



Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VII No. 65 10:30 a.m. Friday, April 13, 1962.

5th Session, 26th Legislature

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:30 o'clock, Friday, April 13th, 1962.

Opening prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions
Reading and Receiving Petitions
Presenting Reports by Standing and Special Committees
Notices of Motions
Introduction of Bills

The Honourable Minister of Education.

HON. GEORGE JOHNSON (Minister of Health)(Gimli), in the absence of the Minister of Education, introduced Bill No. 135, An Act to amend The University Act (2).

MR. SPEAKER: Before I call the Orders of the Day, I should like to introduce to the Members of the Legislative Assembly 45 pupils from Brock-Corydon School, Grade V, under the guidance of their teacher, Miss C. Mass. The school is located in River Heights constituency and is represented in the House by the Honourable Mr. Scarth. We are happy to have the pupils with us this morning and I'm sure that they will enjoy their lesson in democracy where they look down from their point of vantage on the lawmakers of the Province of Manitoba. We are glad to see you and we hope you come back some day.

Orders of the Day.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, before the Orders of the Day, I'd like to ask a question of the First Minister with regards to the agreements on the Winnipeg floodway. There were some questions asked in the House of Commons earlier this week from the Minister, and Mr. Fleming, at that time, indicated that there was no firm written agreement signed as yet. Now the First Minister here indicated some time ago that even if there was a federal election, and even if it was in June, he was sure that the thing would be settled by then. The Government at Ottawa did not seem to be quite as definite. I wonder if the Minister could inform us at what stage the negotiations are at.

HON. DUFF ROBLIN (Premier)(Wolseley): My honourable friend is entitled to place any interpretation he likes on what he reads in the newspaper, but I don't think I have any reason to change my mind on the subject.

MR. MOLGAT: Can the First Minister indicate when he might have a signed agreement to present to the House?

MR. ROBLIN: When I'm able to make the announcement, I assure my honourable friend I'll let him know.

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Mr. Speaker, I'd like to direct a question to the Honourable Minister of Health. I understand from radio reports that the Minister of Northern Affairs from the federal government was speaking in Brandon yesterday evening and he spoke on the question of pollution of our rivers and streams in Manitoba. Could the Minister of Health advise me as to whether or no any approach has been made to the federal government regarding a joint program to prevent such pollution?

MR. JOHNSON (Gimli): Mr. Speaker, in response to the question of the Honourable Member from Selkirk with respect to the pollution of rivers, I have written recently to the National Minister of Health and Welfare and asked him if it would be possible to bring this problem to the International Joint Commission on Waterways. I forwarded the material that we have accumulated with respect to the studies that have been made over the years and pointed out that there has been precedent in the past for the federal and provincial authorities to jointly study the pollution problems because of the international nature of the Red River. I have not had a reply as yet.

MR. MORRIS A. GRAY (Inkster): Mr. Speaker, yesterday I handed over a Hansard to the Minister of Health in connection with a statement made that Vitamin D, which everybody is after it, is harmful if it's taken too much. I was just wondering if he could make a statement for the public because the public are spending a lot of money to get a Vitamin D, and if it's not necessary, then why have the public spend so much. And, in the public, it includes your humble servant.

MR. JOHNSON (Gimli): Mr. Speaker, in small amounts certain things are good and when they are given in excess, they can be detrimental. Large massive doses of Vitamin D can do this. As far as concerned within our province, we control, for example, the amounts of Vitamin D supplements that may be added to milk and other drinks which are given to the people of Manitoba. But largely this comes under The National Food and Drug Act and is controlled by the federal authorities. It is a well recognized problem and has been for some years. I have asked the department for a full report on what our exact jurisdiction is in this area within our province. The only time it has come to our attention in the past is when milk or pasteurization plants have requested the addition of Vitamin D to milk products and, in those cases, we make sure the minimum requirements are maintained.

MR. EDMOND PREFONTAINE (Carillon): Mr. Speaker, before the Orders of the Day, I think I would like to direct a question to the Minister with respect to river pollution again. I would like to precede it by one statement. I have received a telephone call a few days ago from a Winnipeg lady who informed me that she was walking down the street a little while ago and that she saw municipal equipment pick up dirt, snow, and a dead cat. This was being dumped into a truck and she asked the truck driver where was this going to go. The truck driver said he was dumping that in the river. Has the Minister made any enquiries as to whether that dead cat being dumped in the river?

MR. JOHNSON (Gimli): No, Mr. Speaker, I have no information with respect to that. I imagine there are other objects that get in but I'll make an enquiry.

MR. SPEAKER: Orders of the Day.

HON. GEORGE HUTTON (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Speaker, before the Orders of the Day, I'd like to table a return to an Order of the House, No. 12, dated March 6th, 1962, on a motion from the Honourable Member for Gladstone.

MR. SPEAKER: Orders of the Day. Orders for Return. The Honourable Member for Brokenhead.

MR. S. PETERS (Elmwood): Mr. Speaker, in the absence of the Honourable Member, I beg to move, seconded by the Honourable Member for Logan, that an Order of the House do issue for a return showing: The absolute amounts and the percentage amounts paid by the province for secondary school construction: (a) Agassiz Division (all new secondary Schools); (b) Turtle River Division (all new secondary schools); (c) The Walter White secondary school, located in the Lord Selkirk Division.

Mr. Speaker presented the motion.

MR. ROBLIN: Mr. Speaker, the Minister of Education is unfortunately out of the City at the moment and I'm not able to consult him. Off-hand I see nothing wrong with this Order, but I would just like to make a reservation in case he does tell me later on that there is something in it he might find difficult to handle.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Here he is now.

MR. ROBLIN: Well we'll accept it on that basis because he hasn't had a chance to see it.

MR. SPEAKER: Agreed?

MR. PAULLEY: It was in Votes and Proceedings Notice of Motion, Mr. Speaker.

MR. SPEAKER: Orders for Return. The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, I beg to move, seconded by the Honourable Member for Lakeside, that an Order of the House do issue for a return showing: (a) The number of loans made to date by the Manitoba Development Fund in excess of \$1 million; (b) The number of loans in excess of \$1/2 million; (c) The number of loans in excess of \$100,000; (d) The number of loans in excess of \$25,000; (e) The number of loans under \$25,000; and (f) The number of loans under \$10,000.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Committee of the Whole House.

MR. HUTTON: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Industry and Commerce, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee to consider the following bills.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House with the Honourable Member for St. Matthews in the Chair.

Bill No. 29 was read section by section and passed, with Section 1. as amended.

HON. GURNEY EVANS (Minister of Industry and Commerce)(Fort Rouge): Title as amended -- that's the title as amended is it?

MR. CHAIRMAN: Oh yes, pardon me. Title as amended -- passed.

Bill No. 72, 1 -- passed.

MR. HUTTON: Mr. Chairman, I beg to move, seconded by the Honourable Minister of Mines and Natural Resources, that Section 31 (a), as set forth in Section 2 of An Act to amend The River and Streams Act, be amended by adding the following words after the word "done" in the sixth line thereof; "whether before or after the coming into force of this Act."

MR. Chairman presented the motion.

MR. HILLHOUSE: Mr. Chairman, may I ask the Minister is that for the purpose of carrying out the request of Mayor Kushner that it be made retroactive?

MR. HUTTON: Yes.

MR. D. L. CAMPBELL (Lakeside): Mr. Chairman, is there any -- I presume that there is no suit pending or this would not be done, but is there any likely claim that anyone is aware of?

MR. HUTTON: Well the reason for providing for the limitation of liability is that this authority is, under the Act, compelled to make decisions in respect to property. Now in good faith they may permit someone to build 10, 15 or 20 years from now and there may be losses arising out of this action. Now if this limitation of liability is required for anything that they do in the future, then it may well be that some of the decisions that they have made since the authority was set up may, in future years, result of loss to someone, and it appears reasonable to safeguard them against future action in respect of acts which they have done in good faith as well as those they may in the future.

MR. CAMPBELL: I can quite understand that, Mr. Chairman, and I have no objection at all. The only point I make is that if there was any case pending at this time that the officials were aware of, then I would consider those to be in a different position to future ones that might occur. Retroactive legislation -- and that's what this amendment is, I take it -- is always something that we have to be a little more careful of than the legislation that provides for the future, of which the public is adjudged to have knowledge. If there are no cases pending that the officials know of, I would have no objection.

