



Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXIII No. 17 10:00 a.m., Friday, February 27th, 1976. Third Session, 30th Legislature.

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10 a.m. Friday, February 27, 1976

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the Honourable Members to the gallery where we have 25 students of Grade Eleven standing of the Miles Macdonell Collegiate. These students are under the direction of Mr. McGarrow. This school is located in my constituency of Kildonan. On behalf of the Honourable Members, I welcome you here this morning.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports.

TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister for Renewable Resources.

HON. HARVEY BOSTROM (Minister of Renewable Resources) (Rupert's Land): Mr. Speaker, I have for tabling the annual report of Moose Lake Loggers Limited for 1974-1975.

MR. SPEAKER: The Honourable Minister in charge of Public Insurance Corporation.

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation) (St. George): Mr. Speaker, I would like to table the annual report of the Manitoba Public Insurance Corporation for the fiscal year ended October 31st, 1975.

MR. SPEAKER: The Honourable Minister for Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, I wish to table the Manitoba Housing and Renewal Corporation's auditors' annual report for the year ended March 31, 1975.

MR. SPEAKER: The Honourable Minister for Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, the Honourable Minister of Corrections and Rehabilitative Services and myself jointly would like to table the annual report of the Manitoba Department of Health and Social Development.

MR. SPEAKER: Any other reports? The Honourable Minister for Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, I have a statement being prepared in connection with the transit strike. It has taken a little longer to prepare than I had hoped for, and I would make a request that I be permitted to make the statement as quickly as possible, not necessarily at this stage where I should do it.

MR. SPEAKER: The Honourable Minister has leave? The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, there would be difficulty in getting leave to return to that particular period of time of the day when the Minister is permitted to make those statements.

MR. SPEAKER: Thank you. Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, my question is to the First Minister. I wonder if he can indicate whether the Federal Provincial agreement regarding the Anti-inflation Board has been signed by the provincial government yet?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I indicated, I believe it was on Monday, that it would be signed this week, and indeed it was signed late Wednesday afternoon.

ORAL QUESTIONS

MR. CRAIK: Mr. Speaker, can the First Minister indicate whether Manitoba had raised any particular issue regarding the export tax portion of the program that was cancelled yesterday by the Federal government.

MR. SCHREYER: Yes, Mr. Speaker, we had raised it to caution that a simple avoidance of an export levy would cause problems of equitability in the program. I have a long telex here from the Minister of Finance, Ottawa, indicating that while they were not invoking the export levy as yet and in the foreseeable future, that they were undertaking to run a very careful monitoring of the operations of Canadian export industry; and that in the event that it was perceived that there was diversion of goods from the Canadian domestic market, so as to cause a problem of domestic supply into export markets that they would take appropriate action. That's about as brief as I can summarize that, Sir.

MR. CRAIK: Mr. Speaker, I presume that we can conclude from that, that condition wasn't part of Manitoba's negotiations with the Federal Government with regards to signing with the program though?

MR. SCHREYER: Well, Mr. Speaker, as to whether it was a condition, certainly it was a consideration and we did have some considerable discussion on that on the 2nd of February at the meeting of Finance Ministers and by telephone subsequently and by telex. We are not happy, Sir, with any simplistic waiving of the export levy in the absence of any undertaking that there would be a very very close scrutiny of the effect of non-invocation of export levy. We have the assurance that there will be a very careful monitoring.

MR. CRAIK: Mr. Speaker, with regards to the Anti-inflation Board's jurisdiction, in view of the fact that under AIB the responsibility or jurisdiction for approving utility rates is given to the province, the Public Utilities Board of the particular province in which the utility is located, I wonder if the First Minister would not confirm that in fact AIB will not be reviewing Manitoba Hydro's increase but in fact will simply approve that which has been approved by the Manitoba Government.

MR. SCHREYER: No, Mr. Speaker, I would not confirm that because that is not correct; therefore I cannot confirm it.

MR. CRAIK: Well, Mr. Speaker, I wonder if we could get this matter straightened out. Under Section 411 of the regulations regarding AIB, the interpretation by the Federal Government is that that responsibility lies with the province.

MR. SCHREYER: That is with respect to such utilities as are under prescribed requirement to have Utility Commission adjudication. In the case of Manitoba Hydro, and for all I know certain utilities in other provinces, there is no such prescription. I said before and I will repeat, however, that I am not opposed; in fact I assumed all along that the Anti-inflation Board would want to monitor all price movements, including utility rates, and we indeed would be prepared to refer this to the Anti-inflation Board for their advice and their review.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): Thank you, Mr. Speaker. My question is addressed to the Minister of Colleges and University Affairs. In view of the interest shown recently in the \$10,000 pension - I believe that was raised by the Leader of the Opposition - \$10,000 a year pension to the Chairman of Manitoba Hydro, I would like to know if the \$40,000 a year pension to the President of the University of Manitoba is under review.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Well, Mr. Speaker, I don't believe that there is any retired President of the University of Manitoba at the present time in receipt of a pension of \$40,000 a year, but I am aware of a contract providing for a retirement pension which would be somewhere in the order of the amount mentioned by my honourable friend. However, we do appreciate that that's a matter strictly between the University and the President, and if that's the contract that they've negotiated, a contract is a contract and the government certainly wouldn't intervene to break it.

MR. SPEAKER: The Honourable Member for Gimli.

ORAL QUESTIONS

MR. JOHN C. GOTTFRIED (Gimli): Mr. Speaker, my question is for the Minister of Industry and Commerce. Could the Minister inform the House if his department has been able to secure any other industry to locate at the Gimli Industrial Park to help offset the loss of approximately 300 jobs at Saunders Aircraft?

MR. SPEAKER: The Honourable Minister for Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Thank you, Mr. Speaker. Well the member is, of course, aware of the fact that we have been very successful with the Canadian National Railway in the expansion of their training school there for locomotive engineers and other running personnel, so that is increasing the level of economic activity there. But I can report that we are attempting to interest other companies in the Gimli Industrial Park; there is one in particular that has now indicated that it is prepared to attempt to establish in that area and I believe there's some negotiations going on with regard to rental of space.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I believe it is incumbent upon me to set straight an unfortunate misimpression that would otherwise be left on the record, namely, some reference to the former Chairman of Manitoba Hydro receiving a pension of some \$10,000 of whatever, per annum. The fact of the matter is, Sir, and I don't have the document before me, but I'm quite sure of my facts, the pension is in the order of \$150.00 per month. In the case of death his widow will receive \$86.00 per month. Let that be clear.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. ADAM: Mr. Speaker, on a point of clarification. My question was referring to the - while I didn't mention the fact, that it was the pension that the former Chairman of Hydro would be receiving from the Province of British Columbia, not Manitoba.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Mr. Speaker, I would like to direct my question to the Minister of Health. Can the Minister tell this House how negotiations are coming along with the maintenance employees at the Victoria Hospital?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, I believe that they're negotiating at the present time, but I think that this question should be directed to my honourable friend, the Minister of Labour who is involved.

MR. BROWN: Mr. Speaker, then I'd like to direct my question to the Minister of Labour. Can he tell this House how the negotiations are coming along with the maintenance employees at the Victoria Hospital?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Yes, Mr. Speaker, I might say to my honourable friend the negotiations also involve the union of operating engineers, there's the maintenance workers and the operating engineers. Negotiations - a conciliation officer was appointed I believe on Wednesday. One meeting has been held, another meeting is being held this morning with the parties to the dispute. I have been given the informal assurances by one of the negotiators for the operating engineers that while at first it did appear there could conceivably be a withdrawal of services on Monday, March 1st, I've been given the personal assurances that there will be a delay in order to give the conciliation officers of the Department of Labour a greater period of time to consider the industrial dispute.

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

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, my question is to the Minister of Tourism, Recreation and Cultural Affairs. In view of the need stated by the Honourable Member for Roblin for restraint in government spending, is the Department of Tourism going to turn down the demand made recently by the Parkland Regional Development Corporation for the expenditure of several millions of dollars on tourist facilities associated with the Shellmouth Dam.

MR. SPEAKER: The Honourable Minister for Tourism and Recreation.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, that's a matter for policy that will be discussed in Cabinet and caucus.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. I direct a question to the Honourable the First Minister in his capacity as Minister of Finance. The information that I seek is either in average terms or the range of the cost in interest terms of Manitoba Government's borrowings, generally, in this past fiscal year. I know each issue is struck at a different rate, but can he indicate the range or the averaging?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I would like to take that and have that actually calculated by use of calculators if not the three Rs, one way or the other though to have it calculated and a rather precise figure given my honourable friend. I would like to know whether in that question he means to include off market financing such as the Canada Pension Plan source of funds or merely the market borrowings of Manitoba agencies and the Department of Finance.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question, Mr. Speaker, it's by way of further clarification. The information that I'm after is the cost of money to the province of those funds that have been used in the Beef Stabilization Program for instance, so that we can have some assessment during the discussion of the Minister's Estimates that we're apparently on as to how he is borrowing this money back out.

MR. SCHREYER: Well, Mr. Speaker, I will certainly give that figure to my honourable friend but I would like to indicate to him in advance that it is not customary, if I put it that way, to earmark funds borrowed in the money markets to specific departmental programs. If I'm not articulating that, well I'll undertake to do so at the time when I give a more complete reply. I could give him a rough guess now but I prefer to wait.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister of Renewable Resources and would ask him if he could confirm that the deer count in the Province of Manitoba is up substantially over the last number of years?

MR. SPEAKER: The Honourable Minister for Renewable Resources.

MR. BOSTROM: Mr. Speaker, I have not received a formal indication of the latest figures on that. I hope to have that by the time the Estimates are up in the House, at which time I would answer in specific.

MR. BANMAN: A supplementary question, Mr. Speaker. I wonder if the Minister could inform the House whether we will be having a deer hunting season this year or not.

