the relative position of Manitoba as compared to the progress made in other provinces of Canada, we can be sorry that prior to this government taking office, Manitoba did lose some ground, I think primarily because we continued to rely upon our traditional production of grains rather than diversification."

My honourable friend nods his head acknowledging the statement. He'd need to, because it's read from Hansard. But what I want to say to my honourable friend is this, that when he's talking about diversification he's meaning primarily, I'm sure, the main differences between livestock and grain production, and I want to tell him -- oh yes, yes -- I want to tell him that if he takes all through the years of the 1950's, right through the 1950's, on the average of those years he will find that the relationship of livestock production to grain production was just as good as it was in 1965 -- every bit. There were differences, of course, in individual years the

(MR. CAMPBELL cont'd.) same as there are now, the same as there always will be, but taking the average right through you will find that the proportion as between grain production and livestock production, the values of them, that livestock was just as high as it was in 1965. And my honourable friend -- this is typical of the kind of statement that my honourable friend makes frequently and which he just does not have the figures to back up; and this is a case in point that I wanted to raise.

I am sorry that my honourable friend the First Minister is not here, because a few days later - and I was out of the House when this happened but I was struck by it when I read it in Hansard. A few days earlier, I should say, not later, - on February 10th, when the Honourable the First Minister was speaking on agriculture. Again I have to read a whole paragraph, Mr. Chairman, so as to be sure that no-one can accuse me of taking it out of context. This is Page 139 of Hansard, and the Honourable the First Minister said this: "But there is one statistic which does not show the same trend, and I intend to give it to the House, and that is in connection with farm income, because in this year of grace 1965, the farm income in Manitoba is barely, on a per capita basis, half the farm income in Saskatchewan; \$1,288 versus \$2,406, and it would be wrong of me not to place that fact before you as well. It will come as no surprise, however, because everybody knows that when Saskatchewan has a big wheat crop, it's as good as a gold mine any day."

That's the quote, and I'm still quoting, and I want to call particular attention to this next part: "When there's a big wheat crop in that province it puts our farmers in the shade. Our size of farm, our type of farming, the nature of our soils, dictate the fact that we must struggle with it as best we can, but it's not a fact to be ashamed of. It's a fact of life."

The clear implication of this statement, Mr. Chairman, is that our size of farm, our type of farming, the nature of our soils leaves something to be desired when compared to Saskatchewan. Mr. Chairman, I think it's Josh Billings that's credited with the axiom - and it's a good one - that "the trouble ain't caused so much by what we don't know as by what we know that ain't so." And this is the fact in this case. This just ain't so. We don't need to take our hats off in any way whatsoever to the Province of Saskatchewan. Their soil is not better than ours. They may have on the average a bigger farm and they certainly have more farms, but as far as the soil itself or the type of farming, there's nothing whatever about Saskatchewan that we need to fear comparison with. In fact, quite the contrary is true, that if you take the average, if there's any such thing, our farm land in Manitoba on average is better than that of Saskatchewan. True, they have a huge crop because of the acreage involved, but to suggest that in some way we have to take second place to Saskatchewan as far as either our soil or our type of farming, it just is not the fact.

Mr. Chairman, I was mentioning the cost price squeeze, and I wanted to see what had been said by the official spokesmen of the government of the day, and so I went right back to the first budget speech. I'm certainly not going to read a lot of what was said on the different occasions, but I want to establish the fact that the amelioration of the cost price squeeze has been what might be called the key point of the agricultural policy of this government since it took office, and I read very briefly from Page 11 of the Budget Speech of 1959, and here's what the Provincial Treasurer of that day says: that "we must face the fact that while early indications for 1959 are reasonably good, the farmers' net income position is still unsatisfactory. Of the problems that confront present day farming, the most serious continues to be the persistent cost price squeeze." That was 1959, and our friends were going to do something about it.

In 1959, in June, the Speech from the Throne tells us about agriculture, and here are a couple of sentences: "Despite the more favourable conditions in the livestock market, the index of prices received by farmers continues to fall, while the index of prices paid by farmers continues to rise. This situation is of great concern to my government, which will propose a measure designed to assist the improvement and orderly development of the agricultural industry," and directly relate, I may interpolate, Mr. Chairman, directly relate to the statement about the cost price squeeze.