MR. J. M. FROESE (Rhineland): Mr. Chairman, in speaking on Section one, I would like to see that figure changed from three to two, making it read 250 feet instead of the 350 feet as proposed in the bill. Representation was made to committee and I think we could compromise on this point and make it read 250.

MR. CHAIRMAN: Are you ready for the question on this amendment?

MR. EVANS: I don't understand that the honourable gentleman moved an amendment. He expressed an opinion.

MR. CHAIRMAN: All agreed?

MR. EVANS: Let's be quite sure what we are agreeing to, Mr. Chairman. My understanding is that no motion has been made that the clause of the bill is now being considered as written.

MR. CAMPBELL: I think that you, Mr. Chairman, were really putting the Minister's amendment, were you not?

MR. CHAIRMAN: Yes. The amendment has to be put.

Mr. Chairman put the question and after a voice vote declared the motion carried.

Section two as amended -- Section three --

MR. J. COWAN (Winnipeg Centre): I would move, seconded by the Honourable Member for Rhineland, that the word "two" be substituted for the word "three" in Section one. We were told at the committee that this Mr. Templeton was about the best engineer there was in regard to this question of land slippage and so on, and he said he didn't think it made much difference whether it was 250 or 350. Also, we had it pointed out to us that this would include land on the west side of Scotia Street, and why should the people on the far sides of these streets be having to go to this authority to get permission to change a building or build a building on the far side of the street?

MR. HILLHOUSE: When Mr. Templeton addressed the committee, what he said was

(Mr. Hillhouse, cont'd.) . . . that in the original suggestion it was 250 feet, but I don't think that he suggested that in this particular Act it should be reduced to 250 feet. What he told us was he didn't think that we went far enough in the first instance. We should have added on the other 100 feet then.

MR. HUTTON: Mr. Chairman, I think that we could only amend this by completely ignoring -- if we amended this to read "two" instead of "three", we would be ignoring the express desire of the municipalities concerned; we would be ignoring the advice that we received from an acknowledged world expert in these matters; we would be ignoring the wishes of the people who are charged with a responsibility of regulating building in respect -- I think it would be just plain folly to ignore these requests on the part of the municipality; on the part of the authority; the recommendations on the part of acknowledged experts to do something that can only hamper the efforts of responsible people to try and give guidance in respect to a problem that is very real, can be very costly to individuals who would be led astray by such an amendment as being proposed.

Mr. Chairman presented the motion and after a voice vote declared the motion lost.

Bill No. 29 was read section by section and passed.

Bills Nos. 25, 74 and 92 were read section by section and passed.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of the Whole has considered the following bills and directed me to report the following: No. 72 as amended; Nos. 25, 29, 74 and 92 without amendments; and directed me to report the same and asks leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Swan River that the report of the Committee be received.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

Bills Nos. 72, 25, 29, 74 and 92 were presented for third reading and passed.

MR. EVANS: Mr. Speaker, this morning being devoted to government business, I would ask you to call the Supply motion.

MR. SPEAKER: I didn't hear what you said.

MR. EVANS: I would ask now Your Honour that you call the Supply motion.

MR. SPEAKER: Committee of Supply.

MR. EVANS: 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 into a Committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for St. Matthews in the Chair.

MR. CHAIRMAN: Resolution 26. 1. Administration.

MR. KEITH ALEXANDER (Roblin): Mr. Chairman, my main reason for rising is not to comment on the speech made last night by the Honourable Member for La Verendrye, but I can't help but take advantage of this opportunity to say a few words on it. The one thing I can't figure out is how on earth a man with the views that he expressed here last night or yesterday evening ever managed to run as a supporter of the Campbell government of 1958. He must have been one of the most frustrated Liberals in the Province of Manitoba. Now as I continue to listen, I must admit that I started to shake in my boots just in case there is the odd one chance in a thousand that this man would ever be in a position to represent the agricultural community of Manitoba in Ottawa.

The main reason I got up, Mr. Chairman, to say a few words -- and I know the Minister is too shy and too modest a man to express the opinion that I am going to express at this present moment. I want to emphasize that I am expressing and speaking these views as a farmer of Manitoba, not one of those elite farmers that the member from La Verendrye mentioned who have university degrees and are purebred herd breeders and who do not need the services and advice of the ag reps of Manitoba, but rather just a pure "Joe Blow" farmer with a Grade XI education who quite often takes advantage of the advice and services of our local ag rep and finds himself in need of this service that is provided by the Extension Department of the Agriculture Department of Manitoba.

I want to say a few words about the job that our present Minister of Agriculture is doing

(Mr. Alexander, cont'd.) . . . for Manitoba and I'd just like to touch lightly on some of the highlights. First of all, the Research Council where he gave a great deal of leadership, and I also believe it was his original idea and his work that got the thing going and got it started. I'd also like to mention the expansion and the emphasis on agriculture at the University of Manitoba, and I'm sure even one who is as blind with prejudice and narrow-minded partisanship as the Honourable Member from La Verendrye, will recognize the wonderful work that is being done out there since this government took over and since the present Minister of Agriculture took over. There is also a great deal of pride by the members who work out there now in the department. I had occasion to make a few comments on behalf of a young man who was interested in continuing his education at the faculty, particularly in Research, and department heads were very pleased to be able to say that they felt that they had out there, facilities that were possibly only second to the Ontario Agricultural College at Guelph. They're very proud of the facilities they have out there and the work that they are now able to do.

I'd also like to mention the leadership and the work that the Minister of Agriculture did when we were faced with the drought situation in Manitoba this summer. I think the prompt action that he took prevented what could have been a panic in marketing. I would also like to mention, as has been mentioned briefly, the improved work that is being done by the Extension Department in agriculture.

These are only some of the ideas, Mr. Speaker, some of the things that have been done which are directly attributable to the Minister's ideas and the Minister's hard work and the work of the department under his leadership. Sometimes the member for St. Boniface -- he isn't here -- he seems to be allergic to the word leadership sometimes, but I think in this case that leadership is the only word that adequately describes the work that our present Minister of Agriculture has been doing in the agricultural field of Manitoba. I think, Mr. Chairman, I can safely say that our present Minister of Agriculture is giving the Manitoba agricultural community representation in this House and also representation in the inner councils of government that we haven't had in Manitoba for many and many a long year. These are not only my views, they are views that have been expressed to me by farmers, ordinary farmers in the community at home. They know and they appreciate the work that he has done and I just want to take this opportunity of passing along their appreciation to the work that George Hutton has done in this Province as Minister of Agriculture. Thank you.

MR. HUTTON: Mr. Chairman, I wish I could wear that hat. All the things that he said were true, but they're true of somebody else. The man who has made it possible to do the things for agriculture in Manitoba is the Premier of the Province of Manitoba, Premier Duff Roblin -- (Interjection) -- Yes, mutual admiration society. I'm the first one to give the credit where the credit is due, because if it weren't for the understanding of the fundamental problems of agriculture and a wide grasp of the situation, both here in Manitoba and as it relates to the nation and to the world situation, these programs wouldn't be possible and let's not forget that. It's a great privilege to work with a leader and with colleagues who make it possible to carry out programs that are beneficial for agriculture, and I think the credit in this case is misplaced and it should be directed to the man who is indeed responsible.

MR. STAN ROBERTS (La Verendrye): Mr. Chairman, I think it is a little bit early for pastry this morning. It wouldn't be too bad if we started out in evening this way perhaps after a dinner of rather rich foods, but this is just a little rich for my digestive abilities.

I didn't agree too greatly with the member for Roblin's earlier remarks because he didn't say anything in the first place. His first reference to my being a frustrated follower of the former government are quite ridiculous of course, because this is exactly what I was trying to point out last night, that we have gone through four years now of a new government, but at the same time the whole agricultural economics picture has changed during that same period. The world situation towards agricultural products and trade have changed. The situation right here in Manitoba towards the products that we should be growing, how we should be growing them; towards extension ideas; towards marketing ideas; even the problems of drought and so forth are new problems; and yet despite what the Honourable Member for Roblin has said and what the Minister of Agriculture has said, we don't see this great leadership that we expected to see.