MR. BOSTROM: Well, because the deer count figures are not available yet, Mr. Speaker, we are not able to determine if a deer season is possible.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable the Minister of Health and Social Development in his capacity as Minister of Lotteries. Is the Minister's department considering purchase of a paper shredder to get rid of all the excess lottery tickets left over from the last Western Canada Lottery?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, we might want to buy one of those shredders to get rid of all the baloney we hear from the other side.

MR. SHERMAN: A supplementary, Mr. Speaker. Seriously, Mr. Speaker, is the Minister considering any plans for recycling the paper and equipment that went into the production of those tickets?

MR. SPEAKER: Orders of the Day; the Honourable Minister of Labour.

STATEMENT

MR. PAULLEY: Mr. Speaker, as I announced earlier I have a statement in respect of the Transit strike. I appreciate having been given the opportunity of having the statement completed.

Mr. Speaker, I am sure that all members share my concern regarding the prolonged transit strike in the Winnipeg area. Members are aware that this strike commenced on

STATEMENT

(MR. PAULLEY cont'd) January 26th of this year and still has not been resolved despite the involvement of a Conciliation Officer since December 18th of last year. It appeared that management as represented by the Council of the city and the union represented by the Amalgamated Transit Union Local 1505 had reached a stalemate in negotiations, and as a result I was requested by letter from the city dated January 27th to intervene in the dispute under Section 112(1) of the Labour Relations Act. Basically this section requests the Minister to make such recommendations as he sees fit to aid in the resolution of a dispute and to restore harmonious relations between management and labour. I replied to this request on January 28th suggesting each party consider the firm stance taken by each and return to the bargaining table. I further suggested that if this was not agreed upon that voluntary binding arbitration be considered. A copy of my reply to the city's letter was forwarded to the union. On January 29th I was advised the union would not consider binding arbitration. I was also advised on January 29th that the City of Winnipeg was exploring the possibility of binding arbitration. Some meetings were held with the Conciliation Officer between the parties without any progress being made as to solve the dispute. I understand that the last meeting with the officer was held about February 12th. By way of a letter from the Deputy Mayor of Winnipeg dated February 24th, I was informed that the Council of Winnipeg had considered my letter of January 28th, almost a month previously, in reply to theirs of January 27th agreeing to the suggestion of binding voluntary arbitration. It should be noted that this reply was received by me after a considerable delay from the time of my letter to the City of Winnipeg.

In the absence of a prior reply to mine of January 28th, I wrote to each of the parties on February 20th suggesting that the parties consider having a mediator selected jointly by them, or failing that, one appointed by me to mediate the dispute. The union by way of letter dated February 24th gave tacit approval to this suggestion. The City of Winnipeg by way of a letter from the Deputy Mayor dated February 24th appeared to reject my suggestion of mediation. However at a subsequent meeting of the City Council this position taken by the Deputy Mayor was reconsidered and a motion was passed to the effect that a mediator be appointed by the Minister of Labour under Section 60 of the Labour Relations Act. In my letter of February 20th suggesting mediation, no reference was made to Section 60 of the Labour Relations Act but that a mediator be appointed without the necessity of a joint request by the parties as to the mediator.

It should be noted that under Section 60 of the Labour Relations Act the mediator had to be jointly agreed upon by the parties prior to appointment of such by the city and union. They had to agree, each of them, and jointly make a request to me before a mediator could be appointed under the strict terms of Section 60. My suggestion was that in the event of non-agreement of a mediator by the parties, a mediator would still be appointed. I am informed that representatives of the city and union met for a number of hours on February 26th and an impasse was reached regarding the selection of a mediator. It appears that at least for the present, undue delay in an endeavour to solve the dispute may result if the parties concerned continue to delay in recommending the name of a mediator as suggested by the Minister.

Mr. Speaker, I believe that it is imperative that every effort be made to end this strike. There is no question of doubt that hardships have been imposed on the public as the result of lack of transportation facilities in Winnipeg. There is also no doubt that many industries and businesses are likewise suffering. I do not now, or have I had in the past, taken sides with one side or the other in the strike. I feel, however, an extra effort must be made by all concerned to end this dispute. Suggestions have been made that consideration should be given to legislation compelling the return to work. I would hesitate, Mr. Speaker, to support such legislation, bearing in mind that the management of the Winnipeg Transit System is under the control of a Municipal Council elected by about half of the citizens of the Province of Manitoba.

Mr. Speaker, I am sure that all honourable members are concerned with this matter and properly ask me as Minister of Labour: what do you now plan to do to try to end this strike? A course of action is not easy in the light of efforts made since to end the strike which started on January 28th. I have tried to bring the parties together in

STATEMENT

(MR. PAULLEY cont'd) meaningful bargaining. I have suggested voluntary binding arbitration and a joint response to mediation. In each case I have met with total or partial rejection, or at least evidence of delaying tactics in solving the dispute. I now intend to take the following action under Section 112(1) of the Labour Relations Act which reads in part as follows:

"The Minister may either upon application or on his own initiative make or cause to be made any inquiries regarding industrial matters and may do such things to secure industrial peace and to promote conditions favourable to settlement of disputes."

I am convinced that this gives the Minister wide powers, including the appointment of a mediator with powers of inquiry; including the requirements of the parties to meet the appointed mediator upon call, and that the mediator report the findings of the inquiry with due dispatch to the Minister. I, therefore, after due consideration intend to appoint Mr. Dale Gibson of the Faculty of Law, the University of Manitoba, to be mediator in the industrial dispute between the City of Winnipeg and the Amalgamated Transit Workers Local 1505. I instruct representatives of the City of Winnipeg and the Transit Workers to meet the mediator upon call. I request the mediator to report to me as to his findings with all due dispatch, and in any event not later than March 6th.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, on behalf of members of our party, the loyal opposition, we welcome the statement of the Minister and the initiatives that he has taken in this respect. And I think I can say that, and I think I'm sure he knows that all citizens of Winnipeg will welcome the decision that he has made this morning, the step that he has just underlined and outlined to us. We welcome his action and his efforts and also the exercise of his initiative. I think it can be said that he has undertaken this action while maintaining a full respect for the principles of the collective bargaining process and system. We support the Minister in this initiative and we would certainly be prepared to assist in any way that we could to alleviate the general public, relieve the general public from the difficulties imposed on them; and relieve those in the union themselves from the difficulties imposed on them and their families by this lengthy strike.

I think, if I may just briefly, Mr. Speaker, I think I would like to just add that the situation points up and I believe underlines a general situation that we have made reference to with respect to disharmony in the labour-management field in the province generally at the present time. There has been considerable inconvenience and dislocation and loss of business resulting for Winnipeggers generally as a consequence of the length of this strike. It is now in its second month as the House knows; we would have wished that action of this kind might have been taken earlier to end the dispute, to resolve at least the impasse whether the dispute itself were resolved, but better late than never, Sir, and we welcome the Minister's action.

ORDERS OF THE DAY

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself a committee to consider the supply for Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

CHAIRMAN'S RULING ON A POINT OF PRIVILEGE

MR. CHAIRMAN: Order please. Yesterday afternoon I took a matter under advisement, I have perused excerpts from Hansard and I must say that this statement made, and I shall read it here to give you an illustration. "We had an attempted blackmail. I don't know whether my friends want to associate themselves with it; I don't know whether they were party to it; we had a phone call that said, you know, it's a pretty good program, but we're not going to say it unless you give us a check-off. That's the kind of

CHAIRMAN'S RULING

(MR. CHAIRMAN cont'd) nonsense that is coming from across the way; that's the kind of nonsense that is capable of being presented by friends opposite in collusion with people that they claim they are close to or with." At that point the Honourable Member for Morris rose on a point of privilege.

I have perused Beauchesne, in particular Sections 136 and 155, and I must say that this matter falls within a very grey area within the absolute rules of this House. Therefore, I am going to rule as follows, that there was not a breach of privileges of the House because no member in particular was named. I however would caution members that they are skating on very thin ice when they are making statements on both sides of the House, and I would ask Honourable Members to take these matters into consideration when they are taking part in debate. It is not the object of the Chair to try and restrict debate, I think we should try and have debate as free as possible, but there are matters such as the one I have just spoken of that are borderline; and in that case I think that members when they are making these sorts of statements they should really think before they say these words.

As we adjourned last evening we were still on item 8(b), that is my understanding, Farm Income Insurance Plan. All those in favour? The Honourable Member for Ste. Rose.

COMMITTEE OF SUPPLY - DEPARTMENT OF AGRICULTURE

MR. A. R. (Pete) ADAM (Ste. Rose): Thank you very much, Mr. Chairman. Last night we adjourned on this particular item in the Minister's Estimates, and I would not want to allow this particular section to pass without taking the opportunity of making some comments in regards to this particular program.

I know that many of you here are well aware that my constituency has been vitally affected by this program, and I'm sure that most of you know that in large areas of my constituency the people there are devoted primarily to the production of livestock at the primary level, and that is the cow-calf operation. Over the years this part of the livestock industry has appeared to have always been getting the short end of the stick, so to speak, because of the weaknesses and the fluctuations of the free market systems that honourable members opposite seem to support so very strongly.

Mr. Chairman, I have listened with interest to some of the members opposite and their comments. I have listened to Minister - I wasn't here for his initial presentation, I was at a Water Commission hearing in Dauphin on Wednesday and I wasn't able to be here when he first made his opening remarks on his department but I was here yesterday and I heard comments on both sides of this House. Some of them - certainly the Minister presented a very very good explanation of the program and of the situation facing livestock producers in this province as it relates to prices for livestock, and particularly for the last two or three years.

Mr. Chairman, I believe I've been subject to the free market system in the livestock industry perhaps longer than anyone in this room. I believe I'm one of the older members in the agricultural business here at the present time. I'm very well aware of how the system works and I'm well aware of the ups and downs; and I can say, generally speaking, in my forty years or more in the livestock industry I have seen cattle selling for a cent and a half a pound and I have seen cattle sell for 53 cents a pound, which I believe is about the highest. I will get back to that in a moment. I believe I have some figures here somewhere to indicate that, the exact amount how the market has fluctuated over the years.

