

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Thursday, March 3, 1966

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

MR. OSCAR F. BJORNSON (Lac du Bonnet): Madam Speaker, on behalf of the Member for Swan River, I beg to present the petition of Donald W. Muir and others, praying for the passing of an Act to incorporate The Manitoba Wildlife Foundation.

MADAM SPEAKER: Reading and Receiving Petitions.

MR. CLERK: The petition of The North-West Line Elevators Association, praying for the passing of an Act to amend an Act to incorporate The North-West Line Elevators Association.

MADAM SPEAKER: Presenting Reports by Standing and Special Committees.  
Notices of Motion.  
Introduction of Bills.

MR. D. M. STANES (St. James) introduced Bill No. 65, an Act to amend an Act to incorporate The Trafalgar Savings Corporation, and Bill No. 43, an Act for the relief of Helen Radclyffe and Edward Frank Radclyffe.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the Gallery where there are 37 Grade 9 students from the Killarney High School under the direction of their teacher Mr. Roehl. This school is situated in the constituency of the Honourable the Member for Turtle Mountain. On behalf of all members of this Legislative Assembly, I welcome you.

Orders of the Day.

MR. S. PETERS (Elmwood): Madam Speaker, before the Orders of the Day I would like to draw to the attention of the Minister of Agriculture, I had quite a few phone calls from people living in my constituency in Elmwood of the dumping of snow on the river bank between the Disraeli Freeway and Louise Bridge. I drove by there this morning and the snow is piled up quite high. If you drive over the Freeway you can't see Louise Bridge. They've got it going up on a slope this high; the people in that area are quite concerned about this, and I want to draw this to the attention of the Minister.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): Madam Speaker, I should thank the Honourable Member for bringing this to my attention, and I was able to inquire of the engineers in the Branch regarding this snow-dump and whether it represented any hazard for the spring break-up. They assured me that they had seen it and they assure me that there is no danger involved of it in any way contributing to flooding. They tell me that this snow will be long gone before the flood crest comes down the Red.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste Rose): Madam Speaker, before the Orders of the Day I would like to address a question to the Attorney-General. Has he anything further to report on the gold robbery at the Airport yesterday?

HON. STEWART E. McLEAN, Q.C. (Attorney-General) (Dauphin): Nothing further to report, Madam Speaker.

MR. MOLGAT: A subsequent question. Has the Attorney-General instructed his special investigator, Mr. Arpin, who apparently is responsible, to look into the possibility of organized crime, to study this particular case, as it appears to, in fact, be involving organized crime?

MR. McLEAN: Madam Speaker, I don't know that I can accept that assumption at the moment. The law enforcement agencies are carrying out the investigation.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, before the Orders of the Day, I would have liked to have addressed a question to the Honourable the First Minister, but in his absence I would address it to the House Leader, and I apologize for not giving him due notice. I note through the media of the Press, namely The Financial Post of the edition of February 26th, there is speculation that a separate authority will be created to construct and operate the power sites and contemplated power development on the Nelson River rather than the Manitoba Hydro. My question to my honourable friend - is this so?

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, we can accept no responsibility for what appears in the Press. When any such arrangements are made they will be announced.

MR. PAULLEY: . . . Subsequently, I appreciate that my honourable friend cannot accept any responsibility for what appears in the Press. My question to him was "Is this so?" Or may I phrase it another way: Is the Government of Manitoba contemplating setting up a separate authority for the construction and distribution of energy from the Nelson River other than Manitoba Hydro?

MR. EVANS: That is a matter of government policy and will be announced in due course.

MR. MOLGAT: Madam Speaker, I would like to address a question to the Minister of Public Utilities. The Votes and Proceedings inform us that there will be a meeting of the Committee on Public Utilities and Natural Resources on Tuesday, March 8th. I presume that this meeting will be in order to discuss the Nelson River. Is this correct?

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities) (River Heights): That is correct, Madam Speaker.

MR. MOLGAT: Madam Speaker, I wonder if I could ask the Minister whether he could see to it that at that committee meeting there be recording facilities or a court report to take down the questions and the answers that will be given, because we will be dealing here with a very major project and I think it would be important to this House, and any House in the future, to have that down in the records of the Legislature. I think also it is well for present members of the House. In my own case I regret that I cannot be there due to a previous commitment, and I think it would be very important to all of us to have this down in the record. Could he do this for us?

MR. STEINKOPF: I'll take this under advisement, Madam Speaker, and see what is involved. If it's possible, why, I'll see that it's done.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Madam Speaker, before the Orders of the Day, in reply to a question by the Honourable Member for Seven Oaks yesterday about what the government might have done in making submissions to the Federal Government on high cost of drugs. In 1962, in its submission to the Royal Commission on Health Services, there was one whole chapter, Chapter 16, which dealt with the subject of drugs and made some specific recommendations. In one, in particular, the elimination of the sales tax on drugs, that has been followed up since that time in conferences between Health Ministers and the federal Minister of National Health and Welfare, and in February of 1965 I wrote to her at that time requesting that the sales tax be removed. I have also had discussions myself with the Canadian Pharmaceutical Association, the Manufacturers Association, on this problem of the high cost of drugs, and have had informal discussions with the Manitoba Pharmaceutical Association on this problem.

MR. ARTHUR E. WRIGHT (Seven Oaks): Madam Speaker, I wonder if the Honourable Minister would table the letters from 1962?

MR. WITNEY: Yes.

MR. PAULLEY: Madam Speaker, before the Orders of the Day, I would like to direct a question to the Honourable the Minister of Education. The other day I asked him when I might expect Orders for Return for three questions that I asked of him dealing with his department, namely a situation in Windsor Park, one dealing with the City of Transcona and its school board, and the other dealing with agreements between separate schools and public schools relating to shared services. I would like to ask my honourable friend again when I might receive Returns for my request, and will I receive them in time for consideration dealing with his Estimates?

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Yes, Madam Speaker, I hope so. I was just looking into it this morning again.

MR. LAURENT DESJARDINS (St. Boniface): Madam Speaker, before the Orders of the Day I would like to ask a question of the Honourable the Minister of Education. I wonder if he could -- he might not have the answer now but would take this under advisement. Would he have the date when the change was made in the St. Boniface School Board map, when some people were affected -- they started voting in the St. Boniface district instead of Norwood. If so, would he consider also tabling a copy of this new map or any exchange of letters they've had with the City?

MR. JOHNSON: Madam Speaker, in view of certain statements made by the Member for St. Boniface which were brought to my attention, I looked into the matter and found that in 1961 a Board of Reference awarded, by joint petition from both school boards, the property in question to St. Boniface School Division. In 1961. I would be happy to give a copy, if it is

(MR. JOHNSON cont'd)... available to me, of that particular award, and the vote of course is conducted in that area under the charter of the City of St. Boniface.

MR. PAULLEY: Madam Speaker, before the Orders of the Day I would like to direct a question to the Honourable the Minister of Public Utilities. I have standing on the order paper a considerable number of questions and addresses for papers in respect to the Nelson River development. The Public Utilities Committee, as I understand it, will be meeting on Tuesday morning. I wonder whether or not it might be possible for the Honourable the Minister to file copies of the Orders for Return, in order that we may have the information for discussion at the meeting of the Public Utilities Committee on Tuesday morning.

MR. STEINKOPF: I'll try my very best to get them for you before then.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, before the Orders of the Day I would like to direct a question to the Minister of Education. In view of the controversy that has arisen between the Winnipeg School Board and the City Council over the fish plant with relation to the new vocational school, what steps, if any, are the Provincial Government taking, or are they concerned about the situation?

MR. JOHNSON: No, Madam Speaker. The short answer is that that land was purchased by a tripartite committee consisting of members of the CMHC, the City, and the Department of Municipal Affairs of the government. As you know, the City picked that site, the School Board, for part of that urban renewal development. It was moved and seconded by the chairman, members of that Committee, that that site be purchased, except that little -- I think we got 6.8 acres there, and that plant is in one corner. This was private property; it was not needed. The school is on the east side of that property, and we have not really any comment on that particular expansion because it doesn't infringe on the property that we have purchased under this agreement.

MR. PAULLEY: Madam Speaker, before the Orders of the Day, I would like to direct a question to the Honourable the Minister of Labour. The Throne Speech made reference to certain changes in legislation pertaining to the Department of Labour, such as Vacations with Pay, Workmen's Compensation, and other allied matters. I wonder if the Honourable the Minister could indicate when we might be receiving an indication of the legislation proposed by his department.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Shortly, Madam Speaker.

#### ORDERS OF THE DAY

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

MR. PETERS: Madam Speaker, I beg to move, seconded by the Honourable Member for Seven Oaks, that an Order of the House do issue for a Return showing: 1) How many old age pensioners in Manitoba had their Real Property taxes paid for by the provincial Department of Welfare under The Social Allowances Act; 2) What was the total amount in dollars paid out on behalf of the people referred to in Question 1?

MADAM SPEAKER presented the motion.

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Madam Speaker, while it is possible for us to pay taxes on behalf of pensioners in need, I understand it is very rare that this circumstance would arise. Taxes do become a part of -- one of the considerations taken into account in computing a person's need, but we have no breakdown of the information that he is requesting. It would be impossible to search all of the transactions that go through the department each year to dig out this information. I would like to say, however, that if he has any specific cases in mind I would be very pleased to try and get him the information with respect to those particular cases.

MR. PAULLEY: Madam Speaker, if I may speak to the Order for Return, I'm surprised that a Minister of the Crown would stand up and say that he can't give us this particular information. Surely, surely to goodness, in the Department of Welfare or any other department they should know how the expenditures of money are made and the various categories for which it is made. I appreciate the fact that it might entail a little bit of work on behalf of my honourable friend the Minister of Welfare or his department, but this is information that is of vital concern to the member who asked the question, myself, and others of this Assembly. We have had a considerable amount of discussion from time to time in this Assembly as to whether or not property taxes are being paid on behalf of certain people. One of the colleagues of the Honourable the Minister of Welfare, speaking the other day, namely, the Member for

(MR. PAULLEY cont'd)...Kildonan, raised the question of payment of certain taxes on behalf of old age pensioners and others who may not have the ability to pay their taxes, and, if I recall correctly, more or less made an assertion that this was being done.

Now, Madam Speaker, the purpose of the resolution, the Order for Return, is to ascertain whether or not this is being done, and surely, as I said at the offset, Madam Speaker, the Department ought to be able to tell us whether it is being done, to the degree, and how many are having their taxes paid. I see no problem at all if my honourable friend is operating his department in an efficient and businesslike manner as we expect government departments to be operated.

MR. PETERS: Madam Speaker, I can't see why I can't have this information because -- if they can have their back-benchers going around to city councils and telling them that it is relatively easy for people that are on Old Age Assistance to have their taxes paid, then they should be able to produce that information.

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

MR. PAULLEY: The ayes and nays, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House, the Order for the Return standing in the name of the Honourable Member for Elmwood, that an Order of the House do issue for a Return showing: 1) How many old age pensioners in Manitoba had their Real Property taxes paid for by the provincial Department of Welfare under The Social Allowances Act; 2) What was the total amount in dollars paid out on behalf of the people referred to in Question 1?

A standing vote was taken for the following result:-

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

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

CLERK: Yeas 19, Nays 30.

MADAM SPEAKER: I declare the motion lost. The adjourned debate on the second reading of Bill No. 7. The Honourable the Attorney-General.

MR. McLEAN: Madam Speaker, may I have leave to have this bill stand?

MR. STEINKOPF presented Bill No. 5, an Act respecting Travel on Highways and the Operation of Vehicles thereon, for second reading.

MADAM SPEAKER presented the motion.