A still earlier quotation from March 16, 1959, also Hansard, also the First Minister speaking, and I'll just read a couple of sentences again from the middle of the page; and this is a quote: "While doing what we can as a province, we believe it is our responsibility also to request a place among the top priorities for discussion and decision respecting outstanding agricultural questions at the full Dominion-Provincial conference level. A greater measure of equality between agriculture and other sectors of the economy is our constant goal."

(MR. CAMPBELL cont'd.)

The 1960 Budget Speech had a similar statement, one sentence only in this case: "The many favourable factors in the Manitoba Agricultural Sector are conditioned by problems for which solutions must be found." And there are several points here bearing on exactly the same matter.

1961 -- Page 18, 1961 Budget. "But we must emphasize our concern for the unsatisfactory state of net farm income. Our production has held well. Net farm income continues to lag behind the net income of the economy as a whole." And something was going to be done about it.

Budget Speech of 1962, Page 18, middle of Page 18. "To find the means with which to attack the problems of the continuing cost price squeeze on our farms, we have been instrumental in establishing support for a national Agricultural Economic Research Council. My honourable friend will likely be reporting to us what happened with the Agricultural Research Council and what they've been able to do about the cost price squeeze.

1963 -- Well, things were better in 1963, according to the Budget Speech. "Our programs of investment in agricultural research are proving their value for the farmer and for the economy generally. The net value of agricultural production for 1962 is now estimated at \$300 million." It looks as though things were a little better and I saw no reference to the cost price squeeze in that particular issue.

1964 - "1963 was a good year in agriculture. Things have been very good." Don't see any mention of our old enemy the cost price squeeze.

1965: A whole list of paragraphs on Page 13 dealing with agriculture, and they all say "good," but the one thing that isn't good, down at the end, is that "there's one" - and I'm quoting now, reading from Page 13: "There's one recent development in agriculture that is causing farmers and the government some concern. Recent trends in wheat prices have not been encouraged. For this reason and for the future problems that can be foreseen in international wheat trading, the government has requested the federal administration to convene a meeting on this subject. While we do not recommend direct subsidies in present circumstances, there are other methods of helping the producer to face subsidized international competition, and these must be studied." Good agricultural report except for that one.

And, Mr. Chairman, this wheat price, lowered wheat price was exactly what my honourable friends from the front bench had been advocating when they were over here in opposition. My honourable friend the Minister of Industry and Commerce, who used to be an expert on dealing with agricultural matters when he sat over here, that exactly what he recommended should be done - that the wheat should be offered on the world market at a lower price. Now when it is done, the government is very critical of it. And what's their solution? To convene a meeting of the national government with the provinces so that this government can advise the people what to do.

Well, this brings us to 1965. And after all these years of saying this government was going to attack and deal with the cost price squeeze, and then for two or three years, when apparently it was under control and it wasn't mentioned in the Budget Speech in the same way, then what do we find? We find that at this conference that my honourable friend spoke of in Brandon, that we find the First Minister has a new program on agriculture, and it's a fine program that I think we must devote a little bit of time to. But in the meantime, when he's saying why this new program is necessary, why is it necessary? Because - and this is in quotes so I presume that it's an accurate quotation: "In the past year, national gross farm income has reached a new high but there is no let-up in the farm cost price squeeze." No let-up in the farm cost price squeeze.

And in another place we find that the Honourable the First Minister mentioned that costs are rapidly rising in Canada, and it's interesting to note -- and for those who have been speculating on the future activities of the Honourable the First Minister, it is interesting to note that at this conference he appeared to be devoting a good bit of his time to the Canadian farm picture, having found, I guess, that our old friend the cost price squeeze defeating him in this area, he'll move on to the federal area to do battle with it there. Because the most of this report from Brandon seems to indicate that my honourable friend was talking about the Canadian situation rather than the Manitoba one.

And that reminds me, Mr. Chairman, could I ask the Honourable the Minister of Agriculture if he would be so kind as to supply we members of the House with the text of the remarks that both he and the First Minister made at Brandon, so that we don't have to rely on the press

(MR. CAMPBELL cont'd.) reports for them? My honourable friend used to print them in the report of the Outlook Conference. He hasn't done that the last couple of years. Not having done that, would he supply us with the copies of those speeches so we could have the benefit of this advice for ourselves. I recognize

MR. HUTTON: Mr. Chairman, I'm honoured that he should ask for mine. I can't speak for the First Minister.

MR. CAMPBELL: I am very glad to have the assurance that I will get my honourable friend's, because I would like to see just what he's said. If he also is moving away from Manitoba and going to devote his undoubted talents to the whole Canadian situation, I'd be interested to know if he did.

