

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, April 16, 1969

Opening Prayer by Mr. Speaker.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: I'd like to take a moment and introduce our young guests with us today. We have 65 students of Grade 9 standing of the Ness Junior High School. These students are under the direction of Mr. Hurta and Mr. Richmond and Mrs. Sammons. This school is located in the constituency of the Honourable Member for Assiniboia.

On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

Orders of the Day.

STATEMENTS

HON. STEWART E. McLEAN, Q. C. (Minister of Transportation) (Dauphin): Mr. Speaker, with your leave, I should like to inform the members that Mr. Lawrence W. Blackman, or commonly known I believe as Larry Blackman, has been appointed the Deputy Minister of Transportation. Up to the present moment he has occupied the position of Assistant Deputy Minister and his appointment has been made. Mr. Blackman entered the service of the province as a student project supervisor in the years 1946 and 1947 and then commenced his full time work in May, 1948 at Brandon as the resident engineer and he has progressed to his present position. He is the President of the Association of Professional Engineers of Manitoba. He had the good fortune to have been born in Oak River which is in the sovereign constituency of Dauphin, and in addition to his service at Boissevain and Brandon, he had the further good judgment to be the District Engineer at Minnedosa for three years and at Dauphin for three years prior to coming into the central service. We look forward to working with Mr. Blackman.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable the Minister of Finance.

HON. GURNEY EVANS (Minister of Finance) (Fort Rouge): Mr. Speaker, I'd like to table a Return to an Order of the House No. 35 on the motion of the Honourable Member for Turtle Mountain.

If I may continue, Sir, I would like to refer to a question asked of me I think yesterday by the Honourable Member for Rhineland in which he asked about the dates on which the Capital Estimates would be brought down, and expressed the view that the Capital Estimates had been usually brought down before the conclusion of the debate on the budget. I have the dates of previous years and draw his attention to the fact that it has not usually been the case and that I'm not in a position to do it this year, although if it had been any service to the members I would have been glad to do so. I certainly have no objection to it in any event.

There was one impression given in something that I said that I would like to correct. I have no doubt that what is recorded here was the way I said it. It had to do with the tabling of the Capital Estimates, and I think the wording that appears - that I am told that I used - led to the impression that I didn't necessarily feel committed to tabling the Capital Estimates. Probably I used the words that someone has reminded me that I used, but I would not have intended to do that. Of course I feel obliged to table the Capital Estimates and will do so, although I'm not able to do so within the period requested by my honourable friend.

MR. SPEAKER: The Honourable Minister of Health.

HON. GEORGE JOHNSON (Minister of Health and Social Services) (Gimli): Before the Orders of the Day, the Leader of the Opposition asked a question yesterday with respect to -- or questioning whether doctors had received copies of regulations telling them how to deal with DVA, Indian and indigent patients, and he asked when such regulations would be sent out. I should inform the members of the House that doctors had been advised that these people are to be handled as any other residents of Manitoba. They have a certificate of hospital and health insurance like everyone else, and doctors are to take their numbers and use the regular billing procedure whether they're in the plan or out. It is assumed that opted-out doctors will participate in the appropriate doctor-patient relationship and bill accordingly. No special regulations

(MR. JOHNSON cont'd) . . . on this matter are contemplated. The other question that was asked is if copies of the health plan fee schedule would be made available, and these will be made available to the members of the House.

The Member from Burrows asked whether greater effort to clearly outline the procedure people are to follow in dealing with physicians, and a second pamphlet is being produced by the Corporation which will go into greater detail on the whole program, and this pamphlet will hopefully be in the mail within the week. However, each resident we feel has a certificate and registration number and knows that he has to present it to his physician, and both the Corporation and the medical profession have repeatedly said it's the responsibility of the individual doctor to explain his procedures as part of the doctor-patient relationship.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JOE BOROWSKI (Churchill): Mr. Speaker, I'm wondering, in view of the statement made in the press the other day where the doctors are claiming they're severely overworked as a result of the implementation of medicare, whether the government is considering a recruiting drive in Europe to bring in more doctors to practise in Manitoba. I'm thinking particularly of the drive that the former Premier Roblin and the Minister of Industry and Commerce conducted . . .