MR. STEINKOPF: Madam Speaker, this bill represents a thoroughgoing and long overdue revision of our old Highway Traffic Act. I have prepared some notes to explain the principles of the Act, and with your permission I would like to follow them rather closely because it is a large and a technical Act.

I was asked by the Honourable Leader of the Opposition the other day if I would have copies of similar notes available, and I must apologize to him that they are not ready for today but they will be later on this afternoon, and I will have a précis for the members of the House and also the Press within a very short time.

The size of the bill itself is some indication of the amount of work which went into its preparation, work contributed by members of this House who sat on the Special Committee on Highway Safety, by numerous other persons on committees who put their best efforts into it, and of course, work done by members of the Department, and special commendation should be made to Mr. G. S. Rutherford, Q. C., the late Dr. Murray Fisher, and the late Jack Cowan.

I'm not going to attempt to cite the very large number of changes seriatim. That would only serve I think to cloud the principles involved in the bill. What I shall do is to select and refer to a number of the provisions of the bill, emphasizing those that I believe should require special emphasis, in an effort to cover the salient features and to give you a general picture of what has been done.

It is also important to have any bill on motor vehicles or highway safety, rules of the road placed in its proper position. A mention yesterday was made of the fact that a national code or a national regulation should be set down, to which we, of course, concur, and I would like to read the statement made by Premier Roblin at the Federal-Provincial Conference held in Ottawa last July 19th, which I think sets out the spirit and feeling that is subscribed to in

(MR. STEINKOPF cont'd)... the Act, and I quote:

"While Manitoba has one of the best safety records in Canada, accidents are still of shocking proportion. We need to lay down rules for safety specifications in our cars and trucks. We need a common policy for the inspection of vehicles and the training of drivers, with particular emphasis on the instruction of students. We need more stringent standards of highway safety. In this age of automotive mobility every province has a stake in what the others do, and in some areas the authority is exercised by the Federal Government itself. For these reasons I point out the need for early action and ask that consideration be given at this conference to the early convening of a Federal-Provincial Conference on Highway Safety." And it would appear, Madam Speaker, that that Conference is not far away, and there is work being done and progress being made towards the convening of that Conference.

In this new bill there is additional emphasis on safety, and to touch on some of the safety features in the bill will be the first part of this explanation. Provision has been made for grants to school divisions, school districts and other organizations for driver training and for the payment of the cost of training the necessary instructors. The desirability of compulsory inspection of motor vehicles is recognized and the bill makes provision for implementation of the necessary requirements when the time is deemed appropriate, including the establishment of inspection stations. I must inform the House that it is not the intent of the government to proclaim this section of the bill immediately, but to further study the best ways of vehicle inspection. There are many problems involved in Manitoba in vehicle inspection that one doesn't find in other areas. A twice-a-year inspection, which seems to be the most feasible, makes it very difficult, particularly during the winter months, to inspect vehicles that may be clogged with ice and snow, and also the very building for inspection is very hard to regulate with doors opening and closing in the cold weather, so there are still studies to be made on this phase of the vehicle inspection and it will be some time yet before this section of the Act will be proclaimed.

In the field of safety, we have provided in this bill that clearly-marked pedestrian corridors should be established in which pedestrians can signal drivers of their intention to cross the road and thereby secure the right-of-way for such purposes. These pedestrian corridors are to supplement and not to replace the ordinary crosswalks.

Another provision is made for better lighting of school buses, which are designed to carry 12 or more passengers.

Motorcyclists will be required to wear safety helmets.

Requirements as to turning lights on motor vehicles are made compulsory to all vehicles manufactured in or after 1968, that is the turning signals; and provision is made for making this requirement of universal application after some date that hasn't been specified. The registrar is also authorized to refuse to register any go-cart or other vehicle which he deems would create a hazard on the highway.

The registration of motor vehicles by persons under 18 years of age must now be approved by the father and the mother or legal guardian of the applicant.

Then, another section of the Act which deals primarily in the interests of equity, the convenience of the public, and an improvement in overall efficiency, embodies other changes. Representative of those changes are some of the following:

In cases of suspension by the registrar, he is now required by law, in giving the 10 days' notice, to set out in writing the reasons for the proposed suspension or cancellation. This he didn't have to do under the old Act.

In the hearing of appeals by the License Suspension Appeal Board, authority has now been provided for a single member of that Board to go out and conduct an enquiry and report thereon to the Board. If his report is adopted, it then becomes a decision of the Board.

Related to this same provision is another which authorizes the Appeal Board, where it considers an applicant would suffer undue hardship or expense in appearing personally before it - that is if the Board is sitting in Winnipeg and the applicant is fairly far removed from it - this will permit him to submit his case to the Board in writing and by mail.

I have already referred to the pedestrian corridor position. They could with equal justification have been referred to under this equity section as a convenience too to the public.

The present Board, two of the Boards that are existing now under the present Act, that is, The Highway Traffic and Co-ordination Board and The Motor Carrier Board, are consolidated in this bill and their functions in the future will be discharged by a single Board to be called The Highway Traffic and Motor Transport Board.

(MR. STEINKOPF cont'd)...

Certain changes in the old Act are simply the result of updating its requirements. For example, the section which prohibits the equipping of a motor vehicle with a radio capable of picking up police transmissions appears in the new Bill as Section 191. It has been corrected in the new Bill to refer to the frequencies that are presently in use by the various police forces.

A number of sections of the old Act, considered to have outlived their usefulness, have been dropped. All references to street cars have been eliminated.

Evidence obtained through the use of radar transmissions is now so widely accepted by the courts in practice that the relevant section of the new Act has been brought into line, and the new Section 228 of the Bill provides that if the judge is satisfied that the speed-timing device is of an accurate type and was in good working order at the material time, he can dispense with the expert evidence on the technical aspects of the equipment that is now required.

Part III A of the old Act has been omitted entirely from the new Bill, and that related to the Control of Highways, Limited Access Highways, Freeways and Controlled Areas. These provisions will be embodied in a separate statute which will be brought in shortly and will be called The Highways Protection Act.

Another guiding principle in the preparation of this revision - which we hope is in evidence throughout the Bill - was that of clarification. New definitions have been added and old ones re-worded. Penalty sections have been consolidated and appeal procedures unified. For example, the Bill contains a definition of a farm tractor. The old definition of a high speed tractor has been abandoned. Farm tractors in the future will not be required to be registered as motor vehicles. This applies only to farm tractors as opposed to other types.

Also, the Lieutenant-Governor-in-Council may, under Section 290 of the new Act, order that a local government district or any designated part thereof be deemed to be a municipality for the purposes of this Act. This will permit the ready enactment of traffic by-laws in communities such as Pinawa, Snow Lake, Thompson and Lynn Lake. Under the old Act, since the Minister of Highways was the traffic authority over all highways in un-organized territory, the enactment of traffic regulations was an extremely cumbersome procedure.

The definition of a highway in the new Bill no longer includes parking lots, although several common-sense restrictions on the operation of motor vehicles in such lots have been retained. The old definition frequently posed difficult problems, particularly in the field of interpretation.

Offences have now been grouped into three categories in descending order of seriousness. In the case of the more serious offences the penalty has, in each instance, been included in the section creating the offence, rather than being listed at the back of the Act. For the second group, the provisions creating the offences have been gathered together in one section, Section 209, and one uniform penalty for all of them is now prescribed. In another section, Section 210, a general penalty is set out for all offences for which provision is not otherwise specifically made.

An anomaly in the present appeal procedure has been removed in Section 250. Under the old Act a person whose licence or registration was suspended or cancelled by the registrar could appeal directly to a County Court Judge, or could adopt the alternative of appealing firstly to the Appeal Board and later to a County Court Judge. The direct appeal in the first instance to the County Court Judge has now been abolished in the new Bill.

And as I said at the outset, I have necessarily been highly selective in making this presentation and in picking out the sections which I thought would be of general interest to the members of this House. It isn't all-inclusive by any means, but it is intended that the bill be further ventilated when it is forwarded to the Committee. It is the intention that the bill be forwarded to the Safety Committee, but unfortunately the Safety Committee has not been established yet, and so if by any chance this second reading could have gone through today, it would cause a little embarrassment, because it can't be referred to a committee that's not yet established. The resolution providing for the new Safety Committee will be brought in within the next day or so and we hope will be passed before second reading is given to the present bill.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam, I concur in a great number of the remarks made by the Honourable Minister in explaining the principles of this bill, but I feel that he put his thumb on the pulse and the pith of the whole thing when he referred to the fact that this bill was going to be referred to a committee which has not yet been constituted or

(MR. HILLHOUSE cont'd)... appointed by this House, and I think that this second reading certainly should be held here in this House without further debate until such time as the other committee is appointed, because, reading the Votes and Proceedings, evidently the other committee is going to sit during recess and is to report to the next session of the Legislature. Now, we must first of all have an assurance from the government that there is going to be a next session of this Legislature, otherwise the work of that committee would be completely wasted, and for that reason, Madam, I feel that this bill should be held here without any further debate until we finally establish the committee to which it's going to be referred, and also clarify the question as to whether that committee is to report to this session of the Legislature, and if it's going to report to another session of this Legislature, well let's have an assurance from the government that there is going to be another session.

MR. STEINKOPF: Madam Speaker, I would welcome an adjournment by the....

MR. MOLGAT: Is the Minister closing the debate?

MR. STEINKOPF: No, just answering a question.

MR. MOLGAT: Oh, fine.

MR. STEINKOPF: Madam Speaker, I would welcome an adjournment by the Honourable Member for Selkirk.

MR. HILLHOUSE: ..... Madam, and with leave of the House, I would move the adjournment of this second reading until such time as this committee is constituted.

MADAM SPEAKER: Has the member leave to move the adjournment? Agreed?

(Interjections) The Honourable Member has spoken on it. He cannot move -- speak again. Are you ready for the question?

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

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

MADAM SPEAKER: The second reading of Bill No. ....

MR. DOUGLAS L. CAMPBELL (Lakeside): On a point of order, I just would like to clarify this point. Did I understand you to rule that it was not possible for my honourable friend and colleague to move the adjournment of the House even when leave by all the House had been given?

MADAM SPEAKER: The honourable member had spoken on the motion for second reading, with leave of the House.

MR. J. M. FROESE (Rhineland): Madam Speaker....

MADAM SPEAKER: Order, please, till we clarify this point, please.

MR. FROESE: I wanted to raise a point of order.

MR. CAMPBELL: My only point is that by leave of the House any rule can, with unanimous leave of the House, any rule can be....

MADAM SPEAKER: I'll have to take.....

MR. CAMPBELL: .... and be cancelled for the moment or leave can be given on any matter.

MADAM SPEAKER: The Clerk of the House informs me that he did not note that the Honourable Member for Selkirk had asked by leave; therefore, if we would rescind the motion of the Honourable the Leader of the Opposition, we will let the Honourable Member for Selkirk move the motion, by leave of the House.

MR. HILLHOUSE: Madam, by leave of the House, I move that the debate be adjourned, seconded by the Honourable Member ....

MR. MOLGAT: I think that I have the first move, that I withdraw my motion. I ask leave of the House to withdraw my motion. That would ..... would it not?

MADAM SPEAKER: Has the Honourable Leader of the Opposition leave of the House to withdraw his motion? Agreed? The Honourable Member for Selkirk.

MR. HILLHOUSE: Madam, with leave of the House, I wish to move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

MADAM SPEAKER: Moved by the Honourable the Member for Selkirk, seconded by.....

MR. PETERS: Madam Speaker, we do not agree to, by leave, give the Honourable Member consent to have it stand.

MADAM SPEAKER: I didn't hear the Honourable Member.