Now I gave credit to the Minister of Agriculture and I give him credit again today for instituting the Research Council, for showing some enthusiasm in this field, calling the first

(Mr. Roberts, cont'd.) . . . meeting and getting the thing, I hope, rolling, but it's been a long time getting started. But at least he took that first step that I gave him credit for. I have given credit to the work that is being done by the university and I gave him credit for what he has done during the drought problems; but I'm talking about what he hasn't done and what he should be doing in the future. There's all sorts of fields in which he should be moving, because the drought situation is not over; we have still a drought on our hands. Extremely large amounts in the field of extension must be done and they're not being done. And because there's many, many fields in agriculture in which leadership is required, and we have this great staff in the Department of Agriculture of aggressive young men, but men who, just like any other group, require a man at the top to have the kind of enthusiasm; the kind of leadership; the kind of a vision, I said, that is necessary in order to instill throughout the whole agricultural community of Manitoba that desire to overcome the problems that we've got, to introduce new ideas, new products, new methods of extension -- all these fields in which there's so much to be done -- and I wish the Minister well. I hope he can do all these things, but he must never hold up because it's a big job and it must be done, and it must be done very, very quickly.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, I think that I would have much preferred saying what I have to say now -- I would prefer having said it last night. However, I would like to join with the previous speaker and the Minister himself in expressing confidence and gratitude to the members of the Minister's staff. I have to confess that I do not know them personally as the previous two speakers did, but I certainly accept their word for it that these men who were spoken of last night do possess the utmost competence in the work that they are doing. The only men in the Minister's Department that I know personally are several men at the level of the agricultural representatives; men I got to know through 4-H club work when I was at that age level. The Minister made some comment last night about how well the program, 4-H clubs were going; how large a number of young people were learning public speaking, etcetera; and I think this is good news indeed. Ten years ago -- 12 years ago -- we had programs much the same as that, although I don't think it was quite as extensive. In any case, some of the contacts that I have had with the Department of Agriculture and its extension service was the time when I was a member of the 4-H club in my area.

No one did -- of course the Minister didn't nor the previous speaker -- but I would like to go one further and express a certain amount of confidence in the Minister himself, at least in the sense that I felt that last summer when the crisis -- and there was a crisis -- did hit Manitoba agriculture, he seemed to be on top of the situation. Perhaps this points out and underlines the competence of his staff. I don't know just where credit should be given, but I think perhaps some of it is due to the Minister himself. He did show his capacity to meet the need when it arose. I think that the program that he came out with, the emergency program as regards fodder, was a good one. I don't know just to what extent people availed themselves of this program or co-operated and participated in it, but I think according to the figures which the Minister cited last night, it was pretty extensive. It's a pity that more people did not know about it or that more did not take part in it. I don't think that in my particular area the registries at the municipal fodder bank were very high, but perhaps it is because in my area the drought situation was not that hard felt. The registrations at the municipal fodder bank were not really high in my particular district.

I would also like to commend the Minister for initiating or helping to initiate the Agricultural Research Continuing Committee last April. Perhaps that isn't the right name for it or term for it, but the work of research and agriculture must be intensified and the meeting that was held here in Winnipeg last April in regard to agricultural research was certainly a big step forward.

Well these are things which can be put on the plus side of the ledger as far as my honourable friend is concerned. These are all positive things. I think, however, it wouldn't take any amount of imagination to realize that the Minister, through various things that he has said or actions that he has undertaken, can also have attributed to him certain things that we must put on the liability side of the ledger. Well I don't like to be repetitive and bring up old accusations, but I merely want to point out to him that now, for the first time, he is taking the right road with respect to crop insurance; for the first time he is starting to put pressure on the federal government for them to provide a re-insurance feature to the crop insurance

(Mr. Schreyer, cont'd.) . . . program. I recall so well last year when I spoke on crop insurance, and I pointed out the difficulties of the present program and the need for some type of re-insurance being underwritten by the federal government, the Minister wasn't too happy to get this bit of advice.

The Member for La Verendrye said that crop insurance might still not get off the ground in Manitoba and the Minister scoffed at that point again. I want to suggest to him that according to the statistics which are shown in his report, the last Annual Report of the Department of Agriculture, that it appears that there is still no great fondness or liking for crop insurance in at least three of the four test areas that are presently provided in this province. One page 133 of the report we find that in the northern test area, what is the percentage participation -- 25.8 percent in one municipality and 22.2 percent in the other, for an average of 25 percent. In the southwest test area there is 18 percent participation in one municipality; 31 percent in the second; 38 percent in the third; for an average of 30 percent. In the south central test area there are six municipalities with an average participation of farmers of 29 percent, and only in the west Red River test area does it seem to have a percentage participation which would be over half, but all in all, through all test areas, the average participation of farmers is 38 percent. Now this is certainly not very encouraging, and while I would not try to make a federal case out of it, I think it should point out -- if nothing else -- it should point out to the Minister that the crop insurance scheme, aside from the re-insurance feature necessary we must work out with the federal government, there are features which are still not too palatable to farm people. The premiums are just a shade on the high side. It would seem this is the dominant feature which keeps out such a high percentage -- such a large percentage of farmers in these test areas, in these areas where they could avail themselves of crop insurance.

The Minister did try to boast a little, I suppose, about The Agriculture Credits Act, and there quite frankly this was an innovation of this government which you can't take away from them. However, you know credit is something that, while the availability of it is important, to rely on it can be dangerous. I think I can't put it in any more plain words. Isn't it a fact, Mr. Chairman, that the indebtedness of Manitoba farmers today is the highest since the years of the thirties? Of course it is possible to over-emphasize the importance of this and I do not want to do this, but if the indebtedness is at the level of about \$88 million, as I understand it to be according to a Farmers' Union news release, then I think we've come to the point where we have to say that provision of credit, while important, should not be relied on as being one of the ways that we're going to solve, or try to solve, the farm agricultural industry problem. Of course it's tempting to say, "Let's solve something," but when you have a problem as complex as the problems that face the agricultural industry today, we can only hope to solve it first by stating, or trying to arrive at just what are the basic causes of the problems of agriculture.

This is where I feel the Minister of Agriculture, despite his good intentions and works and all other things, this is where he is doing the farmers of this province a disservice. I look at his press releases; I look at his statements which are printed in the press; and, oh at least once a month, he comes out with a dilly. At least once a month he comes out with statements such as the following, and I quote from the Tribune of March 30th, where the Minister is speaking to a Farm and Business Forum at the Royal Alexandra Hotel. He starts out according to this release, by saying that "farming in the next three years will have to undergo dramatic changes in order to keep pace with increased consumer demand." Now if he got this information from this Agricultural Research Committee that was set up last spring, I would not feel in a position to challenge that. But how accurate is such a statement, Mr. Chairman? Now I realize we're here and we're supposed to be looking at long-range possibilities. Will there have to be great changes in farming in order to keep pace with increased consumer demand? I have here a clipping from the Co-operator of last fall in which President Kennedy, here again taking the long-range view, said that by 1980 we will need 50 million acres less in order to provide food for that time. Well the point I'm trying to make is, I think that sometimes we can confuse the issue if we allow ourselves the luxury of long-range forecasting on inadequate research and knowledge of the facts.

The Minister also said at that time that we'll have to find job opportunities for rural people leaving the farm. To me, the inference of that statement is that we won't have to continue to encourage, if not to encourage, at least to do nothing to try to stop the exodus from the

(Mr. Schreyer, cont'd.) . . . farm. To me this is -- and if I didn't know the Minister, I would say brutal -- but I know him and I suppose it is just that he is convinced the exodus must continue and he will have no part of any program that will try to keep the people on the farm. I suppose defeatist is accurate and kindly enough -- I really do not want to be terribly critical. Now these people that talk about educating farm people for non-farm work must obviously have in mind that this exodus will continue. They do not realize that in the next 20 years the growth of the labour force by itself is going to be so much that we -- that is to say the industrial sector of the economy will have to go some to absorb these people. How in the world can we talk in terms of having farm people leaving the farm being absorbed into the labour market. It just doesn't make sense.