I have listened with interest to the Member for Rock Lake. I believe he mentioned the fact that this government is responsible for creating surpluses in livestock production in this province and I, of course, am not prepared to accept that statement at face value, because the fact of the matter is the Province of Manitoba and Canada as a whole has been a net importer of beef practically every year that I can recall and last year alone Canada was a net importer of 70 million pounds of beef. I have listened on many occasions to the Honourable Member for Morris and he indicated - and I'm sure he will

SUPPLY - AGRICULTURE

(MR. ADAM cont'd) verify this - on many occasions he has mentioned that the production of Canada is really insignificant on the world market and has no bearing on prices that prevail in Canada, but rather that the market is controlled by our neighbors to the south.

But let not anyone say that there is a surplus of livestock. There is no surplus. There is no surplus at all, because if there were we wouldn't be a net importer of beef, we would be net exporters. I say to you, Sir, that regardless of how many cattle we produce here has no effect on the price, because all that will happen is that you will bring in more cattle from other areas, imports from the United States, from Australia and New Zealand and France, anywhere. So I say that the production has very little relevance to the price, and since we have not been able to supply the Canadian market for livestock, I fail to see how some honourable members can suggest that because of certain programs, incentive programs, that we have created a glut of livestock on the market. It just doesn't add up, doesn't add up.

I've had some peculiar experiences with the free market system over the years and I recall one particular occasion, and just for the interest of this transaction I would like to put it on the record of what happens in the free market. I had the occasion to take in a truckload of livestock - oh, I would say there were probably 17 head in the load - and we stopped at one of the - well, first of all, I hired one of these buyers that you have in the country, there are several and some in practically every district who buy and truck cattle into Winnipeg - I took this load of cattle in and we stopped at one of the packers and first of all they wouldn't take a bid on them as long as they were in the truck, you have to unload them and put them over the scales and they would have a look at them. I think the reason for this was that once you had them off in the yard, in the plant, then there was perhaps a better chance that the owner would not reload them again if the prices were not satisfactory. We unloaded the cattle. The packer buyer weighed the cattle and put a bid on them which I felt was unsatisfactory. So I asked the trucker to load the cattle up and we would take them to another plant and see if we couldn't get another bid. And as I stand here - I can't prove what I'm about to say, but as I stand here, I can say in all confidence that as soon as we had loaded the cattle that the buyer in that one plant phoned the other plant immediately that we were coming.

When we got to the other plant which was not too far distant, we backed up to the unloading platform and nobody came out, nobody would come out, nobody would come out, Sir. We waited for some time and finally we started going in to the insides of the plant to see if we couldn't get somebody to come out and help us unload these livestock. We finally got a guy out and he wouldn't even look at the cattle. He said, "We don't want them. We don't want them," he says, "take them somewhere else." And his attitude, you know, led me to believe very conclusively that the other chap at the other plant had phoned him and said, "Here comes Adam with his cattle, don't look at them. Let him take them down to the public auction yard where we can sit side by side and decide what we're going to pay today for cows or steers or heifers or what have you." Mr. Chairman, the cattle were taken to the public yards and they were graded and processed by the Manitoba Livestock Co-operative, which is the largest one I believe in Winnipeg, and the same buyers or their colleagues were sitting side by side in the ring, kibitzing together and laughing, making jokes of the cattle going through. You know, you'd have to go and see how it operates to believe how it could work. But I'm pretty sure that they sit down there and say, "Well, how much are you going to pay for cows today? How much are you going to pay for a steer? What do you want today? We want heifers," and this is the free market system. This is the free market system. So I believe there are many many many improvements that could be made on the way we market our livestock. I'm not sure whether it's the Member for Morris who mentioned that it wasn't a free market, you know, he readily admitted that, and I agree with him there is no free market. I have just illustrated where the free market was, what happened between one packer and the other. He suggested, however, that the free market was disrupted because of government interference, and I have to disagree.

I believe it was also mentioned that the livestock producers came here and

SUPPLY - AGRICULTURE

(MR. ADAM cont'd) demonstrated last year and that we never discussed with them - an accusation that was directed at the Minister of Agriculture saying that we've never discussed with the cow-calf operators or the livestock producers. I say this is incorrect because, for instance, after the demonstration last year on the steps of the Legislature the Minister and the caucus met with the executive of the cow-calf operators and we did discuss with them, and they were asking for \$40 million or \$42 million. That's what they were asking for. They were wanting \$40 million to \$42 million in an outright grant or welfare, or whatever you want to call it. It wasn't a subsidy, it was a straight give-away. That is what they were asking.

Now, Sir, this puts me in a very difficult position, when I know that the housewife, consumer, is going down to the shopping centre and, let me say, they're paying through the nose for beef. Maybe the price still does not reflect the cost of production, but they feel they're paying through the nose, very high prices for beef; and after they have paid through the nose, how can you in good conscience go to them and say, "Now that you have paid such high prices, now we want you to put up some tax dollars to subsidize this industry from going down the drain." So the cow-calf operators were saying to this government - when they demonstrated on the steps here, they were saying that the free market system had a shortfall of \$40 million, 40 million to 42 million. This is what they claimed was the shortfall as far as the free market was concerned. They didn't put it in those words, but that's what it amounted to, they said we have to have \$40 million to survive.

So I say, Sir, that if the industry is to survive without government subsidies, subsidies from the public purse, we're going to have to come up with a different way of marketing. There's no way that it can survive the way it is, particularly the primary producers, because it seems as though as soon as the cattle leave the farm yard then there's a price tag on that animal; but as long as it's in his yard it's up in the air, nobody knows what he's worth, the cost doesn't matter, the cost of production doesn't come into the picture whatsoever. It's strictly a hit and miss affair. The only time that there's a price tag on that animal is when he leaves the yard and he changes hands from the farmer to the buyer or to the packer, and from then on there's a price right up to the retail level, everybody takes a little slice from then on. But it's only the primary producer who's unable to recapture his cost of production.

As far as the opposition claiming that this government is responsible for the increase in the livestock production, it's interesting to note that while we have brought in some incentive programs that were voluntary our increase in the Province of Manitoba was five or six percentage points less than our neighboring provinces. I believe our increase here in Manitoba with all our incentive programs in the last few years, our increase was about 32 percent in the basic herds, in the cattle population; and I believe in Saskatchewan it was about 36 percent and, if my memory serves me correctly, I think in Alberta it was about 37 or 38 percent. Now they did not have perhaps the same incentive programs as we did, but their livestock population increased faster than ours. So you know, how can you say, how can you say? That was a decision that the producers made themselves in those provinces and they increased their production probably because the market was high for a couple of years; and I say that with all the incentive programs that we've brought in here - and I'm also addressing myself to the Member for Lakeside - that the increase in livestock would have probably taken place in any event, and since we are still in short supply and we can't supply the needs of Canada, they could have increased their production again further and it wouldn't have made any difference.

There has been some comments by members opposite about the Canadian Livestock Association and how they set themselves up as being the voice of the livestock producers. I want to say to you today that if they were indeed the voice of the livestock producers in this province you would have never had the Cow-Calf Operators Association, they would have never come into being had they been able to really be a voice of the cattle producers. I have watched the Manitoba stock growers trying to organize the primary producers for years unsuccessfully, unsuccessfully. They have never been able to organize the primary producers, and in my opinion I have to agree with the Minister of Agriculture when he

SUPPLY - AGRICULTURE

(MR. ADAM cont'd) said that the Canadian Livestock Association represents almost no one, almost no one in the livestock producers, very very few indeed, very few.

I believe the Member for Rock Lake mentioned that the government had been advised not to interfere in the livestock market. Well, that is correct. Nevertheless, when the Federal Government brought in a surcharge on imports from the United States, they were the first to commend the Federal Government for doing so. Two weeks earlier they had been telling the government not to interfere in their business. Two weeks later they were saying thank you, thank you, Mr. Government, for bringing in a surcharge, which was unconstitutional and which they subsequently had to remove.

There was also some remark directed at the National Farmers Union as to whether we accepted them as the voice of the livestock producers. Well, I happen to be a member of the National Farmers Union - I believe the Member for Riel is or was at one time - Pembina, I'm sorry, Pembina. They have never set themselves up as the spokesman for the livestock industry. I'm a member of that association and I know they have never set themselves up as the voice of the livestock producers. They have set themselves up as the voice of all farmers, regardless of what commodity they are producing, and for their members only, for their members only. --(Interjection)--

Oh well, the Member for Morris, he may have been at one time, and you can't fault him for that because I think the National Farmers Union have really tried and they have brought in, or at least . . . "influenced" is the word, thank you . . . influenced the governments to bring in certain things like the - I was happy to hear that the Member for Morris at least - the cash advance on calves that was available last year - of course it was voluntary again, it was just making money available for anybody who felt - that he compared that to the cash advances on grain, at least he was honest. And that was a similar situation. It's interesting to note there was quite a heavy demand for the cash advance towards the spring months, towards March, and we can surmise by this that they were taking this opportunity to be able to obtain \$5,000 if they qualified for it, to have working capital for the summer for their grain operation or whatever. So they took advantage of the cash advance, at least to have working capital for the summer.

I would just for a moment go back to the stock growers who I mentioned were never able to organize the primary producers, the livestock producers. When they saw that the cow-calf operators were really making some progress - and the only reason they were making any progress is because of the situation in the industry - they saw an opportunity when they saw the cow-calf operators getting their organization going; they saw an opportunity to perhaps get in on the ground floor with them and they immediately approached the cow-calf operators and said, now look, we'll help you, we'll help you get organized, and look, we'll make room on our board for one of your people and let's come in. Well I wish the Member for Lakeside would have been at Ashern when the Honourable Member for . . . and you know, someone said we never met with the cattle producers when there were talks on the - we drove out 80 miles or 90 miles with the Member for St. George to meet with the executive from right across the province - of the cow-calf operators. And I can tell you that although the executive of the cow-calf producers had made provisions to co-operate with the Manitoba Stock Growers, I can tell you the rank and file were not too happy. And Mr. Klassen was there that night, I believe he's the - and I tell you that he had a very rough time that evening. There's something very surprising, and I think my colleague from St. George mentioned that yesterday, about what was happening in the executive.