MR. PETERS: We're not giving leave from our group.

MADAM SPEAKER: I misunderstood that leave did not come from that area then.

MR. EVANS: Madam Speaker, in this event, I take it that it is now in order for someone to move the adjournment of the debate, and let's get away from this nit-picking.

MR. MOLGAT: We're back to where we started from Madam Speaker, and if no one else wishes to speak, I move, seconded by the Member for Lakeside, that the debate be adjourned.

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

MR. STEINKOPF presented Bill No. 44, an Act to amend The Manitoba Telephone Act, for second reading.

MADAM SPEAKER presented the motion.

MR. STEINKOPF: Madam Speaker, this bill provides that the maximum number of members on the board of the Telephone System be increased from five to seven, and further that there is a section which allows the Telephone Commission to raise money by way of bank overdraft or line of credit to the extent of \$5 million and other short-term ways of raising money.

MR. MOLGAT: Madam Speaker, I have no objection whatever to the portion of this bill that provides for the increase in the line of credit so far as the short-term borrowing by the Telephone System. If this will mean more economical rates insofar as that corporation in its borrowing, then I'm prepared to support that particular aspect. I'm not prepared, however, to support, Madam Speaker, the remainder of this bill which provides for an increase of membership on the board from five to seven, on the basis of the Act as it stands now.

The Minister has given us no explanation whatever as to why there should be an increase in the membership on that board from five to seven. He simply says that the Act provides for this. Well Madam Speaker, I suspect that an increase of that kind can, in fact, be a method used by this government to circumvent the fact that last year they were unable to pass through this House a Pension Bill for MLAs and Cabinet Ministers, because this is the government that some years ago changed the Act of the Telephone System, back in 1962, when Chapter 75, statutes of that year, provided under Section 15 that "notwithstanding the Legislative Assembly Act, a member of the Legislative Assembly, who may also be a member of the Executive Council, may be a Commissioner and a member of the board, and may accept from the Commission, salary or remuneration under this Act, and he does not thereby vacate or forfeit his seat or incur any of the penalties imposed by the Legislative Assembly Act for sitting and voting as a member of the Legislative Assembly Act."

The government since then has proceeded to appoint a member from their group as a board member of the Telephone System. I have no quarrel with the individual that has been so selected; no quarrel whatever with his qualifications for it. This is not a personal matter. But I feel that this is a way whereby the government can proceed to put on this board further members from their group, or past members from their group. This is a method by which this government can circumscribe completely the bill which was introduced here last year by them, setting up pensions which in my opinion were completely ludicrous; a pension bill that was nothing short of scandalous, in my opinion, and now they are proceeding to set this up with absolutely no explanation as to what they intend to do, why they need more members on that board, and I think that this opens the door, along with the changes they made before, to a situation which I'm not prepared to support.

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

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

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

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

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution Number 7 - passed.

MR. M. N. HRYHORCZUK, Q.C. (Selkirk): In answering the questions put by my Leader and the Honourable Member for Lakeside yesterday, I do not think that the Minister gave the answers to these questions. There were two questions: The first one was whether he takes responsibility for the brief that is entitled "The Profile of Poverty" and was presented in Ottawa by his department; and the second question was, why were the ARDA funds used to develop this Birds Hill recreation area? I don't think that the Honourable Minister answered these questions. I listened to him pretty carefully and I spent a few minutes in going over his statement, and it appears to me that the Minister does not actually realize the situation in which half of our farmers find themselves in Manitoba.

The reason I say this is that, in part, and I'm going to quote from Hansard, he said this; he said that the Honourable Member for Lakeside, and I quote, "didn't want to look at it in the field of agriculture probably then, and he doesn't like it when it's spelled out to him. Whether he likes it or not, that is the face of poverty, that's the profile of poverty, and it hasn't changed since 1958." In other words, he tells us to realize that there is poverty among the farmers of Manitoba; that there are families of farmers in Manitoba who are poor, and according to that said brief, it applies to about 50% of Manitoba farmers. Then he goes on by quoting from the brief, and he describes what, in his opinion, are the reasons for the poor, giving the reasons why we have poor in Manitoba, poor amongst our families in the rural areas, the farmers, and in doing so he quotes from the said brief the definition given to "poor" by Bernard Shaw.

Now I'll assume that he agrees with this definition and that he ascribes to the ideas which he quoted, and if he doesn't, I would like him to say so because it appears to me that he's away off the point. Now what did he quote? And here it is, Mr. Chairman.

"What was it Bernard Shaw said? - and he quotes: "He deplored the silly levity with which we tolerate poverty as if it were either a wholesome tonic for lazy people or else a virtue to be embraced as St. Francis embraced it. If a man is indolent, let him be poor." Is the Honourable Minister implying or stating that our farmers who are poor are poor because they are indolent? And he goes on with the quote: "If he chooses" - and this is quoting again from Bernard Shaw - "If he chooses to spend his urban 18 shillings a week or his agricultural 13 shillings a week on beer and his family instead of saving it up for his old age, let him be poor." Is the Honourable Minister suggesting that our family farmers are poor because they spend their money on beer? And he goes on to quote again: "Let nothing be done for the undeserving. Let him be poor." Does he agree that the poor families are undeserving? And he goes on: "It means, let them be weak; let them be ignorant; let them become a nucleus of disease; let him be a standing exhibition, an example of ugliness and dirt." Well Mr. Chairman, does the Honourable Minister apply these terms to the farmers in Manitoba who are poor?

MR. HUTTON: Mr. Chairman, on a point of privilege, I quoted George Bernard Shaw, when he described some people's attitude to the problem of poverty. That's all I did. I was describing some people's attitude.

MR. HRYHORCZUK: I'm glad to hear that, Mr. Chairman, but that isn't what the Minister said yesterday. The Minister said quite plainly that there are people who are afraid to face the fact that there are poor. He gave no other definition of poor. This is the only definition he gave of the poor, and he stated during his speech that he had received a lot of letters, quite a number of letters, complaining about this particular brief. Well I'm quite sure that if the Honourable Minister has reported . . . .

MR. HUTTON: Mr. Chairman, on a point of privilege, I never said that I received a lot of letters in respect to that brief. I said I received a lot of letters with respect to references of poverty being made to a specific area in Manitoba.

MR. HRYHORCZUK: Well what is the difference, Mr. Chairman? Just what is the difference? Where did this idea of poverty come from if it didn't come from this brief? That is what headed everything off. There's where we got -- when this brief obtained space in the front page of the newspapers, then that's where it came from, from this brief. And that's why you have the complaints. But the Minister pretends to be very sympathetic with these farmers who find themselves in a strait-jacket, and find themselves in a position where anything they do is not enough without assistance from elsewhere. But is it only a matter of

(MR. HRYHORCZUK cont'd)... lip service? It appears to me that it is, because if it isn't, why did the Honourable Minister or this government use \$900,000 - (Interjection) - just a minute, I'm coming to that - \$450,000 in federal funds and \$450,000 in provincial funds, which is \$900,000? Why were these monies used to create a recreational park? I have no objection to the park itself, but I call this political pilfering. This money should have been earmarked for the use of assisting the poor family farmers to which the Minister referred yesterday. Instead of this . . . it was used for a recreational park in Birds Hill. It didn't do the farmers any good; in fact, from my understanding in speaking to some of those farmers, they figured they had a potential value in their farms that was far above anything they'll receive from this government for it. And not only that, Mr. Chairman, but these same funds, had they been spent for what they were intended, then what could have been the results? The \$900,000 which was spent on this particular park instead of for the use of the farmers in helping them, they could have employed an additional fifteen agricultural representatives for the next ten years at a salary of \$6,000 a year. That's right . . .

MR. HUTTON: Mr. Chairman, if the Honourable Member can find any ag reps that I can hire for \$6,000 a year, I'd be glad to . . .

MR. HRYHORCZUK: I'm using that figure -- all right, let's make it \$9,000. Then you'd have ten ag reps for the next ten years. So what is the difference? You could have had them and with these ag reps you could have done a lot more than you're doing with what you have now. And ten are quite a few more than none. He could have made 100,000 soil tests with this money, or put it in another way, he could have made soil tests for 20,000 farmers for the next five years, which would have been a great help to a lot of farmers. He could have saved hundreds of farmers in this province from the flooding damage that they suffer every year. But he didn't choose to spend the money for these purposes; he chose to spend for a recreational park. And I suggest to you, Mr. Chairman, that it was plainly political expediency. He was fully aware of the fact that spending the money in this recreational park would mean a great many more votes for the Conservative Party than if he used it for farming purposes, or for the purposes of helping farmers.

Then he went on to say, what was the situation in 1958? Then, of course, he gets on his high horse, turns tail and rides in behind the forces of the Departments of Welfare and Education. He had no defence whatsoever because if he did, he did not have to hide behind what these two departments allegedly have done. We were discussing his department, the Department of Agriculture, and we'll come to the Department of Welfare and the Department of Education in due course and we'll see if they measure up to what he thinks they do.

What was the situation in 1958 as compared with today? The Honourable Minister knows very well that up to 1958 these same farmers that we're talking about were able to buy the machinery and the equipment that they needed, that they were able to have a better standard of living, that thousands of their children entered into professions, immaterial of what you say about the Department of Education or anything else. What about today? These farmers are no longer able to replace the equipment that they purchased in the early 50's although it needs replacement, and the situation is there simply because for what they produced in 1958 they could purchase a great deal more than what they can purchase for the same quantity today. I'm not blaming the Honourable Minister for that situation, but that is the reason, and his answers to the Honourable the Member for Lakeside were no answers at all. And he has to give us better answers that that as to what he is going to do for these people, instead of blacklisting them and tying them with all these adjectives of indolence, nucleus of disease, and so forth, and I hope that he will be able to give us better answers than he gave us yesterday.

MR. SAUL CHERNIACK, Q. C. (St. John's): Mr. Chairman, I've been listening with great interest to the debate that has been carried on regarding the economic situation on the farm. I know nothing really -- at least I knew nothing about the situation on the farm, and in the last few days I have learned more about the farm and I'm satisfied that both the government party and the official opposition agree that there is a great deal of poverty on some of the farms. I've not yet heard any positive recommendations or programs on their part to relieve those farms which apparently are sub-marginal. I've heard a good deal of talk of the Interlake area, and I have travelled fairly extensively through the Interlake area and know nothing about whether the land is good unless it's an indication -- if the amount of rock and stone I see on the land is an indication as to whether it is good or bad, then I would say that there is something to indicate that that land doesn't have too much hope.

Now I may be wrong, but I have not heard a great deal said from either of the parties as

(MR. CHERNIACK cont'd). . . to what could be done to make the land more arable and more productive. I've heard suggestions that the land there ought to be used more for grazing than for growing, and again I know nothing about it. But it interests me very much to find that the government now is speaking of a tremendous educational project in the Interlake area. I can only conceive that that project is, as in the words of the Honourable Minister when he ended debate yesterday, that my own Leader's comments were not dreams, and he was not just a dreamer, but the money planned to be spent there, about \$1 million including federal funds, steps in the direction that is indicated as a solution by the Menzies document because the enabling fund that the Minister spoke of is to provide the tools to make it possible for people to make the adjustments that need to be made. I could only read into that that the tools that are to be provided are tools which will make it possible for people to leave the land and go to other places where they could produce a more fruitful existence for themselves, and I would like to think that along with this educational program - which I think no one will dispute is necessary and advisable - along with that has to be some sort of economic approach to dealing with getting those people off the land who should be gotten off the land in a dignified and wholesome manner. It is easy to get people off the land in a depression because when they starve enough they move; they come into the city with nothing. But to plan for them to get off the land which does not produce for them, to plan it in such a way that when they come into a new area for living and for work and a new type of work, they must not only be prepared by way of education, but they must also have the security of knowing that in resettling they have some reserves on which they can draw until that re-establishment takes place.