Another statement he made that didn't do a bit of good, when it comes to really understanding the situation, was just the other day when he was replying to the member for La Verendrye. It wasn't a bad statement until he came to the last, near the end when he said, "farmers today are better off than they were before; they're eating better; they have a better taste in their mouth." Now surely, Mr. Chairman, a statement like that really isn't very accurate. Farm net income since 1958 has gone down every year. How could the Minister say that farmers today are better off? Farm net income, 1958, \$136 million -- this is for Manitoba; 1959, \$113 million; 1960, \$111 million; and last year, \$55 million. Now the Minister is going to say: "What do those figures mean?" He challenged the member for La Verendrye last night just what is meant by net income. Net income is made up of the following components. It's made up of cash income, income in kind, supplementary payments and value of inventory change. All right, and from that you subtract operating and depreciation charges, and so that gives you net income. In the last four years it has gone down a little each year, except the last year -- it's gone down a lot because of exigencies of nature -- so I simply reject, despite the acreage payments, supplementary payments, I reject the allegation that farmers today are better off than they were in the mid-fifties. This is simply not true. And this is the basic and the crucial problem that's facing agriculture.

The Minister, of course, is not in a position to deal with this main problem. That falls to his federal counterparts. He is in a position to work on things that are peripheral and sometimes fairly important, like crop insurance, research, farm credits -- but let's not boast about credit -- and information and extension service through his own department; and when you read the report you find there is some pretty impressive activities going on through the auspices of the department. We find, for example, farm management courses and how to keep farm records, adjustments and operations, the use of credit, weed control field days, agricultural engineering field days, farm buildings, information on farm water and sanitation projects. Eight plumberama field days were held last year. This is the famous plumberama I take it that was referred to a couple of years ago as Manitoba's water and sewage program. Plumberama -- I suppose that's plumberama in this division. The Minister should have taken a camera and taken a movie picture on these field days so that he could show them to the House, because this water and sanitation project -- eight plumberama field days -- I think that this is pretty important. I think it is something that would be appreciated by the people who were living in districts where this service was provided. I make the point now just so that there can be no forgetting about it, that this never was intended to be a full-scale, province-wide program of sewer and water for the farmers of this province; but the Minister, trying to keep up with developments in other provinces and trying to get the utmost in publicity, let it out to the press that this was a province-wide program, and it certainly appeared that way in the press. In effect, and now there can be no doubt, that what it was, was a series of eight plumberama field days. These things the Minister does have under his purview and in many ways has been doing a good job.

Now I don't know whether I should leave the matter of water control and conservation until later or deal with it now. I think that perhaps I could deal with it now and save time later. It seems that, according to what the Minister outlined to us with the help of maps here the other day, that the water conservation and control measures advocated and presently being put on the planning board, or into effect by this government, are anticipating the future needs of Manitoba and, as such, we welcomed them. I would ask him whether the department has given any thought towards the revision and reorganization of drainage maintenance districts in

(Mr. Schreyer, cont'd.) . . . this province. I have had it told me that the Department of Agriculture and Conservation is thinking about this. I personally would welcome it, not that there is anything so terribly wrong with the present operation of the drainage maintenance district, but I think reorganization into watershed conservation districts might be more in keeping with present-day needs.

I have one problem, or one criticism of drainage maintenance districts. It's only a very minor and specific one but I point it out to the Minister just for his information. I find that in my own area some of the drainage districts were set up many, many years ago and they really don't adhere to watershed boundaries. We talk about gerrymandering in politics in constituencies -- some of the drainage districts in my area, the boundaries are very irregular because at the time they were set up, and I make no bones about it, the councillor and reeve of the municipality didn't want to be included in the drainage district so they could avoid paying the acreage tax. Nobody wants to bother too much about it; everybody is dissatisfied with the present boundary but nobody wants to "fill the cap" so to say. I might offend a few people's feelings, but be that as it may, drainage district J has very irregular boundaries. But more important than that, wouldn't it be more efficient in many ways to have drainage districts reorganized into watershed districts and conservation areas?

Now the floodway, and I think that here is where I feel that all of the good things that I have said about the Minister, I cannot repeat in any minute way because there is simply nothing good to say about the Minister's actions with regard to the program that is being carried on with respect to the Red River Diversion. We have had so many problems in respect of the floodway, almost all of which emanated from the fact that this government proceeded wrongly right from the very first step. My leader must have spoken for two hours, pleading with the government not to expropriate in the manner in which they did. Eventually he was ignored. But what has happened is that there has been all sorts of hitches developed, all sorts of inequities, all sorts of frustrations, all sorts of doubts, resulting from the fact that the government expropriated first and tried to negotiate price after. You never get clarity if you read a sentence from back to front. You don't get understanding and, in like manner, you don't get true negotiation of price of land when you expropriate first and negotiate after. Now what has happened? I've been reassured ten times if I've been reassured once, that this government would not -- through its floodway committee -- would not resort to horse-trading, but this is precisely what has happened in regard to the purchase of land for the floodway.

I wrote to the Minister this summer and I said to him that there are people in my area who are concerned that the government is resorting to horse-trading; that the government is sending its purchasers to people who are showing willingness and anxiety to sell, and government purchasers go there and are able to buy the land at a lower price and, in that way, they seem to be setting a pattern of values for the district. I got a letter back from the Minister saying -- it was a long letter and it took a long time in answering -- nevertheless I got the reply in which he said: "Tell your people that we are not horse-trading; tell your people that this has never been the case." -- I can't remember the exact quotes. I played ball with him, because I read his letter to a meeting which we had out there and I said, in view of this letter, it would seem that maybe we are over-anxious about this idea of horse-trading -- maybe we are -- but when all is said and done, what can you make of this, the fact that it seems in every district the old age pensioners were the first to have sold. Now that's one thing. Another is that some people were approached a year ago, some were not given an offer until last fall. I realize the complexity of the operation, but ten months elapsing between offers being made to some and offers being made to perhaps the last few. There was dickering all along. I can give you examples of people who were made an offer and they wouldn't accept it. There's not supposed to be any horse-trading, but three weeks later the government purchaser comes back and makes an offer that is about, oh ten percent higher. If that isn't acceptable, it's 15 percent -- he drops it back to five -- that sort of thing.

The most important thing has to do with the standard of value that was established. I always suspected that the Provincial Government was paying just a bit too low for land, in the area that I'm acquainted with, for the floodway; but I of course, not being an appraiser or an expert in the matter, couldn't say very much. We set up a Committee to deal with this problem a year ago and we hired two appraisers on our own. They investigated three properties

(Mr. Schreyer, cont'd.) in full and they handed in a report last month, and in that report, out of the three cases they re-appraised, they found that the government was ten percent too low on two of the properties and 50 percent too low on the third. Now where do we go from here? Some people have already settled and accepted a price; most have not. If the government is out ten percent on two properties and 50 percent on a third, it's conceivable that they're out that much on all properties, and so what kind of justice do we have here? As far as I am concerned, land is land and it has its value, regardless for what purpose it is bought. I don't think that this should have any bearing to the "seller" to what price he gets.

I wanted to find out from the Minister why it is that people with land along Highway No. 59 and the area from Birds Hill north to Lockport are getting only, approximately speaking -- or roughly speaking -- are getting only one-half of that paid to people with land in the St. Andrews district. They haven't got an answer. I tried to move an Order for Return and I realized it wouldn't be accepted unless the Minister wanted to accept it, because on a point of order it involved another jurisdiction, namely, the federal government, but I still want the Minister to tell me why it is that there is such a large differential. I asked the appraisers, I said: "In your opinion" -- and I've got 150 witnesses -- I said: "In your opinion as a professional man or as an appraiser, can you justify the differential of 100% between land prices paid in the Narol-Gonor area and land price paid by the federal government in St. Andrews?" After some evasion he finally said, "No you can not", and over 100 people heard that. So the Minister can probably get up and tell me -- we have to buy thousands of acres; we couldn't afford to pay the price that the federal government paid. Well what has that got to do with it? As I say, to the "vendor" his land is his land, it's worth an absolute amount. It doesn't matter to him and it shouldn't matter to him to what purpose it's being bought or on what scale the purchaser is buying land. That shouldn't enter into it at all. Well I still want an answer from the Minister why this huge differential. Please don't tell me I'm playing politics on this point, because one of your federal counterparts really dragged this into the political mire. He suggested at a meeting in my area that the reason they were getting half of what the people that sold to the federal government -- the reason they were getting only half was because they were represented by a member of the opposition and he was the federal MP, and he says they got the price they wanted. Boy! So you just better not say that I'm using this for politics. I could ask you nicely and I ask you nicely once again -- I ask you nicely -- tell us why there is such a differential. Can you do that -- tell us why there is such a differential?