But this is the program apparently that the Honourable the First Minister is now urging for Canada as a whole. It's a national farm policy. This isn't just Canada; this is national. And I leave my honourable friends to speculate themselves on why it's national rather than provincial. But here's a national program now, and we're going to have under this, \$5,000 per farm - this is what the press report says and I didn't get it from my honourable friend from Gladstone either. I was so concerned with this one that I clipped this one myself, and the heading is: "Roblin urges \$5,000 farm production." But it's an interesting statement, I must confess, and I would have been intrigued by it under any circumstances. But the thing that amazed me when I discovered it was that it is almost -- it's almost a reprint of what Honourable Harry Hays had said pretty nearly a year earlier. In fact, I clipped also what the Honourable Mr. Hays had said, as reported in the Western Producer of Thursday, April 22, 1965. This is a press report of what Mr. Hays said in the House of Commons at Ottawa. I was so interested after I saw what the First Minister of this province had said and the similarity with the press report of what Mr. Hays was reported to have said, that I went to the library and got Hansard and read Mr. Hays' speech. And the similarity between it and the one by the Honourable the First Minister is remarkable.

I wish, Mr. Chairman, that I could dare take the time to make the comparisons here, for they're quite outstanding except in one way, except in one regard. Mr. Hays, the piker, had only gone to \$4,500; the First Minister goes to 5,000. That's a reasonable raise, I think, for the year. But the First Minister does better than ever Mr. Hays did, and I would never want to accuse one of the big talents of the Honourable the First Minister of plagiarism. I'm sure that he doesn't have to read Mr. Hays' speeches to find a plan for himself. But the similarity is so great that it does call for comment, and the fact that the Honourable the First Minister is now moving out into the whole Canadian field is interesting too.

But don't let that \$5,000 per farm fool you, because that's just for a little while, and again, he outdid Mr. Hays in this, because I must read, "The immediate goal," and I'm reading from the Free Press of January 25, 1966 - "The Premier said the Federal Government's invitation to a national conference on agricultural policy goals should explicitly state that the conference should seek agreement and acknowledgment by the 11 governments (Federal Government and the 10 Provincial Governments) that their immediate common goal and object is the achievement of a minimum value of gross production on all the farms of Canada of not less than \$5,000 a year." This is almost exactly what Mr. Hays said, even to the national conference part with the provinces sitting in, except that he went at 4,500. Oh yes, and incidentally I see that the new Minister of Agriculture, Joe Green, is at it again down there and he's going to have such a conference too. So I guess pretty soon we'll really have consideration being given a national conference.

Five thousand dollars a year. "Those attending the conference should represent the governments in Canada, farm organizations, universities, research agencies, and those others who can contribute to the defining of the goal of national farm policy." The Premier's "The immediate goal is only a minimum" - this is where my honourable friend outdoes Harry Hays too, because this immediate goal is only a minimum, which is not being met by almost 60 percent of Canada's farmers, he said. But Canada couldn't afford the minimum. With that in mind he suggested a more rational \$10,000 gross production by 1975. This would mean a net income of \$4,000 for the farmer. Not if you took the Manitoba figures, it wouldn't. Not if you took the Manitoba figures. It wouldn't mean anything of the kind, because my honourable friend's own booklet that he puts out shows that it would be much less than that, and he's got to do something about the cost price squeeze that we're talking about before it would be any figure even close to that.

And then, I have been reading from only the Free Press report. In addition, some further

(MR. CAMPBELL cont'd.) . . . suggestions were made in the report of the Tribune of the same date -- and here again the First Minister himself admitted that the great problem was the cost price squeeze. "Farm operating expenses," he said, "in Manitoba had mounted from 135 in 1950-1951 to 152 million in 1961 and on up to 185 million in 1964." And here is in quotes from the Tribune, "Gross income happily kept up, but the outlook failing such radical policy goals as I have suggested, is for mounting costs and an increasing cost price squeeze, an increasing cost price squeeze, particularly to those farmers who have relatively little to sell." And a concluding paragraph from the Tribune: "In any case the time has come when we need to think of new initiatives if we are going to come to grips with getting a parity income for farm business." Well, Mr. Chairman, if there was ever an admission that the major effort of the agricultural policy, announced policy, of this government, has failed, we don't need to go to anybody but the Honourable the First Minister's own speech, if it is correctly reported. And when my honourable friend manages to get me a copy we'll be able to see if that was done.