I have not heard either party speak about a program which it has which will assist the people who must come off the land and who should even receive recommendations that they do leave the land unless along with it they have a security which they can only acquire by reserves on which they can draw, so that I am pleased with the program for education. I would like to hear more about how they are to be assisted in a financial way, either by purchase of their land or by other form of subvention, so that they will not come into the cities and be forced into the slums, which we still have, but will be able to come in with pride and dignity and say, "We are about to rebuild our lives." I have heard nothing from the party on my right, the Liberal Party, in the form of a progressive program. I've heard criticism, much of which I think is justified, but I have not heard other than criticism. I have not heard a positive program. And being a person who admits openly that he doesn't know anything really about the economics of farming, I'm still trying to learn just what it is that the Liberal Party has in the form of a program, an over-all program; I'm still trying to learn what the Conservative Party has in terms of long-range plans other than education, which I think are worthwhile.

May I switch, Mr. Chairman, to the question that I wanted to ask but I'm afraid that I'd be -- I may not last out the estimates. I'm sure the Minister will because he's accustomed to it. There's one question I wanted to ask that dealt with bookkeeping and related to the floodway expenditures. I've not been able to find the estimate of the total cost of the floodway plan -- I'm speaking now of what will be Resolution 18, the Red River Valley, etc. But I've tried to trace through the reports that we have had on that, and I find that in March, in the fiscal year ending March 31st, 1964, it was estimated that \$7 million would be spent and actually there was \$2,200,000 spent leaving an under-expenditure of \$4,800,000. I found that March 31st, 1965, the following year, there was an expected expenditure of \$9,259,000, which I think has had added to it the \$4,400,000 from the previous year, and I find that according to the annual report this was over-estimated or under-spent to the extent of \$6,600,000.

Now I find in the current report of the Department, that is, the report for the year ending March 31st, 1965, the statement made that the expenditure during that year was 14,620,000 and some odd dollars, and I haven't yet quite reconciled that figure with the ones I've given. I find also the statement that the construction of the floodway continued on schedule through that year, and I don't know, of course, how much was spent on the floodway for the year which will end on March 31st - and there must be a pretty good idea now just how much will be spent - but I see that \$7 1/2 million were set aside for the year ending this month.

I would therefore ask the Minister, when he gets around to it in due course, to give us the figures of the total estimated expenditure by the province, the amounts spent year by year including to date, if he has it, and the expectations for the future, so that we would have some idea as to the manner in which the financial aspects of this program are progressing.

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, I listened to the Honourable Member and I think that he has completely missed the point. He accuses our party of not giving

(MR. TANCHAK cont'd)... any concrete suggestions and alternative policies. He either didn't listen too carefully or simply does not wish to understand, because as I understand it myself and the other members, we were trying to point out to the government that proper use should be made of ARDA appropriations to help this area, and I think that's a very good suggestion that the proper use of ARDA money be made in this area. It's up to the government to find ways and means if they're capable.

The Honourable Member also suggested it was a good idea to spend a lot of money in this area as far as education is concerned. I agree with the Minister that it is, but I think it is with the view of retaining these people in these areas that this money is being spent, or proposed to be spent -- it's not being spent, it's being proposed, that's the idea behind it -- most, I think, generally. Now if we on one hand say that we're going to spend this money in this area and try and retain these people, try to save some of these family farmers, and on the other hand we say, or one comes up with a story that we buy those people out and get them out of the district. I'm afraid we would be spending the money uselessly, because we'd have nobody left to educate there. I don't think there is too much consistency there.

There's one question that I was really interested in yesterday, and that was a question put up by the Honourable Member from Rhineland. The Minister did not answer that question yesterday. He asked for explanation on rules and regulations and the workings of the compulsory commissions, The Vegetable Marketing Commission, the Vegetable Commission that has been instituted. I was interested. The Honourable Minister did not answer the honourable member, and I would -- I had the same question in mind. Therefore when the Minister does get up to answer some of these questions, I would like to hear the answers. To me it seems that it's just a small minority, I would say, of the mighty, and also of the might of the Minister of Agriculture and his lot that control and dictate the destiny on the well-being of the huge majority of the vegetable producers in Manitoba. I do not agree with that, and I will say that, or ask the question, "Do we live in a democracy or is it a dictatorship?" These undemocratic compulsory commissions, as I look at them, indicate that democracy in Manitoba is going down the drain. I regret that.

The Minister, under the authority of the new ill-conceived Natural Products Marketing Act now dictates to the Manitoba vegetable growers by regulation. He has the power to do that. They must market their produce through a commission which does as it pleases with their produce. There's strong objection to that, and the Minister I am sure is aware of it. We'll remember that on two different dates, the vegetable producers were given a referendum. They voted against compulsory vegetable marketing in Manitoba. But in December of 1965, what does the Minister do? The voice of these people was completely ignore, and I will say dictatorially the government through its commission now tells the grower that he may or may not produce; that he may or may not sell. He hasn't got the freedom of choice. Many of these small vegetable producers were making a fair living. I would say some of them were making a good living, and they in my opinion are smaller family farms. They had a good business going. But what happens now? The government -- it's a good example here of the government again dooming some more of these family farms to extinction. I would think that the Minister would do well to reconsider and maybe disband some of these commissions. I am sure that if the growers, or the producers, wish to have their product controlled they will come to the Minister and ask him for that, ask him to do it, but in this case they did not wish -- it wasn't the majority wish, the majority of the people, and I think it was wrong for the government to impose this on them.

Again I will say that the government should have waited for a majority opinion, not a mighty opinion. I know that the Minister may come back and say, "Here's one who's speaking and at the same time, he's working on a marketing board for his own product -- or the product." I happen to be the President of the Manitoba Turkey Association, and the Manitoba Turkey Association is trying to introduce a Producers' Marketing Board and it would be if the people so desire. It will not be forced on them. I'm sure that the minister can explain it to us and show the difference between a Producers' Marketing Board and a commission such as has been forced upon these vegetable growers. I wish the Minister would explain that -- that's the second query on this. The first one was by the Honourable Member from Rhineland.

MR. HUTTON: Mr. Chairman. Yes, I would like to give some further explanations. Last evening when we adjourned the Leader of the New Democratic Party said that he and his group might be considered dreamers because they considered some of the ideas in the Menzies document to have some merit; and I said in the brief time that I had at my disposal that he wasn't a dreamer. The idea is to provide a machinery so that people can make the transition from rural life where they find themselves in a strait jacket and where there is little hope of a future for them that will yield the kind of life that they want.

This problem, and I've said this many times in the House, of the transition of people from a rural life to a new way of life is not new. I can think of, reading the history of Rome and of the plight of the people who found the economy turning from the little vineyard of the past to a livestock economy, back in those days, 2,000 years ago, or almost 2,000 years ago. There was no machinery for them and they became the displaced impoverished hordes of Rome, and they contributed in no small way to the downfall of that great empire. And why? Because there was no existing machinery to help the people of that date, almost 2,000 years ago, to make the transition. The same was true under the Enclosure Act in England several hundred years ago, when the rural dweller found himself locked out by changing technology, by changing market conditions. He didn't belong any more; and he drifted to the cities. And as the Honourable the Member for Lakeside said, he contributed in no small way to the industrialization of Great Britain and the United Kingdom. But what was the price that was paid? And what was the price that was paid under the conditions that the Member for Lakeside described yesterday, where the life stream of industry was a movement of people from rural Manitoba, from rural Canada to urban Canada to industrial Canada? There was a price, because the people who weren't able to fit in dropped by the wayside. They lost the dream of having one kind of life and there was nothing there, there was no way for them, because they weren't able to negotiate the hurdles in making that transition.

And at the same time as it's true, as the Member for Lakeside said yesterday, that we can thank the life stream as a nation, as an industrial nation. Sure, we can thank them; but let's not forget the people who were casualties, statistics, in the annals of poverty; because all of the people can't do what the Member for Lakeside said yesterday; "The young people find the resources for themselves. They see that they can't get along and get the same level of remuneration for what they're doing on the farms there. And what do they do? They go out and they get jobs. And this is what corrects and area like this." Well, it isn't true, it never happened that way, and that's why we've got impoverished areas in rural Manitoba; that's why we've got impoverished areas in urban Manitoba; because some people don't make the grade and there's been no machinery to help them.

When I talked about disease infested people, you say I shouldn't use welfare programs or health programs to demonstrate that. You look at the records of mortality amongst the native people of this province before 1958 and since 1958. Read it, it's there, and I'm not hiding behind the Department of Health. This attitude -- and what did the Honourable Member for Lakeside go on to say -- "It doesn't need the Poverty Conference down in Ottawa to tell them what to do. And if Tom Kent or some of his cohorts -- yes, or the Federal Government, either one, or the Provincial Government -- if they're going to waste their time with stuff of this kind, then they had better get a new program. Both of them. What nonsense. These people coming from the farm not only show that they've got an opportunity to get along, but they're people who in depleting the numbers on the farm, because of economic conditions there, reinforce the whole structure of the economy, and do it better than any people that they can get from any other source. This has been the history of what's been happening."

It isn't unfortunately the whole story. Unfortunately, there have been a percentage of people who couldn't make the move. One of the things that is as clear to anybody who wants to look at rural Manitoba, it's as clear as a mirror. You go into the areas of Manitoba, the farming areas of Manitoba where there's rich soil. This is where the adjustments have taken place. This is where there was enough left over for the fellow to buy the next quarter, or in fact to get his kids educated, so that they went on. But you go into the areas where the land was stoney and not very fertile and there was never enough left over to buy the next quarter, and what do you find? You'll find your small farms, and you find the people who are stuck there because they never had the wherewithal to get out. We do need programs. This is what this government is announcing today; that's what I've been trying to tell this Assembly for the last two or three days, that we have the beginnings of a new program, a new program to allow people to readjust and to retain their self respect, their pride, while they do it. It isn't a handout at all, it's in

(MR. HUTTON cont'd.) . . . . . recognition that these people have something to offer, and they need a helping hand. The idea is that you go out where they are and you take them by the hand and you offer advice, counsel, guidance, and you help them into the trainings that they need. You don't leave them there; you pick them up there and you help them get placed and re-established in a new community, in a new vocation, in a new life. This is what we're talking about.

Now you may say well a million dollars isn't going to go very far. I say to you, because of the conventional, traditional way we had of thinking, because of the kind of outlook or attitude the George Bernard Shaw described towards poverty, not only are the "haves" in our society inhibited from doing anything, but even those people who need the help are inhibited. Why? Because they feel there's something wrong if they take that kind of help, because they need that kind of help. If you want to talk about poverty for goodness sake talk of it in terms that isn't going to scare people who need our help, to stretch out their hand to us.

Now if this Enabling Fund should be \$750,000, three-quarters of a million, it would mean roughly we could help maybe 150 families in a year with this kind of money. I think that if in the first year we could get 150 families to take advantage of this program, to lead the way, to prove to some of their more timid friends or neighbours or fellow citizens that it's okay to do this, that it is indeed an opportunity to help themselves - as I said to rediscover themselves, to start over again - I think if we can get 150 people or families to take advantage of this program, we will be doing extremely well. But we're not going to do it if we sit here, stand here and debate about poverty and the terms that seem to give a connotation that there's something wrong with you because you're poor. Somebody quoted out of that "Profile on Poverty" that you're poor by accident of birth. It's a fact. You can't help it. You're born into particular circumstances. Maybe your dad got sick, and you had to go out and start to work before you could get an education. There are all kinds of reasons for people finding themselves less fortunate than others.