A few other matters. I think that since the government is showing concern for ground water supply and is taking steps to conserve and study ways and means of conservation of this supply, could the Minister tell us what is the policy of the government with regard to compensation, if people living in near proximity to the floodway should have their ground water supplies disturbed. It will mean possibly re-locating a well or drilling deeper. This would involve, I would say, considerable expenditure. Will the government participate in defraying part of the cost? This is something we have to know now, not after the floodway is built, because then it can be ragged around for a couple of years and end up with the government washing their hands of it.

Another point about the floodway which I think we must discuss now for public information. I understand that the government is buying up land -- in places they have bought land more than they actually need for the construction of the floodway. In other words, there will be acreage not necessary to the actual floodway. What is the government going to do with this land? Are they going to give the man they bought it from, first option -- and I want an answer and not equivocation on this -- and will he have this option to buy it back at the price which he received, which would seem to be the fair and sensible thing. I presume the government isn't interested in going into the real estate business although I have heard strange rumors -- how some of these rumors come about -- that some of this acreage that isn't really necessary for the floodway, the government is going to subdivide and sell lots with floodway frontage -- sort of a Riviera atmosphere. -- (Interjection) -- Well I know these rumors are silly and the sooner they are expelled and renounced the better, but you see I asked the Minister three days ago what the government's policy was and he didn't really give me an answer that was satisfactory. And yet one other point. Oh yes, let me say on this last matter, that it would seem most sensible for the government's policy to be very simple in this case. Where they have bought up

(Mr. Schreyer, cont'd.) . . . land and they don't really need it, the first option should be to the man who it was bought from at the price he received -- at the price he received. Let's not have the government go into land speculation, especially a Conservative Government.

The last point has to do with the tax revenue base of the municipality. I don't know how this is going to affect the municipalities south -- it won't affect the Town of Transcona -- but in my area the expropriation of property for the floodway is going to mean the loss of considerable acreage, and acreage that had a tax revenue-bearing value to the municipality. I know I brought this up last year and again it was sloughed off. I want to know whether they have worked anything out with the municipalities concerned in order to give the municipality a tax base comparable to the tax base that existed before the land was expropriated. I don't think, that because the government is building a public work which results in the loss of revenue-bearing land to the municipality, that the other residents are going to have to take on that burden. It might be only a matter of cents, a very small fraction of a mill increase, but still this should be worked out in co-operation with the municipalities.

All of these points, Mr. Speaker, I think are of urgent public importance respecting the floodway because we're going to start excavation in July. Properties are being bought and are in the process of being bought and so many of these things have been left up in the air -- almost disgraceful differentials in land value; no information as to ground water supply or policy in case it should be affected. They bought up land in the Narol-Gonor area. They paid about \$125.00 an acre for it -- and I don't want to go into that again -- but I simply want to say that these people in Gonor and Narol are market gardeners. They're not farmers in the real sense of the word. They're market gardeners and an acre of land is worth more to a market gardener than to a farmer, but all this has been ignored because across the river there were no market gardeners, they were farmers. I should know because two of the people who got the high federal offer were my brothers, and they're certainly not market gardeners. They're farmers, and yet they got twice as much for their land as did the people over in the area that is being where the floodway is. I can't do a thing about it if the Minister wants to be evasive and wants to equivocate, but I suggest to him that, in all fairness to these people, he should stop equivocating now and he should start giving us the facts.

MR. CAMPBELL: Mr. Chairman, my remarks at this time will be quite brief because I intend to discuss only a few matters on the general item and leave the comments that I have on particular ones until those items are reached in the course of the consideration of the estimates. I would like, however, to join with those who have preceded me in paying my respects to the Deputy Minister of Agriculture. The present Minister paid him what could be described I think as a glowing tribute, and I'm sure it's one that is deserved. He described him as a grand old man of Manitoba agriculture, and when I recall that Jim Bell is just slightly older than myself, I can't help but reflect that I could at least qualify for the first part of the description if you just left out the "grand" and "of agriculture".

But I have another connection with Jim Bell besides that. It's very difficult for me to acclimatize myself to calling him Dr. Bell because for well over 40 years I have known him as Jim Bell, and during a dozen years I, too, was privileged to work closely with him as his Minister and he always, to me, was a personal friend as well as an outstanding official. As a matter of fact when Jim Bell, very soon after graduation was chosen by the department as an Agriculture Rep, he being the most promising or certainly one of the most promising of all the ones taken on staff at that time, was assigned to the premier agricultural district of Manitoba, which took him of course to the Portage la Prairie district. So I knew him as a shy, modest young man who came out there and did a magnificent job as one of the early agriculture reps. I have continued to know him through his various degrees of advancement to a senior rep, to the Livestock Branch, to the head of the Livestock Branch, to the Deputy Ministership, and at all times and in all ways he's been an adornment to the industry he has chosen to devote his life-work to.

Then I certainly can agree with what the Minister of Agriculture said with regard to the 4-H club work. I don't intend to follow through and comment on other particular aspects of departmental work, but I would like to again express my opinion, and it certainly agrees with what the Minister has said, that I think there is no work -- positively none -- that the Provincial or Federal Department of Agriculture engages in that is of greater importance than the

(Mr. Campbell, cont'd.) 4-H club work. Being a particularly uncomplicated and uncomplex sort of an individual, when I was Minister of Agriculture I had a very simple way of judging, at least for my own purposes, the relative merits of the different agricultural representatives. I just took the one criterion of which one of them had the combination, as I could figure it out, of the greatest number, the most active, and apparently the best operating 4-H club program, and for my purposes I considered him to be the top man. I still think that it's a pretty good test because I'm sure that from the point of view, not only of developing the young folks themselves but of getting the message over to their parents and to their community, that it is the very best and most effective program that we have carried on through the years.

I could agree with some other things that the Minister of Agriculture has said too. I was sorry that he didn't go into a fuller review at this time, and I hope that he will later on tell us a bit more about some of the individual programs. In particular, I would like to ask him, when we come to the appropriate item, about bringing items 10 and 11, I believe are their numbers -- yes, items 10 and 11, the Manitoba Crop Insurance Corporation and the Manitoba Agricultural Credit Corporation -- of bringing them up to date. I recognize that the annual report carries some detail of their operations in a given year -- the year ending March 31st, 1961. That is now a full year ago and I would be more than interested to have their report brought up to date.

Similarly, I do want to ask some questions on livestock; Milk Board; of course the famous water and sewage program and how stands the hour with regard to it; certainly with water and conservation; and I suppose the Portage Diversion will get into the discussion at some place; and quite a few other items; but I prefer to leave them and I'm sure the Minister would prefer that we would leave them until we come to the appropriate item. So the only other word that I'm going to say at this time -- I guess one of my justifications for speaking at all is to join in the expressions of appreciation that have been conveyed to the staff and particularly to Mr. Bell.

The other thing that I want to emphasize is that I think that -- well I'd better preface my statement by saying this, that among all the pessimists in Agriculture, I continue to be a bit of an optimist. I don't know whether the Honourable Member for Brokenhead correctly describes my honourable friend the Minister when he accepted my amendment by saying that it was a kind of defeatist attitude that he was adopting. It seems that way to me, to suggest that we're going to have to find a great many places in other types of work for increasing numbers of agriculturists. I am sure of this, that in spite of everything that we do that's aimed to help the family farmer -- I'm not sure that I agree with all the programs that are said that are aimed in that direction -- but in spite of everything that we do, I still am quite convinced that we're going to see the farms get larger; we're going to see less people employed on the average Manitoba farm so far as the present type of farming is carried on; but I think I see in the offing this hope that the Honourable Member for Brokenhead at least flirted with when he was discussing the agricultural situation --

MR. HUTTON: That's the word -- "flirt".

MR. CAMPBELL: at least he indicated that he was thinking about it, and that is the world-wide situation with regard to foodstuff.

I know that we can't try to pretend that the Minister of Agriculture in Manitoba can do a great deal to influence that program. I know that that's something that really lies much more in the national sphere than it does in the provincial, and again much more in the international than in the national; but I am encouraged by the fact that there is a growing appreciation throughout the world of what we might call the oneness of the world, and certainly nobody that is reading the news reports these days can fail to be impressed by the fact that we have not only millions of people but literally hundreds of millions of people who are reaching out, not only for nationalization that's causing so many growing pains in the international sphere, but also for a higher standard of living.