There are so many matters that prove -- the question of credit, the question of industry, the question of business committees, the question of livestock and other specialists -- so many things that were going to be done to help to relieve this cost price squeeze, that I am sure that the government does feel very very sorry to have to make these admissions. I'm sorry too, and I think that what we need to do is not talk about a farm income of so many dollars for every farm in Canada. I'm sure my honourable friend the Minister of Agriculture himself doesn't agree that that's the right approach. What we need to talk about is getting the price situation into some reasonable proportion with the cost -- and I'm not trying to pretend that that is easy. I am saying most definitely the answer to it lies in fields outside of the responsibility or the authority of the present or any other provincial government. It's a bigger matter than they can deal with. I do not pretend to have all the answers to that question. I wish I had, but I think that it's high time that we quite trying to pretend that any provincial government can deal with that situation. I am not certain that any federal government can deal with it either alone. I think this is an international problem and one that has to be dealt with on that basis.

Now, Mr. Chairman, if I can take a few minutes to look at the agricultural situation from a different point of view. I would like to recall to the members attention some of what I think are the basic facts that we face in Manitoba's agriculture and in the agriculture of the prairie provinces as a whole. First and foremost, I think we need to keep continually in mind our grain production, because even though this diversification that we talk about, diversification into livestock, is undoubtedly important, and it is important, tremendously important, yet for a long time in the foreseeable future in my opinion we're still going to have the situation that the grain production will be the biggest part of the farmers business. And what are some of the difficulties that we face? Well, one of them is the climate, the place that we're situated here in the western plains. We're one of the few places in the world, Mr. Chairman, that's growing grain -- and I'll speak particularly of wheat -- that's growing wheat with a rainfall, with a total precipitation as low as we have in the prairie provinces.

Mr. Chairman, I don't know how many members of the committee are familiar with the figures in this connection, and certainly I'm not an expert on it, but do you remember that you took up when you were a student at school, as a way of emphasizing what is necessary in order to produce grain, do you remember the fact that it takes more than 1,000 pounds of water to produce one pound of wheat -- more than 1,000 pounds of water are required to produce one pound of wheat. And we're inclined to talk about bushels of wheat -- can you visualize a bushel measure or a weight of 60 pounds, and that's a bushel -- and we're inclined to talk about -- did I not say 60, 60 pounds? And we're inclined to talk about so many bushels to the acre, and most of the people especially in some of the areas of Manitoba think they're not getting a very good crop unless they get 30 to 35 bushels to the acre. Every bushel of that wheat that's grown requires more than 30 tons of water, and if you're going to get a production of 35 bushels to the acre then you've got to have more than 1,000 tons of water. Doesn't that one main fact, Mr. Chairman, emphasize the vulnerable position that agriculture is in in the prairie provinces, because we have many areas here where you do not get in some years the amount of precipitation that is needed. And you have to get it at the right times of the year in order to get -- and when I'm talking about wheat, the same things apply in different proportions to coarse grains -- and if you don't get a wheat crop, it's pretty likely you aren't going to get the others because they're really a little more vulnerable to the vagaries of the weather than the wheat is. So, this is one of the tremendous disadvantages that agriculture in the

(MR. CAMPBELL cont'd.) prairie provinces has to face, that their traditional crop, wheat, requires so much water and that precipitation unless it comes at the right time of the year can make so much difference.

Then we have the climate as well. There's no place in the world, no other place in the world, Mr. Chairman, that grows wheat under more difficult conditions than the prairie provinces do. But one of the reasons, one of the reasons, one of the favourable factors is because of these conditions, and because of this lack of precipitation the quality of the wheat is so good, and this is what makes it in such demand in other parts of the world.

I have mentioned in this House before the extreme variation in the return to the farmers, because you've got to get - in order to get the maximum return, you have to consider your yield and your price, and both of them have varied tremendously over the years. In Manitoba, our average wheat yield has been as high as 27 bushels per acre and it's been as low as nine bushels per acre. And that's in recent years. You can get the variation further apart than that if you go back long enough. Our total in Manitoba, our total wheat production has gone from more than 80 million bushels in one year to less than 23 million bushels in a year. The total of the prairie provinces production has been as high as 70 million bushels just a few years ago, and back in 1937, the total production of the prairie provinces was 167 million bushels. The price fluctuation through the years has been even more violent than the yield fluctuation. The wheat price was six times as high in 1919 as in 1932. The yield times the price times the acreage is the gross return to the farmer, and in one year it was practically \$100 million - and this is in Manitoba - and it's been as low as \$11 million. Is there any other business, Mr. Chairman, is there any other business that carries on facing conditions, with fluctuation such as that?