Now, I'm not hiding; but it doesn't matter how you slice what the Member for Lakeside said yesterday, he didn't want to look at the "Profile on Poverty", because he didn't like it, anymore than any one of us like to look at it because we don't want to see it. We hate in a sense to even admit that in an affluent country like Canada, that we should have poverty of the kind that we do have. Well we're going to try and do something about it and I admit our start is a modest one, but it is a pilot project as I say. We're blazing a new trail. We believe that we will be developing and refining new techniques, new ways of helping people, and in that sense it is a pilot project, but I underline again that we are putting our hands to the plow, and we're not going to turn back. As far as the people who are going to be affected by this program in Manitoba, they can rest assured, that having started on this course, they can count on us to stay with them until they are re-established.

Now a great to do over this money, \$450,000, and all the things it could have done if it had been used in agriculture. Well this is a bunch of baloney. This is just a bunch of baloney. Why? Because we have so much money available to us, and we have to establish certain priorities: We have certain ongoing programs. They all have to be financed. Each year there's so much left over, and we decide how we're going to divide that up. What things have to be done first. The \$450,000 provincial monies were not in the Department of Agriculture. The \$450,000 were in the estimates - in the budget of the Department of Mines and Natural Resources. The Department of Agriculture administers the ARDA program in Manitoba, and they applied through the Department of Agriculture for matching funds from Ottawa - \$450,000.00. Now the fact of the matter is that if we hadn't gotten the \$450,000 from Canada, there would have been less money in the Department of Agriculture than there was by giving this money to help out in another department. All it does is make the pool of funds for all development programs in Manitoba larger. Well, there's another reason why, we didn't spend it on drainage, because according to the agreement they were operating under, we can only spend 50 percent of the money that we got from Ottawa on drainage, under the '62-'65 agreement. We have to spend the money in other ways. And we spent money in the acquisition of land for different purposes. As I have pointed out in this case for the acquisition of land for recreation.

We couldn't spend the money for ag reps. It isn't provided for under the agreement. The only way we can spend any money on ag reps is where the ag reps are directly involved in carrying out ARDA projects. And then we have to spend so much money in research. A great deal of - I heard some comment about nothing but facts, nothing but facts. Well that's part of the deal. Canada insists that we spend a certain percentage of our funds on studies, and rightly

(MR. HUTTON cont'd.) . . . . so. Just a lot of loose talk.

Now, dictatorship, in respect to marketing plans. Well I've listened to this group over here cry for the last three days about the cost-price squeeze. In spite of everything we've done in the last eight years we've still got the cost-price squeeze. Well let me tell you one area where we did alleviate it to some extent. In potatoes - through marketing. You talk about political dictatorship. Do you know anything about economic dictatorship? Do you know that the guy who goes to the local vegetable wholesalers on Monday morning at 8:00 o'clock on the way to work, and he's got a load of spuds on the truck or other vegetables, and he's got to be at work at 8:30, and he comes into the wholesaler and he says "I've got such and such vegetables, what are they worth?" The wholesaler says to him "Oh this morning they're only worth so much." "Oh, I can't sell them for that." Well he says to him "take them someplace else." He knows that fellow can't take them somewhere else because he hasn't got time. He's got to get to work. So the fellow dumps his vegetables - see. And he sets the price for everybody. What about the way in which he affects the life of his neighbour by setting the price at a level which won't return an economic living to the fellow who's making his whole living out of vegetables. How many people have we in the valley here who grow a few vegetables at night? Moonlighters! Moonlighters! They grow a few vegetables at night and on the weekend. But their real income, the thing that's their bread and butter is their job. Now I admit they're inconvenienced by this scheme because they have to deliver their products at a given time. But I say to you there's some economic dictatorship in a system where one man can go in in the morning and determine the return, the livelihood of everybody else that comes after him. That was what the situation was before we introduced the Potato Marketing Commission.

What are the results of the Potato Marketing Commission? Well do you know that we had a short crop in Manitoba in the fall of '64? They had a short crop all over the whole continent of North America. Do you know that the potato price broke that fall in spite of that short crop? It broke to about \$1.50. No competitive product could be laid down in Winnipeg under \$2.25. Why couldn't our producers get \$2.00? I'll tell you why. Because the guy who went in on Monday morning was willing to give his product away. Well, this year we had a good crop of potatoes. There was a pretty good crop all over North America. And what was the experience in the fall of 1965? The price was stable. The growers of potatoes in particular, the producers of potatoes in Manitoba got substantially higher prices than the producers got in Saskatchewan, Alberta, Ontario, the Maritimes or even the State of Maine which is on the doorstep of New York City.

Do you know what happened in the case of exports in the past? Naturally if you're going to compete for a market in the Lakehead, or Saskatchewan or Alberta, you've got to buy the potatoes here, eh? So that the price paid here, plus freight, will be competitive with potatoes grown locally there. So what happened to the producer under that situation? The wholesaler didn't buy just the potatoes that he was going to put into the export market; he bought all the potatoes. Those sold locally and those sold in export markets - at the same price, and it was the bottom price. Under the Commission operation the return to the producers in Manitoba is a composite price. They receive one price below that portion of their product sold in Manitoba; they receive another price for that portion sold in export markets. But the cost of developing, maintaining and sustaining the export market is shared by everybody, and they don't lose the benefits of this big market here at home through this scheme. They get a composite price - one pool that I examined in the fall during the rush season, the harvest season, when prices are usually pretty low, for the potatoes that were sold, say No. 2 dry potatoes, reds sold in the local market brought the grower \$1.85. He got 30 cents less for those that were marketed outside the province. His returns were substantially higher. Yet you say the government is a dictator. But on the other hand, you turn around and you say that we're not doing anything to try to help the growers.

We know that the whole subject of Marketing Commissions, orderly marketing has been an area of controversy for years and years and years and years, and it was brought to a head in this Chamber here two years ago when we amended and revised The Natural Products Marketing Act. One newspaper here in town today is saying that this whole thing was never debated in the Legislature. Certainly it was debated in the Legislature, because that Bill provides for the government, as a matter of policy, to establish a Marketing Commission; and it doesn't say that the government has to have a referendum on the issue. My experience over the past in following what happens in the consideration of the merits or otherwise of a marketing plan, by the time the Free Press and the Tribune got through with their editorials, you couldn't

(MR. HUTTON cont'd.) . . . . have a hope of getting orderly marketing established in Manitoba.

We have gone ahead and we have established a commission operation. It was recommended to us by The Manitoba Marketing Board on which are represented the various interests in the entire community: the business interests, the consumer, the university, the producer and government, and they gave us an unqualified recommendation to implement The Vegetable Marketing Commission. There are some wrinkles in it. I'm not going to tell you it's operating perfectly. These people are bringing complaints to me and some of them are legitimate, and they have got to be ironed out. But in principle. I know that the producers are going to get more out of this through co-operating, through working through a central agent, than each of them is going to get if they try to go it alone. We're trying to help in this cost-price squeeze. We're trying to put a little elbow room in that strait jacket. We're trying to give the producer some equality in bargaining power.

Well, it's true there hasn't been a referendum. But there were certainly strong indications from the growers organization and from public meetings and from surveys that were carried out that there was substantial support for this move. I think that in an area where there can be so much heat and so little light shed in respect to a subject or a controversy, that the government had a responsibility here to take the responsibility of establishing the commission in order that the advantages of this sort of central marketing agency could be demonstrated, not only to the vegetable growers of Manitoba but to other producers of other designated products.

As a result I would say of this government's leadership here -- and I want to say this about my colleagues, they're a courageous lot, they're a courageous lot. The easy thing would have been to have a referendum let me tell you; just let me tell you. If you want to hide, have a referendum. I think the government was courageous in this and I believe my colleagues were courageous in supporting my recommendation. And I take the responsibility for making that recommendation to them. But I believe as a result of the leadership given here that the turkey growers are looking at orderly markets, the broiler producers are hounding us about orderly markets, the egg producers are looking at orderly markets. I get copies of letters and material coming across my desk all the time. Manitoba isn't the only place that's looking either, because we stood off the charges of the Opposition here two years ago in establishing a Voluntary Marketing Commission for hogs, but compulsory in many respects.

Alberta is looking at a system like this. I think we're giving leadership not only in Manitoba but in western Canada in this field. Maybe we're dictators, you say. I say that there's a difference between being a leader and being a dictator. I think that this government, my colleagues, members of caucus here, are leaders in trying to find answers to this problem that you have been crying about for the last three days.

MR. CAMPBELL: Madam Speaker, my honourable friend the Minister of Agriculture shifts his ground very quickly when he finds that he's not able to give an answer to questions that are raised. I was talking about the brief that we had before and the suggestions that were made in that brief. My honourable friend when he gets up to reply in his melodramatic way and talks about the face of poverty and quote George Bernard Shaw, he says immediately and repeats it again today, "What about the native people of the Province of Manitoba -- what about the native people before this government came into office? The native people."

Mr. Chairman, that's a good question; but that's not the people we're talking about; that's not who we were talking about. If my honourable friend wants to talk about the native people, fine; but this brief that his people took down to Ottawa, this brief that has according to him, and I agree with him, has raised a great storm of protest, was not talking about the native people. We can have that discussion some other time. This was talking about the farmers of Manitoba. This was a brief that my honourable friend was talking about -- and leave the native people out of this. Talk about the people that your brief talks about my honourable friend. That's who we're talking about. Does my honourable friend want to say something? I'd be glad to hear it.

MR. HUTTON: . . . . because, Mr. Chairman, the Honourable Member for Lakeside is leading everybody astray here. This brief was concerned with the poor of Canada, not just the poor on the farms, but the poor in Manitoba.

MR. CAMPBELL: Yes, that is quite true, it was poverty in general, but the people that -- the quotations that I gave were about the farmers in Canada. These are the quotations. I didn't raise them about native people. The ones that I was talking about were the farmers. You can look again at any quotation that I made and they're about the farmers and what they

(MR. CAMPBELL cont'd.) . . . said about the farm operators of Manitoba. My honourable friend is the sponsor of a brief that says that practically half of the farm operators of Manitoba are in poverty - and he can't get away from it by talking about the native people and trying to pretend that that's the group that I was discussing. I wasn't leading anybody astray. I was talking about the farm people and that's whom we're going to talk about. - (Interjection) -- I beg your pardon.

MR. KEITH ALEXANDER (Roblin): What definition of farming are you using? Are you using the same definition as the brief . . . . .

MR. CAMPBELL: The same definition, and incidentally, my honourable friend didn't use the definition that was in the brief at all. He was using \$3,750 and the amount in the brief is \$3,000.00. I'm using the definition that they use and the terms that they use and talking about the people they talked about, the farmers. They talked about others as well, but I was talking about the farmers.

My honourable friend says don't scare people, don't scare people when you go to them with an approach. What can you do but scare people with an approach like this? That's the complaint that we have with regard to this brief. And my honourable friend can't get away from it by raising his emotional appeals here. Either the fact is that this is the situation or it isn't and if it is, let my honourable friend defend it.

I don't agree with my honourable friend. I do not agree with either my honourable friend or the brief. I do not agree that this amount of \$3,000, let alone the \$3,750 that he quotes, necessarily represents poverty up in the Interlake -- and I use that as an example, it's the same example that the brief used. It doesn't necessarily represent poverty. The brief itself mentions the fact that the minimum necessities vary according to different areas. This is true. What I've been saying is that don't tell all the people of Canada that this is a poverty stricken area just because some statistics have set an arbitrary standard of so many dollars as defining poverty. It doesn't define poverty under all circumstances, and it doesn't say that the young people haven't a chance. It doesn't say this. True it's unfortunate that the returns are not better. This is true of agriculture in general. I'm not arguing. But I certainly do dispute that it means that either the people themselves or the children do not have an opportunity to get along and to get education and to get out if they want to and get better jobs. Some won't, this is true. There are casualties as my friend says, but don't blanket the whole area because of that.