I think that in the fact that so many people in the world, with the population increasing by leaps and bounds, with science helping to keep people living longer as well as better, that we have there on the horizon a picture that we can see of the added importance that foods are going to take in the next few years. And I hold to the view that I've expressed in this House before, that food will do another thing as well as helping to solve our economic problems -- and

(Mr. Campbell, cont'd.) . . . goodness knows they're serious enough at the moment, I know that -- but as well as doing that, I think it will make one of the greatest single contributions that anything can today to the peace of the world, because if you can get food into the places it's needed -- and it's needed in so many and by so many people -- that will make people feel a lot better. It will give them that better taste in their mouths that the Minister of Agriculture was speaking about, and it will give them some sustenance in their tummies, which is even more important than the taste in their mouths.

I think that you're going to see a development in that way. The plain fact for agriculture in Manitoba, particularly in the Prairie Provinces because we are, according to our population, by all odds the biggest breadbasket of the world, the plain fact for us is that we have got to export our products if we're going to achieve our ultimate potential agriculturally. We've had some pretty good years lately with regard to exporting wheat and other grains, and livestock products too, but we're only exporting, even under these circumstances, about one-third of our wheat -- we're only consuming, I should say, about one-third of it here and exporting two-thirds of it -- and that's what we need to do traditionally. We have to have that, and we can grow -- even taking the hazards into account -- we can grow more in the Prairie Provinces with improved techniques and better machinery and all these advances that we have had, we can grow even more in the future and we can perform, as well as doing a good job for ourselves, we can perform something in the world situation. I think that if the farmers of Manitoba can be reminded of the fact that if we could just get the rice eaters of the world today eating wheat for one meal out of ten instead of rice, it would solve our wheat production program probably forever -- maybe we'd have difficulty in producing enough.

That is happening -- that is happening -- that is one of the good things about the recent sale of wheat to communist China -- and I'm not interested in arguing the political impact of whether this has been better salesmanship or whether it hasn't. My own view, without comment on it, is that the sales effort has been greatly aided by the fact that the demand has been there -- in China, in Japan, in some of the European countries -- and that people are starting to have a greater appreciation of the value of this food. They're getting to the position of where they know the palatability of it, and I think we can look forward with some degree of confidence to that increasing.

But then when we get to the next step, both at home here and abroad -- and particularly in the almost untold millions of the so-called developing countries where the standard of living has simply got to rise and will rise pretty soon -- then if we can do the next thing, after having got them to eat wheat, then get them to come along and eat the protective foods as well, it won't be very long until we will be having a pretty big order for us to be able to supply the needs. So I remain a kind of confirmed optimist in spite of the difficulties of the present situation. As all the livestock people know, these so-called protective foods that people do come to as their standards of living rises, it takes three and a half or four pounds of wheat or other grain to make one pound of those protective foods of livestock and livestock products. And while it is true that wheat or other grains, pound for pound will perhaps keep people from starving or on the verge of starvation for an equally long time, pound for pound with meat, or milk, or other protective foods, yet the fact is that once you get the populous of a heavy populated world with a rising standard of living and eating the protective foods, then your disappearance of the grains becomes three or four times as great. I think there is some reason for optimism in the long pull, but we've got to -- and of course we have to do what are the necessary things over the short pull, and I'm not trying to pretend that the agricultural situation is satisfactory -- but I wanted to get before the Committee, Mr. Chairman, at least these thoughts that we've got a job still to play in agriculture. The Prairie Provinces of Canada are equipped to play; we can do it; and I think we've got, for that reason, a great interest in the world situation in the so-called emerging undeveloped countries in the rising standard of living in the different parts of the world -- yes, even in communist China and in Russia -- and out of all this we will get -- we will get, in time, a better position for our farmers in the western provinces.

In the meantime, I think this brings us to the discussion of an item that's already on the Order Paper in another place, and that's the so-called Common Market. I think we do have to realize that we are becoming here in the very middle of one of the big continents, that we're

(Mr. Campbell, cont'd.) becoming more and more every day, and increasingly, citizens of the world, and that we are tied up with the world situation. I think we have to be prepared to move along, and to encourage the national government to move along with the dynamic developments that are taking place in other parts of the world. I don't know, because I'm simply not well-enough informed -- I haven't the information available to me -- I don't suppose that I would be economist enough to understand it if I had it all available to me. I don't know the full implications of what the Common Market may mean to Canada. My guess is that in the short-term that it may not be advantageous to Manitoba's and Canada's agriculture; but I'm much more sure that in the long-term it will be advantageous because everything, I'm sure, that makes for better understanding between nations and freer trade between them, and the different regions growing the things for which they have the special capabilities, is in the interest of the agricultural industry. Because we are a long-term industry, don't let anybody say that I'm not conscious of the short-term problems that we face. There is a cost-price squeeze.

Agriculture has not been faring as well as other important sectors of the economy in recent years. We have had those declines in income the Honourable the Member for Brokenhead mentioned. We have difficulties and I'm not thinking of minimizing them, but I am saying let's look at the long-term picture and let's look at the implications of something that is very much in the public eye today, and let's do what we can from here in regard to this resolution that's before us in another place on the Order Paper; and with regard to the discussion here, let's do what we can to direct public opinion towards the long-term implications of this move that is certainly widespread now, and which I hope will become world-wide as a matter of fact towards better understanding between the nations and closer economics and even political co-operation. I'm just as certain as I stand here that regardless of what the short-term implications are for agriculture, and they should be protected against, that the long-term ones will be beneficial when we get the United Kingdom -- which has traditionally been one of our great markets, and we hope will long continue to be -- when you get them with a better economic base than they have at the present time and others of our markets as well.

Now I'm not going to enter into any discussion of the Common Market per se, but perhaps when it comes to the resolution with particular regard to that, I might have a little more to say. I don't want to be over-critical, like my honourable friend from Brokenhead I don't want to appear to be over-critical, but I would think that we should do from here all we can to see that the national government, who after all have got to speak for Canada in this case, should take a more progressive view than they appear to have been doing up to date.

So, Mr. Chairman, that's all I have to say on the general subject, and I shall be having a few questions to ask or comments to make when the individuals items are on.

MR. GRAY: Mr. Chairman, I confess and admit that my knowledge of agriculture is very limited. The only experience I had is harvesting for a few years a dollar a day and non-kosher food. I rose because I was very much interested and have learned a lot from the presentation given by the Minister in a less fighting and more friendly term. I was interested in the criticism by my colleague, which is not condemnation, it is just criticism a little, and if we do not criticize and if we do not find the faults, perhaps the administration will think that everything they do is just so -- have no quarrel with them at all.

But particularly I was impressed with the last speaker, and if I'm not mistaken, I think that he made the best speech that I ever heard of him in the last 20 years. His optimism is something what we need. His looking for the future is something which no one has yet expressed as nice and as intellectual as the last speaker did. We try to run down everything in this world -- and I join with him in that optimism. I still think that the day will come when the prophecy of Isaiah will be realized, that everyone could live friendly, peacefully together; and the time will come when half of the population in this world will not go to bed hungry while the other half of the population are going to the doctors for treatment from over-eating.

So I think that I have in so much learned -- enjoyed -- and it gives me an approval of my optimistic view to the world of tomorrow. I still think that if some human interest in the people of the world, whether it's Khrushchev or Nasser or anyone else, they're fighting now for power; they're fighting for enslaving a certain people for no interest to themselves and to the detriment of the millions of people that they now control. So I really feelingly feel that the Honourable Member from Lakeside has made a tremendous contribution for us to think about in these

(Mr. Gray, cont'd.) . . . debates, irrespective of the criticism and the faults and the condemnations that we tell the administration of things they have not done or not sufficiently done.

My second comment is on the wonderful work that's being done, and it could be improved, to our young generation, either through the clubs or otherwise, to see and hope that they remain on the farm; that they try to cultivate and create the biggest economic part of our province -- and this is agricultural -- not only for ourselves, but as the Honourable Member for Lakeside expressed, for others as well. We must, in order for us to exist; in order for us to maintain our position, our democratic life, we must help others; and the only thing that they can do is to encourage the young people to stay on the farm and produce the major part of the breadbasket of the world. So I'm fully and complete -- and I don't think that the Honourable Minister of Agriculture shall take exception when we tell them -- let Canada, a young country, a country of over 50 religions or 50 different ethnic groups, let this country give a lesson to the world how people can behave; how people can produce; and how people can help and still be in a country of freedom.