Now during that meeting I believe they were trying to set up a committee to go to - this is after the floods you know - they wanted to send a committee to Ottawa to meet with the Minister of Agriculture to have this area declared a disaster area. That's all they were interested in, they were not interested in anything else. They were not asking about support prices or anything like that, all they wanted, to have the area declared a disaster. And some of the executive at the meeting got up and proposed a resolution whereby that if they sent anybody to Ottawa they would want this delegation to also ask the Minister to stabilize the price for the lower classes of beef. In other words, the cows that were selling for 7 cents, 8 cents, 13 cents, up to 16 cents, they wanted a

SUPPLY - AGRICULTURE

(MR. ADAM cont'd) floor price for the lower grades of cattle. Mr. Chairman, it was to my surprise, and I believe the surprise of my colleague the Member for St. George, that every one of the executive at that meeting got up and spoke against the resolution, including the Manitoba Stock Growers. They did not want any support price for the lower quality of cattle. And all they were interested in was - I don't know what they were interested in. --(Interjection)-- Yes. My colleague says they were playing politics.

Well there was something very peculiar, where here's the livestock prices down to rock bottom and all they were interested in was having the area declared a disaster. And a resolution from the floor - the best resolution in my opinion that was - and we never took part one side or the other, we listened to the complaints and the problems, and the best resolution that came to the floor was defeated by the executive, the one that would have put some stability and try and raise the prices of the cows. . . --(Interjection)-- Well sure it was passed at the meeting, but the executive wouldn't go for it, no way, no way. So there you are. So, you know, I don't know who controls --(Interjection)-- yes go ahead.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Well just a simple question I'd place to him. Who elected the executive that he's referred to several times now?

MR. ADAM: I presume that they were elected by the rank and file. I'm not sure whether they're sorry or not but, you know, I have to agree perhaps with my colleague that there was some politics, politics.

I believe, Sir, that since we have importation - we export some, we import more - that this should be identified for the consumer. If we have any beef coming in from Australia, the United States or wherever, this should be identified in the stores because I want to know what I'm eating when I - I want to know if I'm eating beef that has been fed with hormones, cancer contributing hormones, I want to know. I want to have a choice to decide whether I want to consume diethylstilbestrol or whatever. I want to know. It should be identified. Give the people a choice.

Now there was some comments about how we did a hard selling job on this program. I can tell you it didn't require a selling job. The fact that there are so many producers in the program now would indicate to you that it didn't require a very hard selling job. There were seven meetings, I believe, in our constituency. There are a considerable number of producers in my area and I attended, I believe, four of these meetings. It was information meetings to advise the producers what the plan was, how it would work, and give them a background of facts, how it would affect their income over the next five years. You know, at these meetings, I believe every one that I attended, the farmers were advised to hold back. At every meeting that I was at the farmers were advised not to rush into it. They were advised to hold back until at least after the middle of November; don't get in it if you're wary of it, if you're not sure, wait awhile. Wait until the actual price will be announced.

So to hear now these people - thank you, Mr. Chairman - to hear these people say that we went out and tried to do a hard sell job, is ridiculous. It's ridiculous. The Honourable Member for Gladstone is laughing, he's snickering, and I believe by that he indicates that he doesn't believe what I just said. But I can verify this, I attended meetings, and we told them, don't get in it until you're perfectly satisfied that it will fit into your operation. At every meeting that I attended that's what happened, don't get into it until at least after the 15th of November. So that just does not correspond with your . . . Now I don't know what happened in other areas, I wasn't there. But I know what happened in my area, and I have to believe that what happened in my area happened in other areas as well. So let's not have you come out with all these . . . And you know, if you think that this is a bad program, well I'm going to ask you to stand up and be counted on this particular program.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thank you, Mr. Chairman. I feel sorry for the Member from Ste. Rose with his troubles in shipping cattle years ago. He made it sound though as if it's all one-sided. I think probably somebody should set the record

SUPPLY - AGRICULTURE

(MR. HENDERSON cont'd) straight, because I'd hate to see it appear in Hansard and for it to appear that none of the rest of us had ever shipped cattle and knew anything about the way they're handled.

Now one of the statements he said was that he couldn't sell them out of the truck, and if they were unloaded that they had to be weighed. This is not so, this is not so. Naturally any man buying cattle is trying to buy them properly. If they're a big load that's packed in and they can't see them to see if there are any of the animals that may have pink eyes, broken legs when they were young or something that might affect a carcass, has to be unloaded. I've sold lots of them and if they're crowded in like this they have to be unloaded in the yard so as the buyers can look at the cattle right. And that's only business-like. And you can load them.

And then on top of that, you are well aware that many farmers don't always tell the truth when they're selling cattle. There are not many of them as stupid as what you appeared to be when you told your story, that you'd let them know you were going to go to another certain packer. Well surely to God if you're going to take them to another packer you're not going to let that packing plant know which one you're going to. Are you that poor a businessman? I don't think you are, you're just trying to --(Interjection)-- Oh, you wouldn't tell them. I've taken them to different packers and I've taken them to the livestock auction, but I wasn't so stupid as to tell them which packing plant I was going to so that they could phone over if they wanted to. That's some way of doing business. And I'll also say, while I'm smarter than you in knowing these things, that I've also taken them to the yards after this which is supposed to be the fair way of selling them, where everybody could bid, and I've taken less than they've been bid at the packing plant occasionally, so you aren't always getting beat. Naturally if the packing plant is filled up for the day and they have more than they might be able to kill that day, he'll tell you to take them to the yards or some other packing plant. I'm not saying that these people don't try and go out there to try to buy them right and make all they can, but you're supposed to be so smart and you're supposed to be selling them, you're at the other end, you should be looking out for yourself. --(Interjection)-- Well that will be the day when I move them from one to the other and I'd let them know where I'm going so that they could phone over.

Well anyway I'll get back to the cattle program. I don't even think the man from Ste. Rose when he goes to sell them is really this careless, I think probably that he's trying to lay it on from the other way. I hope he's a lot smarter than that. I think he is.

Anyway this cattle program, it isn't really that bad of a deal for the farm people. The thing is, if they want to use it they can, it's not compulsory. If they do use it and want to get out of it, they pay 9 percent which is a subsidized rate of interest, because I don't believe the government - that wouldn't be considered prime rate. But I think that the government as such has a responsibility to the taxpayers of this province and I think that there are some things in there that really are very encouraging to the farm people to make them take the program. And they are at a cost to the taxpayers. And one of them that I think is that a person can go in on this program and if by any chance he wants to quit farming, he doesn't even have to pay the interest on the money that he's been advanced. Now I think that's wrong. I think that if he quits farming and he sells out, that then he should be paying 9 percent on this money that he has.

I also think that there should be closer inspection done on the animals that are taken into the plan because I know that many people - well naturally these people that have been coming around just at the last, they haven't looked at the thing, they don't know whether they're a good breed of animals, whether they're Holsteins or Jerseys or whether they're steers or heifers, you know. I think there should be a better check on it. But outside of that it's a program that we don't have to take, and if they want out they can get out. I do believe, however, that the Minister isn't offering this much money this way if he hasn't got another idea in the back of his head, that he's really hoping to work towards supply management, and I'm sure that a lot of people are. My advice when people ask me what I think of the plan has always been well, if you can use it to advantage use it, but if you think you're going to get boxed in just be sure you can get hold of the money and pay them off, if you think it is better for you. That's the way I explain it to them. Outside of that I don't think it's so bad for the farm people and they should have their eyes open when they are going into it.

SUPPLY- AGRICULTURE

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you Mr. Chairman. It's a tough act to follow, the Member from Pembina. I would just like to say a few words here too referring specifically to some comments made by the Minister of Autopac last night when he said that there were a lot of quiet rumor machines going. Well I would like to inform the House that when, like many of the other members on this side of the House, when we did get calls from our cattle producers, I was very quick in pointing out that they were running their own business, that they could buy out of the program at nine percent. Like the Member from Pembina said, I told them that they shouldn't lock themselves in so that they couldn't see their way out of buying out of it, either loaning the money from a bank or credit union if they wanted to get out.

I think the caution that we have expressed here there is several reasons for it. I was always curious to see the Minister of Agriculture enter a program like this with such zeal and vigour to really try and sign up as many people as he can and yesterday he gave us the figures with regards to the part-time help that he hired. I think that it is common knowledge that most of the ag reps were instructed to drop everything that they were doing and get into selling the program.

But he might wonder why some of the members on this side have certain scepticisms with regards to this plan. You know there is another country that always embarks on five-year plans, and that kind of concerns us. The other thing is the Minister's real aggressive style of trying to get into the agricultural business further and further. All we have to do is look at the milk business - and we're talking about Crocus Foods. The question is - and he has admitted that he could become the largest owner of cattle in Manitoba and that doesn't matter if the price goes higher than fifty-seven cents or if they are selling for thirty cents. He can exercise his option because the farmer has to tell him, has to give the government two weeks time in which they can exercise their option on those cattle or they don't have to.--(Interjection)--

You know, Mr. Chairman, I attended the meeting the Minister was at in my constituency and I must say it was a good meeting. But during the meeting the thing that struck me was that he has already, he indicated that he has already had some offers from packinghouses wondering if the government would be becoming the sole agent, purchasing agent and the distributing agent for these cattle. So the question that we have on this side, seeing how he's been trying to get into the dairy processing business, does it follow suit that if he is going to have control of 70 percent of the beef industry in Manitoba the next thing might be a subsidiary of Crocus. I don't know what he would call it but it could be a packinghouse. This way he could grab total control of the total industry.

Now the only other question that I would have at this time is: I would wonder if the Minister would tell me what ad agency he used for the promotion of this program. I think I would like to know that.