But, Mr. Chairman, the reason that all this is being asked, and the reason that this protest is being raised, is to say to our honourable friend, why is this condition, if my honourable friend has been doing what he proposed to do, and has been giving the leadership that he says he is giving; if he and his colleagues have been showing the courage that he boasts of just now, why is this the condition after eight years of that courageous governmental work - after eight years of that great leadership? Why is this still the condition? And then, specifically, what programs -- and we've asked this on several occasions and several times - what programs have been put in effect under this ARDA expenditure?

We know of the drainage; we know my honourable friend can spend only so much on drainage. We know of the studies; we know of the community pasture too; we know of the Fish Lake Drain; we know of some of these. But what of these programs that were going to establish new industries up there? What of the programs that were going to raise the standard of living? What of the community development programs? What have they accomplished?

This is the real reason for discussing this under the ARDA program. The discussion of the brief is because I think it gives a completely wrong interpretation - and my honourable friend can't get away from it by referring it directly to the native people.

MR. FROESE: Mr. Chairman, I would like to get into the debate once more. After all, I questioned the Minister on a number of things and he hasn't come back to answer them except to make some comments on the Vegetable Marketing Board or the Potato Marketing Board and I think this is more or less because of the prompting from the Honourable Member for Emerson. Maybe my electors back home do not deserve an answer.

I want to take issue with the Minister when he compares the hog commission with that of the vegetable growers or the Potato Marketing Commission. It's a completely different thing. One restricts production, the other one doesn't; and this is where the big issue is. In the hog commission no grower is restricted to the number of hogs that he raises; he can raise any amount of hogs and sell them. Yet when it comes to the Potato Marketing Commission, acreage and production is restricted. So here is the big difference. So we cannot compare the two

(MR. FROESE cont'd.) . . . . .at all.

He mentions that the price had been fairly good for the Potato Marketing Commission, Sure, because the law of supply was still operating and the demand was such that it demanded a good price. The crop is short, as he already stated, all across the North American continent, so the farmers did receive a good price for their product.

I would like to come back also to the point of referendums. The way he pointed it out, it was -- we were given to understand that referendums weren't good, that they were wrong. Well, if that's the opinion, and that the press can sway the votes of a referendum, certainly then our general elections of the provincial nature are wrong, because there too, the press certainly has a large amount of influence. If they take that stand well then our present government should probably have not been elected.

I was interested also in the discussion of the ARDA report and of the poverty existing and the work that they're proposing for that particular purpose in this area. Then certain things have been brought to my attention recently where I think we could have done a lot for these people that are on poor land.

Just the other day I was contacted in regard to the person who does a considerable amount of beekeeping and we find that the research work that was done here in Manitoba by the Federal Government has been discontinued. Why? We've never heard of it. This government didn't mention it -- at least not to my knowledge, I haven't seen any report to the effect. Why was this research discontinued? The only research in operation now is in Alberta and Ontario. And yet, the price of bees when they import them has doubled over the last couple of years. At one time they could get them for \$3.50 where they now have to pay \$7.00. This has added terrifically to the cost of the bee and honey producer.

We are given to understand that the market is there for at least double the production of honey that we have in Canada today. So here is an area that could definitely be looked into and promoted, and yet we do not even take care so that the Dominion Government will keep their research work going in this province. Then I also find that these people that are in this kind of business are in a dilemma because they are on poor soils and they have no way of financing their production. They go to the Agricultural Credit Corporation and they're told go to the Development Fund. They go to the Development Fund, "You better go to the Agricultural Credit Corporation." They're just bandied around and not given any credit or given any good answers, or even why they should be financed or not be financed. So here is definitely an area that has promise, the market is there and certainly it should be promoted. We have the facilities, we have the credit corporation, we have the Development Fund, we have these agencies to provide the necessary funds. Certainly let's make them function properly so that credit can be extended to these people when they ask for it.

We also find that there's a new industry going up in western Manitoba. I'm not quite sure whether it's developed to the stage where it's definite, because I know there are people in our area interested too, but they're not in the designated area so naturally the plant will go most likely where they will get some relief from the Federal Government through this new grant program. So that, I'm just wondering, will our agencies, these credit agencies, be able to finance people who will be purchasing horses, mares, for this purpose, or do we have to amend the Act for that purpose. Because I notice under the Agricultural Credit Corporation that Part II of the Act allows for loans for livestock. Now, whether horses come under that regulation or not -- I would like to know from the Minister whether they're prepared to grant loans for this purpose under that section.

I would also come back to one other point that I raised on a previous occasion under the Agricultural Credit Corporation, when I referred to a certain party from my area that had applied for a loan, and the conditions, the arrangements were worked out and everything was satisfactory, except that the person was living some twenty, twenty-five miles distance away from his present location. Now this party was working together with his mother who's a widow, and being single, therefore he did not wish to move on to the new place that he was purchasing, so he requested that the loan be granted regardless of whether he moved on it or not, but our Credit Corporation Board decided that they would not grant the loan unless he moved on to the property. Now I would like to know from the Minister how many loans were refused because of this very fact that they did not wish to move on the location or the premises that they were purchasing - the property that they were purchasing.

I notice from the report of March 31, 1965 on Page 5, that under Part I there were a certain number of loans approved, and then they list, less approvals, cancelled -- Part I; and

(MR. FROESE cont'd.) . . . . . there were 65 loans cancelled.

I would like to know from the Minister how many of these loans were cancelled just because of the result similar to the one that I just mentioned. Were all these 65 loans cancelled because of not being in close proximity? I think that the board is going beyond their limits, going beyond their powers, when they restrict the legislation that we passed to this effect, that they will not make loans when a farmer cannot live on the property that he is purchasing for agricultural purposes. So that here definitely is another area that needs clarification, and I think if that's the case then we should change the Act or have the regulations changed so that we could accommodate these people.

I would also like to touch very briefly on one other industry, and that is the sugar beet industry that we have in Manitoba. The sugar beet industry is not new any more; they have been going for quite a number of years, and I find the report of February 18, 1966 very interesting. I would just like to read two or three paragraphs of the report that was made by W. R. Hetherington, as a representative of the company, to the growers, and I quote: "Apart from the dull dreary growing season, the most significant feature of 1965 was the further decline of sugar prices. The lowest levels of prices in 25 years were reached. Very large surplus stocks of sugar have accumulated in major world production centres and the effect on world market prices has been drastic. World sugar prices are well below the cost of production and even the very low cost economics of many sugar exporting countries.

Canadian sugar prices are of course similarly affected, over 80 percent of Canada's sugar requirements being imported. Since these prices must be met if Manitoba's production is to be sold, the economic outlook is not promising." This is a statement by the representative of the Manitoba Sugar Company. I would like to refer to Page 20 of the report that gives the description of sugar beet production here in Manitoba, the acreage, the yield and also the prices obtained. They list the average yield price here for 1965 as 10.12; the year before it was 9.55 and in 1963 they had an average yield of 12.36. I won't burden the committee with reading any more of them, but when we come to the price per ton from the company, we find that the price is down very considerably. The price received in 1964 was \$11.11; the year before, they received \$16.66, which is a reduction of \$5.55 -- a one-third reduction in price. This is very drastic in my opinion, and certainly mean ruin for the industry if we see any further reductions taking place. The year before that, in 1962, the price was \$20.21; almost double that of 1964. Now they have certain legislation in effect in Ottawa re stabilization prices, and Manitoba boards received \$3.06 in 1964 on their production of sugar beets under this Act. We don't know what they will receive for the coming year, but they will probably receive a similar amount, or probably a dollar more or so.

I think what is needed is that we give some stabilization to the industry here in Manitoba. Why can't we give them a floor price. This probably would cost us very little money and the beet growers would be assured of not going broke and of a fair return. Then what is also needed, and probably needed worse yet, is that they receive a larger portion of their return in the fall in the year that the beets are produced. Presently they receive, I think, around \$8.00 a ton. This was in November of '65. Well this doesn't nearly pay for the cost of operating. Most of the growers had to borrow large amounts of money last spring to carry on their operations, so that they have't been able to pay off their borrowings and the cost of their operations, they're waiting for a further payment this spring with which to pay for the balance of their operating costs. This means that they have to carry on for a year - well into the seeding program of the following year before they will get sufficient returns on their crops to pay for the previous year's production.

I think this is an area where we could probably ask the company to make those payments earlier and if necessary guarantee them a 10 dollar -- let's say \$10.00 per ton -- and that this payment would be made by December 1st of the year the beet is produced. This would certainly give stability to the industry and would give the farmer the necessary return so that he would be out of a borrowing position before the year end. I think these are some of the things that we can do and that we should definitely look into and do something about.

MR. HUTTON: Mr. Chairman, I'd like to answer the Honourable Member for Rhineland if I might, because he has really got himself impaled on two different horns. On the one hand he is opposed to orderly marketing because there's some control on production. Then he comes up with the plight of the beet industry in Manitoba, the sugar beet industry. Well, if there ever was a closed shop, Mr. Chairman, and ladies and gentlemen, it's in the sugar beet industry, because the growers produce under contract, and the growers share in the profits depending on

(MR. HUTTON cont'd.) . . . . the price of the sugar. I could grow 200 acres of sugar beets next year and I wouldn't have a place to market them.

Another thing he complains about is the price of the sugar and the erratic nature of the price of sugar in the world market and in Canada. One of the reasons why we had the experience of outrageously high prices in sugar here a year or two ago and now again outrageously low prices, is simply because there is no control in production. Canada is one of the few countries in the world who doesn't purchase its export requirements in sugar under commodity agreements. Now, the reason for instance that sugar prices to the American producers are more stable is because the United States of America has commodity agreements in sugar, and only so much sugar is allowed in. Canada doesn't have any such agreement. So you have widely fluctuating production or availability of sugar -- sometimes it's in real short supply, sometimes there's more than can be handled on the world market, and this of course just raises hob with the producers prices here in Canada.

He asked me something about the Potato Marketing Commission, the experience -- I have a chart here. I think it will be informative for the members of the committee to look at. The red line is 1965, the blue line is 1964, when the Commission started operation. The green line is 1963. Now we're starting here with July, August, September, October, November, December, January, February, March, April, May, June. Now, the experience in 1963 -- look at it. Would you want to produce potatoes in Manitoba for our consumers at that price? Do you want to make the investment and see what returns you get? Here's 1964. Remember 1964, a short crop in Manitoba, a short crop over the whole North American continent. What happened? The price was up here in July; it plummeted to \$1.20 in September. It went up a little bit here in December and dropped and then started to go up again.

Now here we have the Commissions operating. You can see the effect of the short crop year in July and August and up to September, but we didn't go -- well, what's the spread, \$1.20 to just under \$2.00. We didn't drop nearly as far in an adequate production year as we did in a short crop year without the commission operation. The price remained fairly stable through the harvesting season and then climbed up and has, I think, given a profitable return to the potato producers so far in this marketing season, and there's every reason to believe it will continue to do so.