This is as far as my general remarks are concerned. I mentioned before that I don't know anything about detail in agriculture, but I was prompted to speak for two reasons: of the intelligence and friendly debate on the estimates of agriculture; and there's another reason -- I want my grandchildren not to ask me, "where were you when that very interesting discussion was taking place?"

Now there's only one other point which is not in general. Living in Winnipeg, in Greater Winnipeg with more than half of the population of the province, I still have great concern about the dairy industry in this province. Those living in the rural districts can probably solve this problem themselves but for us it's important that the dairy industry is being strengthened, helped, and do everything possible not to put them out of that industry. We need their milk; we need their products -- dairy products; and we need their butter. Now there was some rumour lately that the federal government has millions of pounds of butter and there was some rumour that the price may be reduced. The people of Winnipeg are waiting for that day. Margarine has been introduced and being used just because the working man cannot afford to pay the present price of butter and can get margarine for probably a third of the price. I think that the government's mission should be now, either in the proper advertising from a health point of view -- I don't say that the margarine is not healthy -- either from the point of view of helping the dairy industry and from the health point of view of using more butter, which I feel from opinions expressed by many people who know -- and the dairy industry in the Honourable Minister's address was passed up very quickly -- and I think this is something which is important, and I said important for over half of the population of this province.

I'm making only one suggestion -- I may ask questions from the other points to clarify my own thinking or my knowledge on the agricultural situation of the province -- so you will excuse me by having a man who is ignorant in agricultural field to express the few words which I did now.

MR. FROESE: Mr. Chairman, I wish to make a few comments at this time on various matters referred to in the Annual Report of Agriculture and Conservation put out by the department. First of all, I would like to congratulate the Minister on the report. I think it's a good report. It contains information on the varied and many aspects involved in agriculture and on the programs that they sponsor.

A number of members have already commented on various aspects regarding agriculture, on the farm income, the credit corporation and so on. I will refrain from repeating some of those items. However, I would like to make mention of the farm income, as already pointed out by the Honourable Member for Brokenhead, that farm income is way down and that the people of Manitoba are very much affected because of this. I, as one, am very interested in improving this situation because I still feel that farming is the basic industry in Manitoba, and that if farming doesn't go well, the economy in Manitoba doesn't go well either. This improvement I think can be done in various ways -- some methods have already been suggested. The matter of the beef and the dairy industry I think were mentioned.

One other factor I think that should be mentioned is the matter of marketing. I think this is the major point because after crops have been raised, if you can't sell them profitably your income will be down, and here I think it is up to this government, even though the matter of

(Mr. Froese, cont'd.) . . . marketing is to a large extent taken over by the federal government because of the agency, The Canadian Wheat Board, which does its selling. Members know that a lot of sales are being made presently and over the last year, especially through the communist countries, and that our sales in that respect have increased tremendously; whereas the sales to countries friendly to us are not increasing in that proportion by any means and there must be a definite reason for this. I think one of the big obstructions to this is that we're still under the Bretton Woods Agreement which requires that sales made to friendly countries have to be paid for in US or American currency. This is a deterrent in doing trade with countries friendly to us and this does not apply to those countries behind the Iron Curtain and to sales made to China and those countries. This is one reason why the trade to the communist countries is expanding and the trade with other countries is not going up. I feel very strongly on this point that something should be done to correct this situation.

I'd like to bring the attention of the Minister and the House to some points regarding special crops in Manitoba. The report refers to the various special crops that we have in Manitoba and I would briefly like to comment on some of them. After all, they're very important to us. These are areas that could be expanded, crops for which we do not have a surplus, in fact in some instances we have a shortage, and we're importing these commodities from other countries when we could grow them successfully in Manitoba if the proper research was carried out and suitable varieties were developed for use in Manitoba. One of these crops is soybeans. According to the report, less than 500 acres were grown in Manitoba in the year 1960-61. Surely we know that a lot of soybeans are imported annually, and which are processed at the Altona plant. This crop can be grown in Manitoba but the drawback is that we do not have a suitable variety for production. Either the variety is too late in maturing or, if it's an early variety, the yields are too low so that it is not a crop profitable to grow in Manitoba by Manitoba farmers. The crop cannot compete and, therefore, we do not have the production of soybeans in Manitoba. Here I would strongly recommend that further research be done and that a strain be developed that could be used and encouraged into growing all that crop in Manitoba, especially throughout southern Manitoba.

On sunflowers, I think this has proved a very valuable crop this last year and most likely an increase in acreage will result in this coming year. The crop did very well in spite of the drought that we had. Some farmers received the best crop ever and the quality of the crop was very good. We have been directing our efforts along the lines of developing rust-resistant varieties in the oil seed types. Here, I think, achievements have been made in this respect and it is good, but I feel that efforts should also be directed in getting a rust-resistant variety in the roasting type of seed because this part is expanding tremendously and large amounts of sunflowers are being exported to the United States, both as bird seed and also for roasting. Here a tremendous increase in production could take place, but I'm afraid that it will be hit by rust again, and if we expand our acreage in the large roasting type of seed, farmers can be hurt very badly because of that. I would strongly urge that a variety of the larger roasting type be developed that would be rust-resistant and more disease-resistant, because the past has shown us that every so often we will be hit very heavily by rust, as we were in 1950 and '51, and it could prove to be a disaster.

Another crop mentioned in the report is rapeseed and it also made note that acreage had been doubled in that particular year. Rapeseed is a good crop. I think it's an easy crop to grow and will do well if you have sufficient moisture. Care of this crop is similar to what you have with any other cereal grain. It doesn't need too much attention and the harvesting of it is quite easy. But here I think it is a matter of price. If the price was a little higher, I'm sure the acreage could have been increased much more than it presently is. The price at the present time will not make it a competing crop -- at least not so in the southern part of the province.

Mention is also made in the report of the tobacco experiments, and I would like to see encouragement to this program. We know that in southern Ontario people are getting large returns from their tobacco crops and it's almost year-round employment, so that if we could grow the crop successfully in Manitoba -- and I don't see any reason why we couldn't -- on top of that we could put to use some of those areas of the province that are not so good for grain growing but would produce good tobacco crops. Further, I think it would partly solve our unemployment problem and especially so in rural areas.

(Mr. Froese, cont'd.)

Field peas are mentioned. This crop seems to be a "hit and miss" crop for several reasons. One I think is markets; another one is that some years the seeds will cook well, the next year they won't. I don't know the reason for this. I think we should have more research on this very matter so that we could make the pea crop a steady crop, a crop that could be produced in larger quantities and grown successfully in Manitoba. I think until the answer is found to this matter of cooking, the industry will remain a very unstable one.

Sugar beets have been doing very well, even last year when we had the big drought. Farmers reaped a successful crop and the industry should receive every encouragement.

Now briefly, these are some of the crops that I wished to mention. I feel that if proper work is being done, proper research is carried out, that we could increase the farmer's income in these fields and that would in turn have an effect on the farm labour. Farm labour today, I feel, is underpaid. The wages are too low and in so many instances farm labour works during the summer months into the late fall, and then if they haven't got work during the winter months they cannot draw unemployment insurance and have to use up what little they earned during the year, and comes spring, they're in the same boat as the previous year -- having made no gain. I feel that this is grossly unfair and something should be done to improve the farm income and also the farm labour income.

A further matter contained in the report has to do with the pre-irrigation surveys made in the Morden area. I would like to have the Minister enlarge and report on these surveys. On page 54 of the report mention is made of three surveys. One is a detailed survey of 35,000 acres -- this is in the Morden-Winkler area -- a survey of this type is much more time-consuming than the reconnaissance survey. Two; a study of the topography was made by the engineering staff of the Drainage Division of PFRA working in co-operation with the Manitoba Soil Survey, to determine the amount of levelling required in the event land in this area was to be irrigated. It was estimated that a relatively small amount of levelling would be required. The third one is a determination of physical and chemical properties of the surface deposits. In addition, small wells were drilled to determine the depth of ground water and its salt content. I would like to have some detailed information on these well drillings. How it turned out and what prospects there are. Also on the matter of irrigation, this is very vital and I think we should do preparatory work at this time. If the dams are going to be built at Walhalla -- the Pembileer dam at Walhalla and the other one southwest of Morden, that we should prepare ourselves and advise and inform our people of what is to take place, so they can study the matter for themselves.