I should just add maybe just in closing, Mr. Chairman - you know the other thing that sort of disturbs me is when you get a game, they started to get into the game business and then you really really start wondering if the Minister of Agriculture is playing games with the whole thing or what's really going on. So if he could tell me what ad agency he used with that particular thing I would appreciate it.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Thank you Mr. Chairman. I don't want to cover all the ground that has been covered pretty thoroughly by my colleagues but I've had mixed reactions for my area on the program. There are some young farmers there that I think it has been of considerable help to, to provide them with some ready cash at a pretty favourable interest rate. Others I think have taken advantage of the plan that could have got by without it, but it was available and there was ready cash that they could take advantage of and they exercised their option.

There are one or two points that the Minister might cover on. I suppose they are simple points. But there are a number of people I know that aren't interested in feeding out cattle. Under the plan you have to feed out so many animals per year. Is there some option available to the person who absolutely will not feed out animals? There are some people that can raise animals but there are those that can't feed them and have

SUPPLY - AGRICULTURE

(MR. BLAKE cont'd)no desire to feed out an animal. Are you going to have small feedlots springing up all across the country, a fellow feeding out fifty, thirty, forty, fifty head of cattle that maybe could be done far more efficiently and more effectively at a neighbour's place where he's feeding these animals from eight or ten people. I don't want the government to do it, I think the government is involved in enough farm enterprises. But I am wondering if there is going to be some option where one farmer could make a feedlot worthwhile and take those animals from his neighbours. It doesn't appear available at the moment.--(Interjection)--It is available.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Before the Minister rises I want to take a few moments to respond to one of the comments, and I don't intend to deal with them all, but one of the comments made by the Member for Ste. Rose who indicated that Manitoba was in a shortage position so far as beef is concerned. The fact is in this province there has been a considerable increase in the cow herd which is the basis of production and that increase has been going apace since 1970, since the incentive program came into effect. For example in 1970 the beef cow herd was about 50 percent less than it is today and that indicates a pretty considerable increase in the cow herd. As long as that cow herd continues to increase then our capacity for production is accordingly increased.

The cow herd change since 1969 has increased by about 39 percent and that's an indication of the kind of incentives that have been placed on the livestock industry and the reason why much of the difficulty that we face today is causing the problem. In the United States the basic herds have been reduced and they are continually to be reduced now and their balance is much better than ours is and that's going to affect the beef industry in this country. In addition to that the projected increase in per capita consumption is going to be of some help in making sure an increased market for beef will take place.

The question that I want to pose to the Minister - the Member for Ste. Rose continuously talks about our incapacity to produce enough food for ourselves and in this particular spectrum I wonder if the Minister would give us the figures for Canada what our exports and imports are.

Also I would like to ask the Minister if he could advise the House when the report of the meat industry is going to be tabled. Now he promised that report was going to be tabled a week ago and since that time the livestock industry as well as the people in this province have been waiting eagerly for that report to be tabled. I know it's in his hands and we on this side cannot understand why he has such great reluctance to table that report. Surely it can't contain such information that is going to cause him any great damage. After all it's just a report - although he appointed the people who commissioned the report. It is not something that he will be compelled to act upon; it's a report like many reports, contains the results of an examination conducted by a group of people that he appointed to do. Now we perhaps could argue that the nature of the appointments were such as to preclude the kind of recommendation that would be made. But even at that, even if that is the case, then I still can't see why the reluctance to release that report. I wonder if the Minister can give us some reasons why it has not been tabled up to this point.

MR. CHAIRMAN: The Honourable Minister for Agriculture.

MR. USKIW: Mr. Chairman, I would be pleased to advise my friend the Member for Morris that . . .

MR. CHAIRMAN: Order. Order please. The Honourable Member for Ste. Rose has a point of order?

MR. ADAM: No, Mr. Chairman. I wanted to make a comment on the remarks that he had just made.

MR. CHAIRMAN: The Honourable Minister for Agriculture.

MR. USKIW: I want to draw to the attention of the members opposite that the Chairman of that inquiry commission is the same Chairman whom they appointed many many years ago to study the meat industry in this province and who recommended the establishment of the Hog Marketing Commission among other things. But in any event, be that as it may, if my honourable friend thinks that that is not a good appointment

SUPPLY - AGRICULTURE

(MR. USKIW cont'd)that is his opinion--(Interjection)--The member suggests that he does not quarrel with the appointment so I accept that.

Now with respect to why the report is not yet tabled, it's a matter of logistics. We were not able to ourselves digest it up until last week; colleagues of mine in Cabinet were not in a position to go through it to know what is in the report and one really has to be prepared in that respect if one is to be able to respond to the follow-up which is the questioning of the media and so on. Unless one goes through it one is not able to respond and it is really a matter of giving enough time to sort of know what is in it so if we are asked questions pursuant to the tabling of that report, we might be able to give some answers.

Since that time, however, it's a matter of trying to get the Minister of Consumer Affairs and myself on the same wave length as to timing. That is what has been holding it up in the last couple of days. We just haven't been able to both agree on the time that we are prepared to hold a press conference. It is now scheduled for next Monday. We hope to be able to table the report here Monday afternoon after which we would have a press conference about 4:30, during private members' resolutions. So that's really the sum total of it. There is no reason not to want to table it, it's a document that should be made public and indeed I would want it to be made public and to engage in further public discussion. Because I think before we want to implement any of its recommendations we would be well advised to further discuss the implications of those recommendations with those who are going to be affected whether they be consumer groups or processing industry people or the producers. I think we would be well advised not to be too hasty in acting on that report but that we have a full consideration of it by all interested parties. So I have no hesitation in telling my honourable friend that we are prepared to table it very soon.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: I am not suggesting that the simple tabling of that report compels him to act upon its terms immediately, nor can I see the necessity of having to go through it just simply to answer questions from the press. Surely they can read it themselves and draw their own conclusions and at a later date the Minister can at his own leisure, make statements about government's intentions. I still can't see - the Minister has not given us what I consider to be sufficient reason for the delay in the tabling of that report.

MR. USKIW: Mr. Chairman, the present reason - I want to restate it - is simply that the two of us, there are two ministers involved in commissioning that inquiry, have not been able to agree on the time that we are both available to hold a press conference. It is as simple as that and the nearest date that we have been able to get together on is Monday next, Monday afternoon, in which case both of us are available. So that is the current reason.

With respect to the other question, the Member for Morris wanted to know our import export position. That is the Canadian import export position with respect to meat products and I'm going to give him the net import figures from the years 1968 to the year 1975. In 1968 Canada had a net export position of 19 million pounds; in 1969 a net import position of 54 million pounds; in 1970 a net import position of 33 million pounds; 1971 a net import position of 28 million pounds; in 1972 a net import position of 76 million pounds; in 1973 a net import position of 91 million pounds; in 1974 a net import position of 78 million pounds. That was to the end of August. In 1975 there is an eight-month figure of a net import position of 67 million pounds. So that in Canadian terms we really should be producing more beef. It is wrong to assume that we should do things in Manitoba that would again reduce our total cattle numbers, and notwithstanding the fact that we have had incentive programs for three or four years, we find that over a ten-year period we have an increase on an average of one percent per year in our cattle numbers if the DBS figures are accurate, and we can only go by that. Most of that was accumulated in the last three or four years under the incentive program. But it's really on a ten year base one percent a year and we've just a marginal increase over a ten year period.

So I am not at all embarrassed with the fact that we have had some response to

SUPPLY - AGRICULTURE

(MR. USKIW cont'd)the incentive program. I think it was a desirable response. But compared with other provinces and in particular the province of Alberta, they had very dramatic increases in cattle numbers and I believe they had no incentive program either. But Manitoba has historically had a difficult time in sustaining its share of Canadian beef production. We've always followed the boom and bust cycle of the grain industry and it's sort of out of it when grain prices are good and back into it when grain prices are bad. That's why we have never had a consistently increasing percentage of the Canadian beef market and beef production base. That is the reason why we wanted to bring in the incentive program to sort of stabilize that so that we can lock our production in for a period of four or five years to sort of ride out some of the downward price trends when they do occur. That of course will be the effect of the income assurance program. We will be able to help producers ride out the storm and still be in production at the proper level when the market turns around another year or two from now, and that of course will bring many many benefits to the economy of Manitoba when that occurs given the fact that we are sustaining our cattle numbers as much as we can. That is really the counter-cyclical position that we are attempting at the moment and I make no apologies for it Mr. Chairman.

With respect to the grassland program - and the Member for La Verendrye wanted to know the purpose of the Grassland Game. It's strictly an instructional or educational aid to be used where we have grassland societies and memberships and workshops and so on. That is an innovation of our staff people who think that it might be a useful aid when they are presenting their farm management programs and so on. So that in essence those are very attractive looking beef cattle there, Mr. Chairman. The Member for Lakeside has just turned the page. But they I think are livestock that he himself would be proud to own if they all looked like that.

Now with respect to the point made by the Member for Pembina. I think that he was right in advising his constituents that it was something that they had to look at as an option, as a management tool - that is the assurance program. You know it's always good to be flexible, there's nothing wrong with that kind of advice. The program was in fact tailored for that very reason. The flexibility was built right into the program to allow the producers the - I've used the term before - best of both worlds. They can insure their position for five years and in the event the market is better than that on the five-year average they can buy their way out by simply repaying their moneys with a nine percent interest rate added and take the market price over five years, whichever they think they come out best on.

If they do that we have done two things: we have brought stability and we have refunded to the taxpayers the moneys that were initially advanced. So that in essence it's good for both, it's good for both. It gives them a management tool that they didn't have before and that is something that is hard to argue against, Mr. Chairman. It is not always possible. I've never heard of a program of any government anywhere, at least in Canada or North America, where the producers were not absolutely locked in even though the government was, because we have no options once we sign that agreement. The producers have all of the options. If they exercise the option of opting out we will be fortunate in the sense that the taxpayers will have a refund on the moneys that they have advanced and no one is hurt in the process.