I would like to give you some comparisons. In September 1965 in Manitoba -- this is before any deductions are involved -- in September the price in Manitoba to potato growers in Manitoba from potatoes sold in Manitoba was \$1.88 to \$1.97 I believe it is. In the Maritimes, it was \$1.10 to \$1.15; in Quebec, it was 90 cents; in Ontario it was \$1.10 to \$1.25; in Alberta it was \$1.30; in Minnesota and North Dakota, it was \$1.13. This is on the basis of No. 1 washed red potatoes. I think this demonstrates as dramatically as anything I could say, that the operations of the Commission to date, give us every reason to hope that we can realize a better return to the producer through this kind of marketing than through the chaos of everybody looking after himself, and I would beg for support for long enough that we see what this kind of an approach can do to help the producers in Manitoba. As I say, a good many producers have taken heart from the experience to date, in other areas like turkeys and so on, and they're hoping that this might be some kind of an answer for them. Now the fact is that the Commission operation cannot get more for the product than what is asked by competitive products grown outside the Province of Manitoba. But surely they have a right to expect and a right to get a price, a return that is comparable to what it would cost the people of Manitoba if they were to buy from North Dakota, Saskatchewan, Alberta or other jurisdictions. I think that this answers some of questions that the Member for Rhineland asked me.

He wanted to know how many registered vegetable growers there are in Manitoba, 800. I think this is the question asked by the Member for Rhineland. - (Interjection) -- Oh, the number of pools. I don't have that information. I could get that information for you but I haven't got it at hand.

I suppose that the Honourable Member for Rhineland has a point that one could argue on about the role of the newspapers in determining public opinion on an issue. I say to you, the debate of the last three days in this House on agriculture indicates we've got to do something different. Maybe we're going to have to offend some of our traditional ideas. Maybe we're going to have to re-think this thing and wonder how good it is to be free. I think the Honourable Member for La Verendrye for instance, would agree with me if I said that if we had uncontrolled marketing of fluid milk, we'd have chaos -- and we've had chaos, thirty years ago or more, when it was implemented. When the Milk Control Board came into effect. The producer has

(MR. HUTTON cont'd.) . . . . . to produce so much, eh? and he has to deliver it to a certain creamery. Nobody has died. As a matter of fact, if there's anything in the business of producing milk today you can attribute it to the fact that we have controlled production and administer prices.

How many of the members in this House are prepared to say that we ought to go back to the days when labour determined its return on the basis of competition, supply and demand, and that anybody could cut anybody else's throat on a job by offering to work cheaper. Who in the House wants to stand up and say they're in favour of that? Why can you support that kind of Legislation? Why can't you support a proposal that farmers shouldn't be able to cut one another's throats? That we've got to look at freedom when it means this, that the poorest bargainer, the fellow with the least at stake can determine the returns for everybody. Is this democracy? They called the democracy back in 19th Century England, democracy too; but democratic people found good reason to restrict some of the freedoms that people had at that time. Sure you've got to pay a price. I admit it. None of us like to be regulated. But boy, I think the debate of the last few days here has demonstrated one thing clearly; that we've got to take new initiatives and new looks at our approach.

Now I'm not standing here and saying that a system exactly like the vegetable marketing system that we have now is the answer for everything; but I think we got to be very flexible about this, and that we mustn't just because our senses are offended by the idea of regimentation say that we won't consider it and give this sort of thing a try.

Well, I think I've said really what I want to say on this subject. I think that on the basis of the benefits that have accrued to a very small group of producers, because the producers of potatoes represent a relatively small group in terms of the farming industry in Manitoba, but I think even on that bit of evidence, that we should give this approach an honest try before we try to shoot it down in flames.

MR. MOLGAT: Mr. Chairman, I'm very interested in the comments of the Minister on the question of freedom. It's really the objection that a number of the growers have to the action that's been taken. Their objection is that there is no freedom insofar as they are concerned. That the decision taken - the matter of the potato board to begin with - was not one where they actually had a vote. Now we asked about this last winter and it was very confused, in my opinion, the answer that we got. Some statements made that apparently there had been a meeting and a show of hands, and it was very obscure as to how this had come about. Today we have the answer from the Minister. The decision has been taken by the Minister and by the government and I give credit to the Minister for saying so. He has at least stated his case in that regard.

The Minister says that this is leadership, Mr. Chairman, when in the opinion of a lot of the growers in the Province of Manitoba, this is leadership of the type that Hitler gave, because they feel that with the power that exists under this Act -- and it is an extremely powerful Act -- that the least that they should have is the right to decide for themselves whether or not they want this Act to apply to them. The least that they feel that they should have is the right to vote, and they are prepared to abide, I think, by and large, by the decision of a vote if it were properly held in the particular field in which they are concerned. But what they object to, Mr. Chairman, is the fact that the Potato Board was set up by decision of government and imposed upon them; and that, more recently, the Vegetable Board has been set up, or at least the other board has been expanded to cover vegetables. Again, without the right of vote by the people concerned. This is what they're objecting to.

Undoubtedly a good number of them do not realize that the Bill that was passed here in 1964, and which was passed at that time by the government majority, over our objections, did not give the growers the right to a vote. Under the new Bill the government can make the decision. But I say to the government, is it right for the government to make the decision without proper consultation with the people involved? Surely it's not too much to ask that these growers be given the right to express their opinion. In my opinion, they have the right to ask for a proper vote to be taken in their industry; the vote to be supervised by the government. If that were done, I think that they would be prepared to abide by the decision of the vote. But when they band together as a group of them did yesterday, and when there are persistent complaints across the province, this is bound to happen when the government takes unto itself the powers which admittedly it legally has, the powers which these people feel are far beyond what is necessary.

They have another objection, Madam Speaker, and that is to the manner in which the

(MR. MOLGAT cont'd.) . . . . . Commission is being handled. A good number of the growers feel that this should be strictly a growers' operation. This, if it is to be there in the interests of the growers then it should be controlled by the growers and operated by the growers. And a good number of them feel that that is not so.

The Minister says that they have to be protected against the buyers, the wholesalers. He told us about the little operator who arrives at the wholesalers and has to accept the price that the wholesaler is prepared to give him. This is what he said. Well, a lot of the growers tell me that the present setup is not controlled by the growers sufficiently, but that there is too much wholesale control in it. I have no means of knowing whether this is so or not; but I know this, that it is the impression and the attitude of a lot of the growers. Surely if this legislation is designed to benefit them, then they should participate in its operation, and they should be given the right to say whether or not this is what they want.

The Minister talks about freedom. I suppose the best example of how some of these people feel is to read to the Minister part of an article from The Brandon Sun, dated November 13th, 1965. The headline is "Gardener Protests Potato Commission. Michael Bachinski went to war more than 20 years ago as a flight engineer. After two tours of active duty in Lancaster bombers over Europe in the Second World War, he was presented with a Distinguished Flying Cross on his return to Canada. This week he sent his D. F. C. to Premier Duff Roblin as one man's protest against what he feels is discriminatory legislation in Manitoba." The letter Mr. Bachinski addressed to the Premier was dated the 8th of November 1965 and he said: "Sir, I would like to voice my protest against this action of yours in putting the small market gardener at the mercy of the Marketing Commission. I am a small grower, and make my sole livelihood from a few of my own outlets. Since the Commission will not let me sell to my own outlets, or even through the Commission to my outlets either, I am forced to sell to the Commission, and as I am not a big grower, and have no wish to engage as such, I find that this will put me out of business. I feel that this is discriminating and interfering with the rights of the individual to sell to whoever he wishes; and since I fought for a democratic way of life, which includes free enterprise, during World War II, I find that my Distinguished Flying Cross has no longer any meaning to me, therefore, I am giving it to your government where it may have more meaning, since you are doing such a good job of doing away with our rights. Signed, M. W. Bachinski."

This, Mr. Chairman, is how a good number of the growers in this province feel, because they never had the right to make a decision in this regard. And the Minister can't simply say well the Act says that we can do it this way and therefore we've done it this way. Surely if we're operating in a democratic country these people who are primarily involved should have the right to express their opinions. The Minister can say "Well, they don't know what's good for them." I presume that that is what his answer has to be if he's not prepared to consult them. I think that in these matters it is essential that there be first an education campaign; that before any kind of a vote be held that there should be a proper education campaign, so that the people who are involved know what is at stake, so that they can find out what a marketing board can do for them; that there be a proper opportunity for them to know both the restrictive parts and the advantages that will accrue to them, if the marketing board is successful.

With a proper education campaign of that type and a proper supervised vote, I think the Minister would get away from a lot of the complaints that are now evident. People in this country are not prepared, in my opinion rightly so, to have the government walk over them. They are not prepared to simply abide by government decision when their livelihood's at stake. They feel that they have a right to be consulted and when you look at the kind of legislation that can be put into effect, surely that is the minimum that should be accorded to them.

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, I would like to make a few comments on this particular subject. I for one agree that we should have some orderly marketing, as the Minister said awhile ago. I certainly agree. However, between the government established compulsory vegetable marketing board and complete chaos marketing as the Minister described awhile ago, I think there is room for some kind of marketing boards, which would be more suitable than what we have now. You take for example, we have the Hog Marketing Board which was established after a commission and which gives you orderly marketing, but yet the producer has the freedom of marketing inside or outside the commission, and yet it is controlled by the commission from the fact that all sales have to be reported. While on the other hand, you have the Marketing Commission -- and I think this is one of the biggest complaints of the producers that they have absolutely no freedom of marketing outside of the

(MR. VIELFAURE cont'd.) . . . . . commission, therefore the commission itself has no opposition - whereas you have in the Hog Marketing Commission -- right now I think the percentage is around the 65 percent mark of marketing. So they have to compete with 35 percent of the market; while in the Vegetable Marketing Commission there is absolutely no competition. Now I have no doubt that the commission people will do their best to run it properly, but certainly a bit of competition would do no harm to any organization. Now, if it can be done in the hog industry, I'm sure there must be some way to legislate that it would be done with the vegetable growers.

This is the point I want to make that from the situation of having, as the Minister said, the gentleman marketing his produce before 8:00 o'clock in the morning, establishing the price to the situation we have now where he just has to go to the commission - and not when he wants to, but when he is told to. Another point I think is that there is a lack of representation on the commission of the smaller growers. I think this is another of their complaints.

Now, the other fact is that there was no commission to -- as we had in the Livestock Marketing Commission, there was no study made, actually this was implemented by the government with -- well there is a lot of discussion as to whether there was a logical vote or not. The Minister knows that twice before on a similar vote it was rejected and the last vote there is a lot of questioning -- I'm not an expert on the subject to know whether there was a majority for or against, but definitely there is a lot of discussion on that particular subject. So, the point I want to make is that although I am in favour of orderly marketing and marketing boards to a certain extent, I think we have two extremes here between the marketing we have now and the chaos marketing we had before.

MR. HUTTON: Mr. Chairman, I have some information here that I'd like to give.

The pools are run on a monthly basis. I haven't the exact number of them for the past year, but there are shorter pools operated during July and August to encourage early digging and delivery; and there are several pools run concurrently for the different grades of potatoes, like No. 1 Red, No. 2 Red, No. 1 White; No. 1 Red Washed, No. 2 Red Washed, and so forth.

I'd like to just answer this question on why doesn't a voluntary scheme work in vegetables as it has in hog production? It's the nature of the product and the fact that the continental price for pork determines the price that is received by the local producer here to a large extent. In the case of vegetables, our problem was that even though no potato could be delivered into this area under \$2.25 a bushel because of the value for duty provision and because of long transportation costs, our producers here were getting \$1.50. The reason they were getting that was because of the free product that was being sold at \$1.50 by some producers. Now if you leave them free to deliver Monday morning, you know, you're going to have -- certain wholesales are going to be going out and making special deals with somebody at a lower price, and therefore, you're always going to get this downward pressure on the price and of course the commission can't get a higher price for its product as long as this free product is moving around because whether it's 30 or 40 percent, it's going to determine the price that the commission is going to be able to pay the producer.