Our troubles with surplus production that was talked a lot about a few years ago didn't arise because of tremendous increases in acreages in the Province of Manitoba. There were some changes in other provinces, but ours weren't so violent. It was 60 years ago that we reached the three million acres, we reached that many in 1906, and we've sold three and one-half million acres only twice since that time, only twice. After 1940, we went 22 years before we got back to three million acres. These, Mr. Chairman, are some of the reasons I am sure for the difficulty that the farmers face in not being able to farm as well as they know how to farm, and one of the -- while I'm all in favour of all the agricultural education that we can get, and certainly it's beneficial -- but the fact is that the most of the farmers have faced such a continuation of fluctuation in income through the years that it's been very very difficult for them to plan on a long-time basis.

Now there are certainly some favourable factors. I mentioned one of them a little while ago -- and that is the quality of the wheat that we grow. It's the best in the world. Very few other places can even compete with it. And that makes it very much in demand as a mixing wheat with places that grow wheat, but can't grow the quality and they want it for its baking strength. But we make a mistake, Mr. Chairman, if we think that we're the only place in the world that grows wheat. You know, a lot of countries grow wheat. We're acquainted with the fact that the Argentine and Australia and the United States are competitors with ourselves in the markets very frequently, but they're not the biggest wheat growers at that, along with ourselves. None of us are. China and India are big wheat growers, Both of them. Real big wheat growers. The fact is though, that they have such tremendous population that they are certainly not ever likely to be wheat exporters; but they grow a lot of wheat. India has grown wheat some years, as much as we have grown, some years. And taking those two countries together, without adding in their near neighbour, just those two, there is half the world's population there. The current attention that's being paid to the famine conditions in India, I think is something that is awakening the people of all the food surplus producing areas of the world to a new feeling of the responsibility that they have to continue to produce. And certainly we want to produce. That's what we're geared to. But, Mr. Chairman, you can't expect the farmers to continue to produce at the way in which they can produce and which they would like to produce to meet the needs of the world, and the hungry people that are certainly in dire need of the food, unless there is a program that can guarantee them some kind of reasonable security in the job while they're doing it.

France and Italy grow large amounts of wheat. It's not unusual for France to grow as much wheat as Canada. Those countries have real national programs under which they protect their farmers and see to it that they get the encouragement -- and I'm speaking of wheat as representative of a lot of other things too, because this is a farm program in general that I'm

(MR. CAMPBELL cont'd.) talking about. And my point is, that they can't expect the farmers themselves to carry the whole load, particularly if we've got to compete against the treasuries of other countries. And we're just about the only major agricultural country in the world that isn't giving some very direct and regular assistance to agriculture. I know there are some assistances given, there are some guarantees given, and there are some costs picked up with regard to wheat marketing and other products but in general, we have no program in Canada. And I'm not blaming my honourable friend for this because I say that these matters lie in the national or even the international field. If we're going to expect the farmers to do in this time when knowledgeable people are saying that the world is going to face catastrophe, not just difficulty - they're calling it catastrophe - if we don't have more food produced and if we don't get the farmers to produce to their absolute best. You know what the greatest wheat producer in the world is. The biggest wheat producer of all is Russia. They produce more wheat than any of us; and some of their area at least is subject to our handicaps; and some of it when they get all of their programs put into effect will be raising top grade wheat. But they have a huge population also and one that's growing very fast.

So, Mr. Chairman, like my honourable friend the Minister of Agriculture, I remain optimistic about long-term outlook too. I think that agriculture, because of its time-honoured position, as the feeder of the world's population, does face this challenge that he was talking about, and it does face through that challenge, an opportunity; but I do say that we need, in connection with the national and international situation, we need programs that are beyond the powers of this government completely, and those are the ones that we should be talking about as far as the long-range is concerned. So at this time I'm going to say nothing further with regard to the individual programs of my honourable friend of the department. Perhaps I will get the opportunity to discuss some of them later on, but I want to put just this one fact on record, Mr. Chairman, that if you are going to get from the prairie provinces the maximum production of which they are capable, then you have to in my opinion have a national policy -- and here I'm perhaps agreeing with the First Minister and the Honourable Harry Hays, although I do it from a very different point of view. You have to have a national policy, and a national policy that is worked out with the co-operation and understanding and goodwill of the "international" wheat producers and wheat importers in order to give the stability and some security to this industry that just because of the position that nature placed us in, inevitably faces very large hazards.