If we do, as the Member for Lakeside suggested last night - and I really want to take issue with him on this one, and I would hope that he is listening so that he wouldn't have to wait till tomorrow to read Hansard. The Member for Lakeside last night suggested that he wants a dollar a pound for his beef whenever the price gets there. He doesn't like that 57 cents or whatever the figure is over the five-year period. I respect that position. If he wants to play the market that is fine. He may opt out of the contract and take his dollar a pound. But if he stays in the contract, Mr. Chairman, it's obviously a requirement and should be a requirement that we have the consumer protection on the other side and the protection of the taxpayer. So that if we filled in the valleys we also take off the peaks and that is our recovery mechanism to replenish the fund that we have established. That in my opinion gives us the kind of checks and balances that are necessary with respect to this kind of a program.

SUPPLY - AGRICULTURE

(MR. USKIW cont'd)

It would be ludicrous if the taxpayers were asked to put up, between last year and this year, \$32 million to fill in the valleys to prop up the prices and then beef went to a dollar a pound and there was no obligation on the part of the same producers to either repay or whatever. It just wouldn't be right. It's certainly not in keeping with the philosophy of my friends opposite, I can assure you of that, having heard their statements for a good number of years. So we think we have a package that is palatable to the most conservative livestock man in the province and it is also palatable to the taxpayer of Manitoba in that the checks and balances are there to protect their interests. How the province uses those checks and balances, whether it's a recovery of cash into the program or whether it's adopted in such a measure as to have some input for consumer benefit, is yet to be seen, and to be decided upon. But notwithstanding that, the flexibility is most desirable.

MR. CHAIRMAN: Resolution 8(b). The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Chairman, just before we pass this item. I don't want to belabour the particular item at hand to any extent but I should make just a few brief comments on the remarks by the Honourable Member for St. George yesterday when he seemed to deliberately distort the remarks that I had to make in respect to this program.

I think that he pointed out that I was deliberately in fact calling the farmers thieves and that they were indulging in irregularities in the use or abuse of the program, which is completely wrong, Mr. Chairman. I simply was pointing out that actually the beef producers in the province were really indulging in what is a perfectly legal peanut scramble - if you want to call it that - a peanut scramble as we recall when we were younger, you know, the Honourable Member for Ste. Rose and I probably are maybe about the oldest in this Legislative Assembly and particularly in respect to farming, and we did indulge in peanut scrambles and it was a matter of you know, everybody grab and get what they could get out of the deal. There is a resemblance here, Mr. Chairman. The only difference is that now the beef producers are not scrambling for peanuts, they're scrambling for hundreds of thousands and millions of dollars of the taxpayers' money. The Honourable Minister is simply saying, "Don't worry boys, if you didn't get it this year, you'll get it next year because the peanut scramble is going to go on for five years and there's going to be a peanut scramble every year to the extent of a total of something in excess of \$100 million" - I think that's the figures that he has given us. I just wanted for the record to make it clear, that in no way have I indicated that the farmers have lied or that there are thieves in respect to this program. They are simply indulging in - as I have stated - a perfectly legal peanut scramble and it's not peanuts that they're scrambling for, it's hundreds and millions of dollars of the taxpayers' money.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Yes, Mr. Speaker. I'd just like to ask some specific questions to the Honourable Minister. He can answer true or false under the game.

Preconditioning is unnecessary expense when putting calves into your feedlot. True or false, Mr. Minister. Under the Queen it says: "Pregnancy testing identifies open animals that should be culled from the herd to" - and then there's a space you fill in the words - "total winter feed costs." Could the Minister supply the word? --(Interjection)--

MR. CHAIRMAN: Resolution 8(b). The Honourable Member for Ste. Rose.

MR. ADAM: Mr. Chairman, ayes and nays.

MOTION presented and carried.

MR. ADAM: Could we have a Standing vote on that?

MR. CHAIRMAN: Call in the members. Order please. The resolution before the House is Resolution 8(b), the Farm Income Assurance plan, \$14,200,000.

A STANDING VOTE was taken with the results being as follows:

YEAS

38

NAYS

1

MOTION carried.

SUPPLY - AGRICULTURE

MR. CHAIRMAN: Resolution 8(c)1, Planning and Management: Salaries, in the order of \$453,100. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I just want to raise a few points under this item and I believe if that's not the correct place to raise the points that I wish to, maybe the Chairman can correct me. But the points that I wish to raise at the present time, Mr. Chairman is--(Interjection)--

MR. CHAIRMAN: Order please. If honourable members wish to conduct caucus meetings or what not, I wish they would go elsewhere. It's difficult for the Chair to hear what the honourable member is saying and he's asking the Chair for an opinion here. It's very difficult for us to hear what the honourable member was saying. Would the honourable member please repeat.

MR. PATRICK: Thank you, Mr. Chairman. Under this item, under Planning and Management, and perhaps this is where many of the policies are made in respect to our agriculture and what effect it has on the consumer. This is the concern that I have at the present time. Such action or planning and management when government went into land lease program, the market boards and the stay option programs, what effect they have on the consumer - this is my concern, Mr. Chairman, at the present time.

I know when the land lease program came into effect it had validity. We were told that the farmers would be able to retire at age 65 and they could sell their land and if they had to retire for health reasons this was another reason for the land lease program and the government purchase program. In some instances the widows were able to sell their land because they couldn't farm. So there were many reasons for that program. In some instances it could have been financial difficulties that the government thought this would be a good thing and I'm not disputing that and I'm not arguing, Mr. Chairman, at the present time.

I know the objectives were quite valid and the objectives were to assemble land to have larger units and more economic units. But my concern, Mr. Chairman, at the present time we know that no farmer with assets of more than sixty thousand can qualify under this program. To me it would appear that in many instances what we may be doing is trying to have many farmers operate a very uneconomical unit and the ones that could become or may become economical, they're not able to because they have assets of \$60,000.00 - more assets than sixty thousand - or income above \$6,000.00. I think that this is a matter that members should concern ourselves within this House because what is happening?

If we accept all or some of the things that government is doing with through their programs, the stay option, the marketing board, and some of them have some good points and validities; but if you will have the farmers operate uneconomic units what is happening is that we are paying more for our food than perhaps the other places. If some of the members, Mr. Chairman - and I'm sure that the Minister of Agriculture will agree - that it's just the opposite, what has happened in the United States. They were able to expand their farms from 300 acres or 600 acres to 1,000 acres or 900 acres and if we are trying to preserve a 300 or a 600-acre farm at the present time, I think that we are on the wrong track. What we're doing, we are increasing the consumer prices by a great extent and this is what would concern me. I know and I appreciate, that the farmers will have a serious problem this coming year in 1976. We're told that their income will drop by 25 percent right across the country, not only in any one province but in all provinces. Well, it will create a hardship on many farmers I know that.

But the point that I'm trying to raise at this present time, it seems that everybody's talking one language. Nobody's talking about the consumer and nobody's talking for the consumer at the present time and if we are trying to perpetuate small farms in uneconomic units we will continue to pay much higher prices than they are paying, the consumers are paying in the United States. I know that you can buy two quarts of milk for 80 cents and I know milk is probably the cheapest in Manitoba, in this province. In the States you'll probably have to pay, or in Ontario, \$1.20. So these are the points that concern me.

The other point, where you have the Federal Government indicating that we have to reduce the industrial milk production by 15 percent or 10 percent. That's another serious point as far as I'm concerned, Mr. Chairman. Because many people, many people in this province, in this city and in this country cannot put milk on the table for their children. Here we're talking about reducing the production of milk by such a large amount as 15 percent

SUPPLY - AGRICULTURE

(MR. PATRICK cont'd)and it is a large amount, Mr. Chairman.

So my point that I wish to make at the present time is: I have no argument with some of the government's objectives and some of their programs. But I wonder if some of these programs are leading to much higher consumer prices in this province and in this city. We are told that, and we know, that one state in the United States produces as many and more hogs than are produced in the whole of Canada. We know that more wheat is grown in one state than in the whole of Canada as well - the State of Kansas. Maybe that's the reason why their food costs are much less than ours.

My concern is at the present time with the Minister, through many of his programs, through the marketing boards and so on, is he not trading much higher food prices in this country and in this province. I have not heard from the Minister of Consumer and Corporate Affairs, he has said nothing. I think he should be involved in the debates under this Department because nobody is speaking for the consumer. Sure I agree that when the government talked about the land lease program, at the same time I feel that some of that land should be opened immediately for sale to farmers who can afford to buy after a year that they've leased it and perhaps were able to have some money. But I understand that's not available.

Perhaps if the government was prepared to implement some kind of a financial institution to help and assist young farmers, that may be a better program than trying to perpetuate small non-economic units. Because when you talk assets of \$60,000.00 Mr. Speaker - and the farmer from Assiniboia may be not completely accurate in his figures - but sixty thousand doesn't go very far I understand at the present time. Probably two machines or three pieces of equipment and the farmer's assets are more than sixty thousand. Now he may only be farming 300 acres of land and you're saying to him, you cannot expand. So perhaps by government's policies I for one would be inclined to believe, or that would be my inclination, they're trying to perpetuate small farms and it may be fine thing in theory but in practice it won't work and it doesn't work because you have to look at what's happening other places and what's happened in United States. I think that their Minister of Agriculture, I believe is Mr. Butts, who has accepted the fact that you have to go to larger units - and I'm not encouraging corporation farms, that's not what I'm talking about - but through some of the programs where I see what the government is doing, I am concerned, I am quite concerned. For instance, the marketing boards in respect to the production of milk which I certainly don't agree with statements coming out from the Department of Agriculture from the Federal Government. On the other hand, Mr. Chairman, I think that we've talked about stay option program, and again it has some validity, but on the other hand I think that the government will probably be doing a better job if they would be prepared to perhaps name some large centres your growth centres and as a result you'll have your stay option in smaller communities around the centres instead of trying to prop up every little community, every little town that probably has 50 people or 100 people. I don't think that the Minister will succeed, Mr. Chairman, in that respect.