I have a few other matters that I should bring up. I will refer the matter of ag reps to later on when we discuss those particular items. But I'd like to briefly also discuss credit unions at this time. The credit union movement in Manitoba will celebrate its 25th or its silver anniversary this year, 1962. In 1937 the first credit union was organized in St. Malo and it will be 25 years since then. The credit union movement has grown tremendously. We have today over 90,000 members in Manitoba and I think this institution should receive very strong support from all sides of this House. I think not enough recognition is given to the credit union movement and it needs more recognition. We give recognition to the Agriculture Credit Corporation; to the Development Fund; we are doing everything in our power to develop these angles and helping them to finance industry and the farmers in Manitoba, yet we do not take advantage of the credit unions or the credit union movement, the self-help movement that we have in Manitoba and that needs further developing.

Here in this movement the people have control of their own savings and can put it to use in their own community and develop the community; help their fellow-man; and support him in his efforts to get established whenever he's in need, so that he can have a source of credit available. I don't think we recognize the value of the volunteer effort that is put forth by thousands of people in Manitoba in creating this movement. Not only are we neglecting them to a large degree but this government is obstructing progress to a large extent in the organization field. Under our present legislations and under the Director of the Co-operative Services Branch, charters will not be issued to community credit unions in Greater Winnipeg. We have in the past, asked for charters. We know that in other provinces cities are being divided into zones and credit unions are then formed according to the zoning that has been done, and that

(Mr. Froese, cont'd.) . . . we have community credit unions who have been very successful in cities, and if it's a matter of common bond, the credit union itself becomes a common bond in that area and people rally to the support of the credit unions. I think and I know that the government is also very inconsistent in the chartering of credit unions in Manitoba. Although they refuse the chartering of community credit unions in the City of Winnipeg they will give other credit unions a wide open membership. We have this in the Red River Co-op which can take in any member in the whole province of Manitoba for that matter; they have a wide open field. Yet they will restrict it in other areas and not give a charter for community credit unions in the city. This self-help movement needs promotion. We have a development fund which is being subsidized by a quarter of a million dollars, yet they will not spend any money on promoting the credit union movement, which helps the people much more because they will pool their savings and in this way provide their own source of credit to help themselves. They're not putting the people into debt as they do through these other funds.

Another aspect that I wish to draw to the Minister's attention in this movement is the Audit Department. For the benefit of the members in the House, the provincial government does the auditing of all credit unions in Manitoba. The credit unions are asked and required to pay a certain amount for these auditing services. Now it has proven in the past that once credit unions become larger than they wish to have outside or chartered accountant audit and if they do so, if they have a chartered accountant audit made by outside firms, they still are required to pay to the government audit as well. I feel this is very unfair, and where credit unions in the past have asked that this charge be not imposed on them if they have outside audits, they still are requested to pay, and I feel that this should be changed and that if and when outside audits are made that they need not pay the fees for a government audit as well. Further, the Department of Co-operative Services which does this work of auditing has no chartered accountant on their staff. I feel that this is another matter that needs attention. We at least should have one chartered accountant on the staff to do the auditing of these credit unions. We find that through past experience where defalcations or troubles have arisen that insurance companies will not recognize a government audit and that a chartered accountant audit has to be made. For this very fact and these reasons I feel that we at least should employ as head of the department, a chartered accountant auditor.

I would also like to bring to the attention that the Buffalo Credit Union's Charter, the field of membership has been enlarged and that every member of this House can now become a member in that particular credit union. I have some further comments to make regarding a separate department for credit unions but I will discuss this when we come to that particular item. I have some more items to discuss but I'll refrain at this time.

MR. CHAIRMAN: Item one, Administration -- passed?

MR. SHOEMAKER: I do intend to speak on this item, but in view of the fact that we have only got three or four minutes to go, I wonder if -- (Interjection) -- Mr. Chairman, I suppose that if I get started now that I will be allowed to carry on later on? I'm not going to --

MR. CHAIRMAN: then, if part of your speech is to the item.

MR. SHOEMAKER: We probably will not pass the Minister's Salary before 1:00 o'clock anyway.

Mr. Chairman, I would like to start as the previous speakers have, by congratulating the Minister himself on his report and particularly on the fact that he was brief in giving us the report this year. I think we all do appreciate that. I hope that he will continue that practice as we proceed along with the estimates. I would like, too, to congratulate the staff of the Manitoba Agricultural Credit and the staff of the Crop Insurance and all the various departments. I, too, would like to go on record as congratulating Dr. Bell. Now, like the Honourable Member for Lakeside has said that he has been associated with Dr. Bell for 40 years, I can say that I have been associated with Dr. Bell for 38 years. When the Honourable Member for Lakeside referred to Dr. Bell recently I got to thinking when was the first time that I was associated with Dr. Bell, and it was back about 1924, I think, when he used to come out to my dad's farm and visit it on many occasions, and at that time I was quite active in what was known then as Boys and Girls Club work. Today they call it 4-H work. And another little item that might interest this committee, Mr. Chairman, is when the Honourable Member for Brandon and the Honourable Member for Roblin, the other day paid tribute to Master Raymond McQuarrie and

(Mr. Shoemaker, cont'd.) . . . his efforts at Brandon Fair this year. Raymond's father and myself won the Canadian National trip to the Toronto Royal in 1924 for boys and girls hog judging -- in a hog judging competition, and I am very happy to see Raymond McQuarrie following in the footsteps of his father -- (Interjection) -- not calling and not sheep tying.

Now about two months ago -- about two months ago when we were in session here, before the Orders of the Day on two different occasions I asked a question of the Honourable the Minister of Agriculture, namely, was he in accord with the comments that Dr. Nesbitt made to the Manitoba Dairy Convention of some time in February. To date, Mr. Chairman, I have not had a reply to that one, although I did send the clipping over to my honourable friend and I suppose that he does have it there and intends to comment on it some time during his estimates, but in view of the fact that he has not answered it, it makes me wonder just where we are going in the field of agriculture. Another thing that makes me wonder where we might be going in the field of agriculture is a sessional paper that was tabled on February 26, 1962, and I suppose the Minister has to do it in accordance with the rules laid down. It won't take me one minute to read this one. It is the Watershed Conservation Districts Act Annual Report for the year ending March 31, 1961 and the report is "nil". That's it, so that didn't take long. I hope -- I hope that that does not suggest that the Honourable the Minister and his staff has done nothing in this department. In fact I know that they have worked in it. The Minister has been out to Neepawa on one or two occasions to see what we might do to further develop the Whitemud Watershed, but I am surprised that a report of this kind would become a sessional paper. I promise not to broadcast it around too much. Now, Mr. Chairman, it is --

MR. ROBLIN: not finished and would like to continue his remarks on the next occasion, I am sure that we will be glad to listen to him then. Before the Minister moves the committee rise, may I say something about the business of the House. I think it is now agreed that this afternoon we shall proceed with government business, starting first with the adjourned debates which were on the last sheet of the Order Paper and then taking the second readings of those other government bills which are listed there, and after that to proceed to Committee of Supply. I believe it is also understood that roughly the same procedure will hold for next Tuesday. I should also announce that it is anticipated that the Labour Bills, including the one that's being debated now, will be before the Committee on Industrial Relations at 10:00 o'clock next Tuesday and those who are interested outside the House, I think perhaps would be interested in having this notice of the proposal in that respect. I believe that this is agreeable all around the House. Some of it requires unanimous consent so I'd appreciate knowing if it's satisfactory.

MR. PAULLEY: That is my understanding, Mr. Chairman, and as far as this group is concerned, we're in accordance with the agreement reached.

MR. MOLGAT: That's in complete agreement with us.

MR. FROESE: agreed.

MR. HUTTON: Mr. Chairman, I move that the committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

Mr. Speaker the Committee of Supply has directed me to report progress and ask leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member from Brandon that the report of the committee be received.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that the House do now adjourn.

Mr. Speaker presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 o'clock this afternoon.