Mr. Chairman, I've said I'm an optimist, and I am; but my realism reminds me that periodically, we have had in the prairie provinces, these recurring dry seasons, and no one of us optimists can give any assurance that they won't come back again. We have been a long time without all of the prairie provinces suffering a period of dry weather, but we came close enough to it here in 1961, to see the difference that it can make; and if this period -- because we have no guarantee that they won't come from a period of time - if this period should come again across the prairie provinces, the difference that it would make to the economy of Canada, as a whole, would be tremendous; and the difference that it would make to the food programs of some of the people who are coming to depend more and more on the bounty of the prairie provinces, would be very great too.

So, Mr. Chairman, I'm glad to share the over-all optimism of my honourable friend the Minister of Agriculture, and I will await with interest further discussion on some of the other items later on.

MR. ARTHUR E. WRIGHT (Seven Oaks): Mr. Chairman, in rising to speak on the large subject of agriculture and to follow such a distinguished and well-respected member in the field of agriculture, I do so with much trepidation. Although I do have some thoughts and I think I would like to put them before the Committee. It seems to me - and before I do, Mr. Chairman, I want to associate our group with the respect in which we hold the staff of the Honourable the Minister of Agriculture. I don't think that there's ever been a doubt in our minds about the dedication of these people.

But it seems to me, Mr. Chairman, that the importance of the farmer is on the wane, especially inasmuch as the political factor of the farmer is concerned. In the Federal House the Federal Speech from the Throne contained some ten pages and I believe the reference to agriculture was shown in some eight sentences. I looked again at our Throne Speech here in the Province of Manitoba, and it seems to me -- I don't think it is my imagination -- that year by year, there is less mention made of agriculture. Now I know that the farm population is shrinking in this age of vertical integration and this age of technology. I suppose this is

(MR. WRIGHT cont'd.) . . . inevitable. But this worries me, because as an urban member of the Legislature, I haven't forgotten the three years I spent in the Interlake area during the depression where I had to cut cordwood and sold it for 90 cents a cord; where I cut the old bottom out of the sloughs, and I know well the red roofed sloughs, and the gravel ridges of the Interlake that run for miles and miles. I haven't forgotten muskrat trapping about this time of the year, in March either. So it is with a certain amount of sympathy, even call it empathy, that I rise in speaking about my farm friends.

It seems to me that we hear much about ARDA today; and there is no doubt that ARDA can be of immense help in these marginal areas especially. But I also fail to see how ARDA can accomplish the job to the extent that we wish to have it. For instance, when we realize that 40 percent of our rural population have incomes of less than \$3,000 a year, this makes those of us in the city do some pretty serious thinking. I well recall my former colleague, the Member for Fisher, Peter Wagner, when he used to stand up in the desk next to me here, and talk about the situation and the people that he represented in the Interlake area. But I think we are beginning to realize now through the studies that are being made through ARDA, of this area, that possibly he was right. But I think it's wrong then to think that ARDA can do the things we want to do in eradicating rural poverty. It's effective only as an auxiliary tool, I believe. I think when we hear our farm union friends and other people associated more intimately with agriculture than I, we come to the conclusion that while ARDA is certainly not to be condemned or to be ridiculed in any way, they feel that price is the all-important thing.

The Honourable Member for Lakeside mentioned the cost price squeeze. Well when I first became a member of the Legislature, I used to wonder about this oft used expression of 'cost-price squeeze' but I think it's more evident today; I think that those of us in the urban areas are beginning to realize what the farmer is up against. Where we have farms that are too small, especially as we had in the Interlake area -- and I should mention that in the Interlake area, my first impression there, when I was there in the depression, was that -- the soldiers' rehabilitation programs of the First World War, the policy then was to place people out on a quarter section of land in among these rocky ridges, red roofed sloughs, and the fallacy of that was shown by the fact that many of them now are dismantled and in fact there's nothing left. So it was really a mistake to put people out on such marginal land.