I already indicated in the Throne Speech that the government has started and made some good start in the direction of decentralization in various government departments and I wish to compliment the government in that respect. On the other hand I think that too little has been done because I understand in . . .for instance in the Federal Government there's only something like 12 percent of their employees and civil servants are outside the state capitol. And I don't know what it is in our Provincial House but it certainly is much different in the United States where they have only around 14 or 15 percent of their senior people in various departments around the state capitol, the others are decentralized, are all over the country. The Minister perhaps can indicate under this item, which is Planning and Management, to see what progress is made, and I'm not arguing with him because I think that that is in the right direction, Mr. Chairman, that we have started. So I did not get in the debate under this department but under the item of Planning and Management, I certainly want to bring these points to the Minister and to the House at this time and I would hope that he would have some reply to some of the points that I've raised.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

SUPPLY - AGRICULTURE

MR. USKIW: Mr. Chairman, the Member for Assiniboia does raise some valid concerns. I appreciate his constructive criticism, if you like, or contribution. I simply want to tell him, however, that the \$60,000 limit on the net worth position of a farmer to qualify for land lease is no longer \$60,000, it is now 90. We have made adjustments because of the inflationary pressures of the last couple of years, and it is a net worth figure that we're looking at. So that the logic is that if one had a net worth position of \$90,000 under current guidelines, then they don't require Land Lease as a means of expanding their operation. They are really in a good position to arrange for mortgage capital and they don't need the land lease program whatever. So it's really where do you draw the line, Mr. Chairman, that has to be decided. You know, you can open it up wide open, and I've had requests to do that from farmers who own two or three sections, who feel that why shouldn't they be allowed to lease an additional section or two. And when they say that, they're looking at the big four wheel drive tractors which, you know, if they had that extra section or two they could buy a \$40,000 tractor and so on. You know, that's one way of looking at it. But on the other hand, I thought that we were being somewhat pragmatic with this program, that we didn't want to overdo it and members opposite - well I shouldn't say members opposite, the Conservative Party of this province, has been very critical of that particular option being available whatever, even for those that have no other way of expanding their land base or getting into agriculture. So, you know, I'm sort of in between here. We have one group saying your terms of reference are too narrow, we should allow greater numbers of people into the program and then we have the Conservative Party who is saying we shouldn't have the program at all. So it's kind of conundrum, I think we're somewhere down the middle there. I don't know whether we're now the Liberal Party in this program or what we are, but in all, Mr. Chairman, the comments of the Member for Assiniboia are constructive and I appreciate that. And we are always looking and reviewing the policy, so that if there's a need for further upward adjustment in the criteria, that will be done. No problem with that.

With respect to Federal dairy policy that, too, obviously I can't argue with that, that is the very point that I made when I introduced the Estimates the other day. We too are concerned with Federal dairy policy at the present time and concerned because it appears that the total motivation behind their new thrust in dairy policy is strictly a budgetary consideration and we think that is a wrong reason to cut back so dramatically.

With respect to marketing boards, I would be surprised to learn from the Member for Assiniboia the idea that, at least his opinion, that we should abolish collective bargaining.--(Interjection)--All right, I am glad to hear from him that he does not want to abolish the collective bargaining process. I simply want to tell him that marketing boards with respect to the marketing of agricultural products are no different than trade unions who market labour. It is a collective way to bring about a balance in the marketplace.--(Interjection)--Marketing boards? Well there's been mention made of it, I'm not sure how Ottawa is going to apply that. They are mentioned as being covered by the Anti-inflation Board but again I think one perhaps doesn't have to repeat the fact that we don't have a very good approach or an equitable approach to controlling prices in this country, generally speaking. So I don't know how effective that is going to be. That is certainly something that Ottawa has to answer for.

I think it should be taken into account however, in that respect, that agricultural production is not quite the same as wages or prices of other commodities in that the farming community is subjected to so many variations in their production cycle and income, due to weather conditions, due to market conditions, beyond the parameters of this country. World market affects agriculture very dramatically and very quickly sometimes. One really can't shout too much from the rooftops if prices do at a period in time rise unusually quickly and move upward to the point where there is consumer reaction, if they are prices that have moved from a depressed position in the first place. So one has to be very cautious and judicious as to how one would want to apply restraint in this regard. You know in any field crop you can be wealthy one year and almost bankrupt the next year depending on what happens to the climate and the market. So we can't say to them they can't have the windfalls when they come in unless we're prepared to bring in guarantees on the other side of the ledger. And that is what income

SUPPLY - AGRICULTURE

(MR. USKIW cont'd)stabilization is all about, Mr. Chairman. I hope the Member for Assiniboia appreciates our philosophy in that respect, that income stabilization programs of a national nature should, in effect, operate in such a way as to guarantee producers a reasonable return on production and investment and at the same time provide assurances to the consuming public that they would not be abused by any particular production group in the pricing of their product. That is really the trade-off.

That is not acceptable to my friends opposite, that is other than the Liberal Party, they feel that the free market is the best approach and they would not want to support my colleagues from the Liberal Party. But even having said that, Mr. Chairman, I think it's true to say, historically speaking, that the Conservative Party when they were the government of this province did not repeal the Natural Products Marketing Act, they amended it to allow for variations of marketing boards to be established and in fact, I think the record would show that they probably were responsible for authorizing the establishment of more marketing boards than any other government in the history of this province, even though they are philosophically arguing that that is not a good concept and--(Interjection)--Well, the Member for Lakeside, the Member for Arthur, the Member for what was then Rockwood who is now not with us but who is working for the United Nations in Rome, Mr. Hutton, he played a big role in setting up marketing boards in this province. This is not something that is . . .it may be ideological to some degree but at the same time my friends opposite have bent their ideology quite a long way under the pressures of time when they were in government and the circumstances of that period of time. So one shouldn't sort of present this as if it's a black and white position, one political party versus the other, while I know, I recognize that they would have not had the spiritual input in the marketing boards that they have established where we on this side perhaps would. And that is the difference between the two in the application of that legislation.

But it's true we have the Milk Control Board in this province and it's been here for many many years. And I believe they have done a splendid job, just a marvelous job in the last two years, in setting the price of milk to the consumers of this province. And I want to indicate to the Member for Assiniboia that there are two groups that have essentially benefited from the change in the philosophy in the operations of the Milk Control Board, and that is the consumers and the producers. If you look at the statistics you will find that the people who perhaps didn't fair so well under the Milk Control Board as it is now established, the membership of that board, it's the processor group. They are operating on lower margins of profit in Manitoba than in any other province in Canada, and because of that Manitoba has a good price to the milk producers and a good price to the consumers: We have the lowest price of milk in Canada; some two or three cents below any other jurisdiction in Canada. And while we compare favourably with other jurisdictions with respect to the producer price of milk, and there may be some problems arriving there because of recently announced dairy policy on the part of the Government of Canada.

Now, the Member for Assiniboia raises a valid point; he said why is milk cheaper in the United States. And I think it's not very difficult for me to tell him. In different parts of the United States, of course, they don't have the high cost of production that we have. Climatic conditions alone make a difference if you get far enough south. In terms of areas close to our boundaries, we have to appreciate that they have not organized their marketing functions whatever and the producers there are not doing very well. They are not doing very well in milk production. As a matter of fact, in our discussions with some of them they are complaining bitterly that their returns are very low but they have no mechanism to redress that situation, and so they rely on the market system to a large extent, which is not a good way to bring about an even level of milk production and supply to the consumers. But that is their choice, that is their mode of operation.

We believe that our Milk Control Board system here for 30 or 40 years has been a better way to deal with that question, but more particularly I want to mention that it has been working much better in the last few years that it ever has in that it has tried to reduce excessive margins of profits enjoyed by the processing sector over the years

SUPPLY - AGRICULTURE

(MR. USKIW cont'd) and has now come to the point where the benefits have been passed on to the consumers and to the producers.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. WATT: Mr. Chairman, I just want to make a few comments on the remarks that have just been made by the Minister. I should point out to the Minister that it seemed to me that the Minister inferred that under the Conservative government that we were instrumental in established marketing boards. This is only partly true, Mr. Chairman. The fact is that we did provide the vehicle, the Natural Product Marketing Act was re-written as a result, as I recall, of the Shewman Report. At that time, as the Minister recalls, that there was a Standing Committee of the House, that we looked into the marketing of, particularly livestock, for about two years, resulting in what was known as the Shewman Report and out of that came the re-writing of the Natural Products Marketing Act which made provision for, became a vehicle by which any group of producers could under certain conditions petition the government for the right to hold a referendum.

While I was the Minister of Agriculture it is true that there were two marketing boards established at that time; one was the Turkey Producers and one was the Broiler Producers, under that Act. And here again on a basis of principle and we are charged from that side of the House, from the government side of the House, for having no principles, for never acting on principles, and I want to say to the Minister, and to the House and to the province, that it was on principle that these market boards were established actually, producer marketing boards through the vehicle or through the process as provided by the Natural Products Marketing Act.

It's my understanding that the Broiler Producers Board is operating reasonably well. I have heard very little complaint but I don't believe that this is the case of the Turkey Producers Board. But at that time I insisted that they have the right to proceed on a referendum to establish that board, the two boards I'm referring to specifically, and to give them a chance to see what they could do for themselves as a producer marketing board, under the direction, or supervision if you want to call it, of the Manitoba Marketing Board which still exists.