Now in the case of the hogs, sure a farmer can go directly to the packing house if he opts out, but the packing house has to pay the price, the continental price that's determined to a large extent for instance by the Toronto market. Now sometimes it's true when hogs are real short, we even get a price comparable to Toronto; but in the case of vegetables, it was our local producer here who was cutting the ground out -- it wasn't the wholesaler, but as long as a producer left free will dispose of his product at a lower price, for some reason or other, nobody knows, then the price goes down for everybody, and the problem is that the poorest bargainer in the market place determines the price for everybody else. I just want to go back on this point, I had that copy of that letter. I can understand the feelings of that gentleman. I don't -- as I've said, I can understand people shivering at the thought of regulation and regimentation, but I think there are more than two kinds of regimentation. I think we find our farmers regimented into a cost-price squeeze by trying to retain all their freedom. The government had strong support from the vegetable growers. In the fall of 1964, why as I say, with a short crop and a low price in Manitoba, the growers called a special meeting to see what they could do about marketing. They had one of these meetings in 1961 in the bottom of Pierre's - downstairs of Pierre's Restaurant - and they had the retailers there and the wholesalers there and the growers were there. What could we do with a half a crop of potatoes in Manitoba and the price was about a \$1.25 a bag, or \$1.50 a bag, and they came to the conclusion they couldn't do anything, because as long as one wholesaler, or one grower is free to sell at a lower price than

(MR. HUTTON cont'd.) . . . . . the other, no wholesaler can afford to buy at a higher price than the cheapest that he can buy. Now the same situation happened in the fall of 1964: 130 growers attended a meeting and they considered the problem, they drafted a resolution, they voted on it -- it was 129 to 1 in favour of asking the government to establish a marketing commission with representation from the growers, from the wholesalers and from the retail trade. This resolution was endorsed by 26 out of 29 of the wholesaling establishments in Manitoba and I have the letters on file in my office.

It's been said that the growers don't have enough representation. I want to speak to that because we're talking about a very important thing here today. I know we're taking time. Three wholesale establishments in western Canada control 75 to 80 percent of all the retail outlets in western Canada. It means that if we have harmonious co-operative dealings between the various sectors of the trade, we can maximize the potential of this market. If for any reason there's a confrontation between producers and the rest of the trade who control the pipelines into these outlets, you can see that if they turn to other areas of supply how it's going to hurt local producers and local production. The Vegetable Growers Association of Manitoba for many years worked at and achieved, fostered and achieved a wonderful working relationship with the trade, so that the trade was willing to support them in their request for orderly marketing. Not only do they gain in respect to having the people who control the outlets working with them, but they gain the experience, the marketing experience, the know-how and the ability of these people in marketing their product.

At the present time there are three producers on the commission and two from the wholesale and retail outlets, so the representation is two to three, and the chairman of the commission represents the wholesale trade, so actually you have amongst the voting membership you have a one to three situation.

Now, after we had experienced this rather encouraging experience with marketing potatoes, in the spring of 1965, there was a referendum -- not a referendum but a survey taken -- it was carried out in co-operation by the VGAM and the Potato Marketing Commission and it asked all the registered potato growers how they felt about marketing their potatoes through the commission, and it asked them if they would be in favour of marketing the additional vegetables through the commission. The results of that survey showed that 75 percent were in favour of marketing their additional vegetables through the commission. The VGAM approached the Manitoba Marketing Board and asked that the powers of the Potato Marketing Commission be extended to include these other vegetables. The Manitoba Marketing Board sat in hearings and they heard both pro and con and they made a clear recommendation to me as Minister that we should extend the authority of the Potato Marketing Commission to these other vegetables. We did so knowing that there were dissenters; we did so knowing that there were some people who were opposed to it; but we felt that we had pretty substantial evidence that not only was the proposal a sound proposal but that there was substantial support from the growers, and no serious, really serious opposition to it, amongst the growers.

We have 800 vegetable producers -- I understand that 100 vegetable growers have banded together in a new organization and these are dissenters to the action that has been taken. But with 800 vegetable growers in the Province of Manitoba, I think that there is still not evidence that the majority of the growers are not in favour of the action taken by the government. Action wasn't taken by the government without consulting with and taking into account what we believed to be the prevailing opinion and attitude of the growers. But I say again, as Minister I must take the responsibility for the action that was taken. I made the recommendation to my colleagues and they supported me in the action that subsequently was taken.

MR. VIELFAURE: Mr. Chairman, it's a matter of the producer being able to sell to the wholesaler outside of the Board and setting the market, but could we not -- for example, the Hog Commission doesn't start operating before 10:00 o'clock in the morning and the producer can go and sell to any other packer before 10:00 o'clock at a negotiated price, but naturally the producer is not going to take a chance of selling much cheaper than the day before when he knows that it will be on the open market at 10:00 o'clock. So could we not operate on the same way with the Commission, that no sale would be allowed before 10:00 o'clock, that the Commission would start buying at 10:00 o'clock just like the Hog Commission does, which would eliminate this situation that the Minister says has created the setting of the price for the day by the fact that the man has to sell before 8:00 o'clock because he just can't wait any longer. Would this not be possible? This would give the producer the freedom of selling outside the Commission, and yet the control of the Commission would still be exerted.

MR. FROESE: Mr. Chairman, I would also draw one other thing to the Minister's attention. When he got up before, he spoke of the sugarbeet industry as a closed shop. I care to differ with him on this. I pointed out in my comments that 80 percent of our sugar that we use is imported and that the sugarbeet industry here in Manitoba can only handle so much. It's processing facilities are limited, but that doesn't mean that we cannot start up another sugar industry so that we aren't limited and that we don't have to have a closed shop. This is a vast difference from setting up a monopoly such as we have on the Marketing Board, both the Potato Marketing Board and now the Vegetable Marketing Board. I think we must recognize this difference because it's too basic. As I see it, the Commission, such as the Hog Commission too, it allows for a certain amount of competition. It is the creation of the government, the government is responsible for it, so that if things go wrong, they can call on the government to make the changes, and also they have to take the consequences.

There was mention made here that the trade supported such matters as orderly marketing and commissions. Well here again, we find that -- such as the Wheat Board, they tend to gain because they'll get funds on their storage. Look at the amount of grain that they are storing which the farmers have sold to the Wheat Board, but at the same time the grain companies that do the storing, they certainly do not take any loss. They take all the advantages. They get all the storage money, yet the farmer that has to store at home, he doesn't get a penny. It's the grain companies, in this case, that get the funds for storing.

And what else is there? This means that under orderly marketing that the farmer today has to store almost one year's crops and carry it over into another year because the Wheat Board controls the amount of grain that is being sold so that they won't have a steady supply, and as a result, the farmer has to carry the brunt. They have to carry the load of a carry-over - and of a large carry-over - whereas if it wasn't for The Wheat Board, the farmer wouldn't have to carry this burden.

So here again is another point that we have to take into consideration, and I for one feel that we should definitely distinguish between certain commissions such as the Hog Commission that allows for competition and that allows a certain amount of freedom, that does not restrict production in any way, between such a commission as the one under the Potato or Vegetable Commission where you can in the first place set up a monopoly; and secondly, you limit production; and finally, you limit also the income of the farmer and he has no say in the matter.

MR. VIELFAURE: There is one more point that I forgot to make a minute ago. Beside the fact that there is marketing allowed outside the commission in the Hog Commission, you also have the legislation that says that within two years a vote will be allowed; while in the Vegetable Marketing Commission, despite the fact that the producer cannot market outside the Commission, he hasn't got this assurance that he will be allowed a vote within two years. I think this is one of the points that creates a lot of difficulty with quite a few producers at this time.

MR. BARKMAN: Mr. Chairman, I think a lot of hours have passed and possibly some moons have been shining in between from the time we started on the Minister's salary till now, and I think quite appropriately, as far as that goes, I thought at first when the Minister was sitting in his seat and waiting quite a while to answer the first questions, that possibly he wasn't going to answer. Of course I've changed my mind by now on that. I was also thinking when he mentioned that evening a favorite saying of Abraham Lincoln, I thought he would refer to a different one than he did. I thought he would perhaps refer to the one where Mr. Lincoln is quoted as saying that "it is better to remain silent and thought a fool, than to speak up and remove all doubt," but I think in that case I will apply the latter part to myself.

I think a lot has been said on the marketing and I have very little to say in this respect, but I did object to the statement that the Minister made in regards to calling some of these fellows "moonlighters." Well, I can assure him that we have people growing up to 300 and 500 acres of potatoes in my constituency and they are not moonlighters, and I know that they would, as my Honourable Leader said a little while ago, they would prefer a referendum. Why, I don't know. Maybe for the sake of free enterprise. I don't know. Maybe they don't want to be controlled by a few, as you mentioned a little while ago that about three wholesalers were controlling about 75 percent of the production or sales. Possibly these are the reasons. I don't know. Maybe the Minister is correct, that it would be a better system after the decision had been made by the public, but I would have to go along with this thought. It should be a referendum.

I would like to say a few words at this time, and I'm thinking about southeastern Manitoba. I don't think it has been neglected by the other two members from that area, but as we've been

(MR. BARKMAN, cont'd) . . . discussing a lot of points about ARDA, I couldn't help but think that very surely some of the points that were brought up would absolutely belong to the part of the area that I represent, and I'm not thinking so much of the Steinbach or St. Pierre area, I'm thinking more of some of the depressed areas such as Woodridge, Sandilands, St. Labre and those areas.

When the Minister described the purpose of ARDA was to extend across Canada, allocate and orient some program that will be useful - and I wish he would have added rural areas - but regardless, I think that that area certainly comes into that sphere. I was also interested to listen to him when he said that a patient had to be sick before he can be healed, or before he can be helped. This is exactly what is happening in parts of the constituency that I represent. If the patient isn't sick down there, the conditions are sick; and I'm sure that with some of this ARDA help, this would be a wonderful place to do some of the things that ARDA wants to make use of. Even if it was using some of the so-called free money that he talked of, I think either of them would be welcome.

I have often wondered why more studies haven't been taken in that area. I think it's fair to say that they have had different gentleman out there surveying the area. I can think of a gentleman by the name of Mr. Christianson, but I've never heard or seen any reports. I have often wondered, where are they? I think Mr. Parkin, the agricultural representative did a good job there for a while under ARDA, but I've yet to see any reports.

When the Minister mentioned that we should be careful when it came to looking at ARDA and doing certain things, and I believe he mentioned this three times the day before yesterday, that they were going to go into the Interlake area - and I have nothing against this, be it the north or be it the Interlake area, this is fine - but the point that he put across is that if they went in they would finish their job. I think this is a good thought and I think this should be adhered to, because we have far too many examples - and I don't have to go back too far in southeastern Manitoba - possibly I think it was under the Bracken government at that time when they started with having their own land, and later on selling it to individuals. I think today is a good example of some of the problems that we were left with, some of the problems such as drainage and a lot of things that happened afterwards. I am sure the Minister would have to agree, not only does it leave problems, but in most cases the government themselves will be losing money if they start entertaining projects like this.

The other point that I thought was well taken up by one of the other members the other day was concerning the importance of agriculture in Manitoba. I think we have a right to be hurt, as one of the members said, "Why was not more of agriculture mentioned in our Throne Speech? Why is there less than 50 percent of the whole Budget? Why only that little money compared to the Federal Government, and they're not paying a bit too much." I'm not saying that, but if you take out the Floodway expenses, there is not enough left for agriculture compared to other departments. -- (Interjection) -- Did you want to call it 5:30?

MR. CHAIRMAN: I call it 5:30 and leave the Chair until 8:00 o'clock.