Now we have an unrealistic image of the well-being in agriculture, because we are not unmindful of the fact that we have had a wonderful wheat sale, and that the price of hogs has been maintained; but this picture of well-being, it doesn't to me, represent the real true picture in agriculture. In this age of technology, the farmer is faced with more and more heavy expenditure in trying to keep abreast of the times; in trying to compete; because it is an age of competition. I remember the Farmer's Union saying to us that the spectrum is widening in the field of agriculture; that we have more rich farmers on one hand, and more poor farmers on the other. In other words, if a farmer is able to invest, and through education, -- I don't want to discount the factor of education -- if he is able to apply modern methods with the ability to avail himself of the modern machinery, then he can make agriculture a success. But on the other hand, we find far too many people at the other end of the spectrum who are finding it increasingly difficult in this age of vertical integration. Now the general conditions today, according to the Farm Union brief, are not much better than they were 20 years ago in regard to general farm conditions. This to me, seemed rather a positive statement in view of the fact that many of us have, we like to think that we are making progress in the industrial fields; we like to think that the labour laws of the province are certainly, although we criticize them, we have to admit that we are making progress. Along many other lines too. In the fields of health and that, we have made progress. But I'm not too sure that we have made the same progress in agriculture. Our rural concepts of agriculture I think are being used too much today. I think we're too inclined to look upon our farms as we did in the old days when major disasters such as crop losses were taken care of by the fact that the family unit, which was an unpaid unit you might say, they were able to just simply tighten their belts and make a go of it. But it isn't possible to the same extent today because we have this ever increasing cost of machinery and the struggle to complete by larger farm units.

It's true that price supports will not equally benefit all our farmers. I think the Honourable Minister said that last year and I think we have to agree with him. But I don't think this is any reason to abandon the principle of parity prices. It seems to me, and I think the Honourable Member for Lakeside put it very clearly, that this is the all important question - is

(MR. WRIGHT cont'd.) . . . to see that our farm people get a fair price for the products that they produce; and the cost price squeeze becomes ever more apparent, the more people you talk to along this line.

Now, one of the things they said, was that the extension service, the services offered by the Extension Service in the Department of Agriculture were fine. But they did not extend far enough to the people who need them most. This seems to be one of the problems of every-day living. We have services, but the thing is to get them to the people who need them most. They deplored this fact when they spoke with us.

I should say something briefly, Mr. Chairman, about the farm water system. In this day and age, we understand that 35 percent only of the people of Manitoba enjoy sewer and water system. This seems to be appalling in this day and age, when we know -- we have the knowledge now, and in most places the water is available. We talked about our short courses with the Department of Agriculture. At the time I was a little concerned because it might only have meant a few more pamphlets being printed by the Extension Service; and I still have that feeling. I don't think we went into this the way we should have; that we could have purchased on a much larger scale, the appliances necessary for this; and I think that it'll be that much more difficult to keep people on the farm if we don't do something about bringing up their standard of living.

When I'm thinking about the cost price squeeze and the difficulty that the farmer places himself in today, I was reminded of the Freedman Commission Enquiry in regard to railway run-throughs. Mr. Justice Freedman, I think, put it very aptly when he said that, "the Commission is of the view that the obligation rests upon the company to take reasonable steps toward minimizing the adverse affects which a run-through may have upon its employees." He goes on to say, "that obligation has its roots in the principle that when a technological change is introduced, the cost of reasonable proposals to protect employees from its adverse consequences is a proper charge against its benefits and savings." I'm very proud that Mr. Justice Freedman is Manitoban. I think that that was a wonderful statement. As I said before, I associate this thinking with the people in agriculture today. I don't think the cost of technological change should be borne by those who suffer most from it. I think that perhaps commissions along these lines should be set up, and I know that this is a federal matter. I know that the province cannot do all the things that we would like to see done, as the Member for Lakeside said. I think more and more people in the urban areas are coming to realize that the difficulty of our rural friends. Transportation being what it is today we are able to communicate far better. And when we go to the country and see sometimes the very low price of eggs and other commodities, it seems to most people in the city, that surely some more common sense method could be arrived at to stabilize these prices. We have stabilized prices in nearly everything else, but it seems the farmer is left to the mercy of this thing called the price cost squeeze.

I think that as I said, the old concepts of farming have to be abandoned. I know that we are not going to have the small family farm as we visualize it years and years ago. We realize it is not a very competitive unit. But the family farm today also consists of modern farms, larger farms, with many of the families still there trying to carry on that way of life. I think it's a wonderful way of life, Mr. Chairman, I think that we could do far more than we are doing to make sure that prices are kept at decent standards. This seems to me -- and I don't profess to be an expert in agriculture -- but it seems to me only sensible that we take a far deeper look at this business of prices rather than to keep talking and telling our small farmers that they're inefficient, that the family unit is too small. I think this only helps to demoralize them.