I just want to point it out, Mr. Chairman, make it clear that we did not establish those boards, we provided a vehicle through which they could establish or vote on and decide for themselves if they wanted a producer marketing board, that it was free and open to them to do so and at that time we established the Hog Marketing . . . teletype system of marketing which at that time was . . . --(Interjection)-- Pardon? No that's grant, privy to without a vote. But it was free for the hog producers to use that as a vehicle to market their produce or they could sell direct to the processor, to the packers. That my honourable friend says is a weakness. He did not ask the hog producers if it was a weakness or not. He just simply said to the producer you must market through this system whether you like it or not, and simply by Order-in-Council the government established there would be a compulsory marketing board. This was not established by the Conservative government, it was established by the ND government. --(Interjection)-- That's right, but it was wrong. It's right that it was established but it was wrong that it was done and I would vote for that again today if I had an opportunity to vote on it, on principle; that it is not right to force the farmers of this province to market their produce through a government agency. --(Interjection)-- All right. Who established the compulsion, Mr. Chairman? I point out to the Minister that the Government is responsible for the compulsory marketing system that we have for the hog producers in the Province of Manitoba today. It is no longer a volunteer marketing vehicle which it was at the time that we were government and which would still be if we were the government and which it will be again when we become government of this province.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Chairman, I'm rather enjoying the comments from the Member for Arthur, because history is so recent in that respect. You know he talks about the establishment of the Hog Marketing Board and the freedom that he gave to the hog producers to either use it or not use it. I want to tell him that he did not give them that freedom whatever. Because every person who shipped hogs had to pay the costs

SUPPLY - AGRICULTURE

(MR. USKIW cont'd) of operating the Hog Marketing Commission even if he didn't use the facility. Every person had to pay even if they objected to it. So let him not say that he provided an option because he charged those people who didn't believe in it that same fee as he charged those people who believed in it and used it. So there was no freedom of choice there whatever. The only difference was that they were not required to deliver the product there but they were charged as if they did.

With respect to his term of office and he seems to be sensitive about this point the Member for Arthur indicates that during that term he had provided for a means by which two producer groups were able to set up a marketing board. Provided for a means.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. WATT: I did not say it was established during my term in office, it was established long before that while George Hutton was the Minister of Agriculture.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Chairman, I believe he was alluding to the Turkey Producers' Marketing Board and the Broiler Producers' Marketing Board and that it was his office that authorized those referendums to take place and so on. That is fine and that is a credit to him. But Mr. Chairman, we should recall the history that followed the referendums. There we find the intrusions of the then Minister of Industry and Commerce who is now the deposed Leader of the Opposition, who then disallowed the Order-in-Council from being put through giving legality to the marketing boards that were voted for by about 80 percent or 90 percent of the producers. They dragged their feet for two years after the referendum because of the interferences of the then Minister of Industry and Commerce. So let not my honourable friend the Member for Arthur say that yes, we also were willing but we simply handed the tools over to the producers and they made the decision. They made the decision but you did not allow them, sir, to carry out that decision until two years after, approximately. I may be out a period of months but a year and a half to two years after they voted before they established their marketing board operations. It was strictly because of the interference of the Department of Industry and Commerce who was then dominating the Department of Agriculture in every respect, every respect.

So, Mr. Chairman, the record is clear. Members opposite are afraid, or were afraid when they were the government to repeal The Natural Products Marketing Act even though it was something that they in principle did not agree with, provisions of that Act. But they were afraid to repeal it, to lay their cards on the table and to tell the people of Manitoba that we believe in the free market and there is no other way. But then when people wanted to use the legislation they used their offices to distort the means through which they were going to use that Act; they interfered in the kind of plans that were being drafted by the producer groups and in fact they interfered in the implementation even after referendums were held. So that is a record that I wouldn't be proud of, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. WATT: The Honourable Minister has just said that the government of that date dragged their feet for two years. I want to point out to him that any change in any marketing system, particularly when it involves the establishment of marketing boards, takes some time to consider what direction the marketing is going to go of a particular product. I say to the honourable member that it was not a matter of dragging feet; it was a matter of giving consideration to what may and has had far reaching effects on the products that we are talking about now - the several products. We're talking about port and we're talking about turkeys and we're talking about broilers. I say to my honourable friend that after two years of consideration, and while I was Minister of Agriculture, that the producer was allowed under the Act, which he had the right to under the Act, to call for a referendum and make their own decisions. They were given that right and they were given the right to establish marketing boards which they have full control of their produce now. I say again to my honourable friend that the turkey producers may not now be quite as happy with the results of the marketing of turkeys as they were at the time that that right was granted to them.

SUPPLY - AGRICULTURE

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Chairman, I'm rather enjoying this. The interesting facts are, with respect to the time that my honourable friend has spoken about, that the processing industry in this province was at that time opposing the establishment of a Turkey Producers' Marketing Board and a Broiler Producers' Marketing Board. They were lobbying my honourable friends opposite who were then the government. It was for that reason that they dragged their feet with respect to the implementation of the result of the referendum with respect to the establishment of those two agencies, because these people were pleading for exemptions. They said yes you can control the other people, but please do not control us, we are a special group. Friendly Family Farms and whatever groups, they wanted to be out of the controlled zone; they wanted to be free agents in the free market place. My honourable friends opposite had a problem. They had a referendum; they didn't agree with the philosophy of marketing boards; but the referendum was conclusive. There was an overwhelming support for it. And yet their friends in the processing industry said, please don't implement the decision of the producers, or if you do, please exempt us.

That brings me to a point that I discussed the other day, Mr. Chairman, and that is that democratic institutions cannot work when it is somebody on the outside that is pulling the strings. My friends deserted their responsibilities and the people who voted for them when they allowed that kind of interference to take place after a referendum was held under the provisions of The Natural Products Marketing Act. They denied those basic freedoms that were enshrined in legislation because of the pressure of lobby groups in the City of Winnipeg. It was a denial of the democratic right of the people of this province and that is what I talked about the other day when I said that we should disallow by law the private funding of political parties. Because that is what happens. They come back and ask for favours and privileges and compromise the role of the politician. In this respect that's exactly what happened, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. WATT: Just let me point out to the Honourable Minister of Agriculture that at no time was there ever any demonstration in front of the Legislative Building in regard to agriculture when I was Minister of Agriculture. At no time did I have excessive pressures put on me from any of the private sectors. I had discussions with them certainly, and certainly I could see that their positions in respect --(Interjection)-- No, they were not scared of me nor was I scared of them. We sat down and discussed on a reasonable basis what should be done for the Province of Manitoba and I had no problem with the packers, or the private sector. I had no problem with the producers. But my honourable friends seem to have created a vacuum or a span between the producer now and the processor, between labour and management to the extent where now every day when we drive up to the Legislative Building, or every other day, there is somebody parading up and down in front of these buildings that they're wanting something from the Minister of Agriculture or from the Minister of Industry and Commerce or the Minister of Labour.

MR. CHAIRMAN: Order please. If the Honourable Member for Radisson wishes to make a contribution I will recognize him in his turn. Order. The Honourable Member for Arthur. Order please. The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I was unavoidably detained from the House for a few moments so I didn't get the full benefit of the Minister's explanation on the subject matter before us. But I must indicate to him that it really hasn't changed much over the years. The record is maybe getting a little thinner, little more worn, but insofar as that the Minister likes to put on the record really pretty serious distortions of the facts, it then behoves that we straighten the record from time to time.

Unlike my friend the Honourable Minister of Agriculture who was speaking the truth about reference to no demonstrations during his tenure of office, there were very serious demonstrations during my tenure of office. The one I refer to of course is the one that the Minister is quite all aware of, namely among the vegetable producers of this province. Why was that so? Because there had not been a consensus arrived at

SUPPLY - AGRICULTURE

(MR. ENNS cont'd) within that commodity group as to which direction they wanted to go. The Minister is well aware - he was a prime mover and organizer and worker and a producer himself during those days - that knew of the two or three votes - I won't pretend to have the facts all at my finger tips - but two or three votes that were inconclusive in terms of clearly demonstrating the direction the industry, that portion of the vegetable industry wanted to go. Now, Mr. Chairman, what in fact took place of course? With that kind of an experience behind us any responsible Minister of the Crown prior to imposing on any segment of the primary producers - a system of marketing - we simply insisted on having sufficient time available to those producers to allow for a consensus to be arrived at and the Honourable Minister from Autopac was part of the consensus-forming process in the case of turkeys. This Minister, the Minister of the day, was not reluctant to moving into the country, to visiting with turkey growers in an effort to arrive and achieve that consensus. Well, Mr. Chairman, that consensus was arrived at; the Act was followed; a vote was held and let the record be very straight. --(Interjection)-- Well Mr. Chairman, it is perhaps because of the reasonably good performance, the reasonably good support that these boards are receiving is that you had a responsible government taking time to listen to the producers, to allow the producers to reach that consensus, that the boards are in fact functioning as well as they do.

So, Mr. Chairman, let the records be straight, that the Act was followed. There was no foot dragging on the matter. The Boards were established: The Broiler Board under my tenure of office, the Marketing Board under the tenure of my friend the Member from Arthur. Now, Mr. Chairman, I can also recall another occasion where this Minister was very concerned, or his party was very concerned, his First Minister was very concerned, about the necessity of allowing a consensus to be arrived at among a producers' group.

Now I am referring to the question of hog marketing. As you know the previous administration brought in a Voluntary Hog Marketing Commission. --(Interjection)-- Oh, yes. Let's understand and make it very clear. Voluntary Hog Marketing Commission. The opposition of the day led by none other than the First Minister and his party and supported I believe by the Liberals only enabled that to be brought in on the condition that we pass a resolution in this Chamber that said that within two years' time there shall be a vote among the producers to allow them to indicate whether they wanted to continue with the Hog Marketing Commission concept or they wanted a different marketing concept, namely, a producers' marketing board. Well, Mr. Chairman, the Minister knows, the question was within that two-year time frame, it was during my term of office, it was raised in this House; it was raised with the producer groups, the farm bodies involved. The response was: Mr. Minister, it is not the time to hold a vote. Nobody pushed and there was no restraints being practised by the Honourable Minister's evil friends that he sees lurking behind us all the time. But, Mr. Minister, what did he do? What did he do at the first opportune moment that he had to impose his system of marketing on the hog producers, without concern for the democratic process, without concern about developing a consensus among the producers? He imposed it, Sir. Let that be on the record in terms of this government's action with respect to the democratic process involved in marketing boards.

MR. CHAIRMAN: Order please. The Honourable Member can continue when I return to the Chair at 2:30 p.m. this afternoon.