I would welcome the Minister telling us more about what we're going to do from here on in to guarantee a fair return for our farmers who need it so badly.

MR. LEMUEL HARRIS (Logan): Mr. Chairman, I've listened with interest to all that the members have been speaking here. Now, last year, I made the last speech in the House, if you remember; and I was speaking then about the tremendous shortage all over the world with regard to foodstuffs. Now it seems to be that our people are not listening -- the people in government and the various people that should be concerned. Now we know that in India within the next few months there will be a vast famine, and we here, it seems, as I look at this paper here, "Manitoba Farm Outlook For 1966. Livestock. The buoyant Canadian economy in 1965 increased livestock prices on consumption. Increased population with more money available to spend on food, allow a shift in demand for all livestock products. More products were being eaten despite higher prices." Now it just shows that right here that things are in

(MR. HARRIS cont'd.) such a manner that people will go out and buy. Now I was out at a place there the other day, and we happened to be talking about the various prices of things; and I happened to mention \$3.00 for a steak alone. And one man said to me, "Why I can go to a restaurant and they'll ask me for \$6.00." But another chap came up and he says, "Yeah, but he's not talking about what you've got cooked in front of you in the restaurant. He's talking about the raw product, the meat itself." So you see, this thing is going up today, and the prices are going up, and going up and we have to pay here.

Now, I just mention this as I go along to say, what about our people that are on a fixed income? How are they going to pay these higher prices? There's no thought for them; but that's neither here nor there. But I say, when we look across the world and we see all these things that are going on and the few cattle we have here, the prices get so out of hand because we haven't got the meat to give to the people; we haven't got the meat to give to the world. So, as the Member for Lakeside was saying, what is going to happen here, there's going to be a breakdown completely.

I listened with interest to the Honourable Member for La Verendrye when he was talking about the land in his constituency. And I would say on the prairie here we have all kinds of land. But, there's no initiative at all. There is nothing to help the little rancher. Today you have to get tractors, you have to get this, you have to get that. They cost thousands of dollars. Well, where is the little man going to get that money? We have to get this beef, we have to get the mutton, and so on and so forth. But we say, well, Joe Doe is going to do it. But Joe Doe hasn't got the money to do it. So therefore, we have to have a program to see that this thing is initiated and done properly. We have the land here, we have everything. But we haven't got the know-how, it seems, we haven't got the directive. I would say, not only to this government but to the government in Ottawa that they should go ahead and institute something right now to get things going, to get these foodstuffs available.

I know that myself, last - let's see - January I would say, or maybe before that, but they were killing canners and boners for south of the line here. They filled our coolers up, they were so tight and they were continually killing, and we were going ahead a few of us to try and make a dent in these coolers. The choice cattle were going out like that. We needed these boners and canners. They are not a very good cattle as the choice cattle, but we thought we'd never get to the end of this backlog we had; but eventually they all went and we were waiting for cattle and we couldn't get that stuff. Isn't that something in a country like this when you can't get the cattle that you need -- the market is there for you and they turn down these orders. There is something radically wrong I would say when you have a situation like that. You take bread today. We were just here the other day talking about a 2 cent raise in a country like this, isn't it something? I say that there is something wrong all the way across the line, with wheat and everything else we've got, and still the price is going up to our own consumers here.

Another thing I was thinking of, was the vegetables. I have a report here on the vegetable and it says, "Different new techniques in producing carrots, onions and potatoes will be outlined in Manitoba Vegetable Growers at three forthcoming meetings." Well I go down to buy my vegetables and what do I see? I see vegetables from California. Here we are here in Manitoba - and I say we have the best vegetables in the world. But we have to buy them from California. Can't we look after ourselves here beside exporting, never mind buying from California? So I would say there's another thing that shows there that we have to do something; and it just shows that we are lacking in everything, in programs. You take with us in the packinghouse we are short of knife men. We have to go in and we have to train these various people to do the various jobs. I'm only stating that one instance, but in all these places you go there is a shortage of people to these essential jobs and we have to train them some way or another. So I would say, Mr. Chairman, that we should stand up and up and take good note of what is going on, because if not, we'll be left behind. Thank you.

MR. CHAIRMAN: I call it 5:30. I'm leaving the Chair until 8 o'clock.