MR. SPEAKER: Order please. I believe the honourable gentleman has asked his question, or am I in doubt?

MR. JOHNSON: Competent physicians are always welcome in the four borders of this province, Mr. Speaker.

MR. BOROWSKI: A supplementary question, Mr. Speaker. This doesn't answer the question. Are they going to conduct a recruiting drive? Not just saying they're always welcome, we know they're always welcome. Are they going to conduct a drive?

MR. JOHNSON: Mr. Speaker, we have the program of training physicians in Manitoba. The climate here is as favourable to physicians as elsewhere in Canada, and I would expect that the doctor-patient ratio will remain very satisfactory in this province.

MR. SPEAKER: The Honourable the Minister of Agriculture.

HON. J. DOUGLAS WATT (Minister of Agriculture) (Arthur): Mr. Speaker, before the Orders of the Day, I'd like to draw the attention of the members of the House to a press report that appeared in the Winnipeg Tribune on Friday last incorrectly quoting me as having indicated to the House that a bill would probably be coming before the House which would possibly amalgamate the Red River Exhibition and the Brandon Fair Boards. I don't think the wildest stretch of the imagination could possibly envisage such an amalgamation. I think there was a discussion on -- a clear discussion on the consideration for amalgamation of two other fair boards in in the province, but not the Red River Exhibition.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day, I would like to direct a question to my honourable friend the Minister of Finance. How many copies of the Budget Speech have either (a) been mailed out or will be mailed out for the current year?

MR. EVANS: I'll enquire and let my honourable friend know.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Speaker, I'd like to ask a question of the Minister of Agriculture. The Committee on Agriculture in the House of Commons is to be in Manitoba - when? And when they are here, will this government be presenting a brief to them?

MR. WATT: Well, Mr. Speaker, I've really had no official notice but I have called the chairman of that committee, Mr. Beer. I managed to get in touch with him in Regina. They are coming to Winnipeg on Friday. I think I should point out to the members of the House, Mr. Speaker, that any hearings officially that were intended to be held in the City of Winnipeg or in the Province of Manitoba were arranged before the committee actually ever left Ottawa, and that any submissions by individuals or by the government or by any farm organizations would simply be requesting the committee the right to appear before them. Indications are from the chairman that the only time that official presentations may be made would be from 2:00 to 5:00 o'clock on Friday afternoon. It is the intention of the Department of Agriculture to present a submission.

MR. SPEAKER: The Honourable Member for Elmwood,

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I'd like to direct a question to the Minister of Health or the Minister of Consumer Affairs. Have there been any complaints or queries, about the kind of coverage that is being proposed under the Mediplus plan, received by the government?

HON. J. B. CARROLL (Minister of Consumer and Corporate Affairs)(The Pas): Yes, Mr. Speaker.

MR. DOERN: A supplementary question. Does the government intend to press the Mediplus people in terms of any charges, or do they intend to speak to them about clarifying their advertising, for example in relation to their drug coverage and so on?

MR. CARROLL: Mr. Speaker, instructions have been given to meet with Mediplus and their advertising agencies, today or tomorrow, to discuss this matter fully.

INTRODUCTION OF GUESTS

MR. SPEAKER: I wonder if I might take a moment and introduce our guest. We have with us today in the person of Doctor Paul Yewchuk, M.P., at my right in the loges. The Doctor is one of the youngest members of the House of Commons at the present time and they tell me he's 31 years old. He is a graduate of the University of Alberta and is a physician and surgeon from Lac la Biche, northern Alberta. He was elected M.P. for Athabasca constituency in 1968, his first attempt at federal politics. I'm also told that Doctor Yewchuk has been very active in community affairs. In the year 1967 he served as Chairman of the Chamber of Commerce, the Centennial Committee and the Trappers' Carnival Committee in Lac la Biche.

On behalf of all the Honourable Members of the Assembly, I welcome you here today.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for St. John's.

MR. SAUL M. CHERNIACK, Q. C. (St. John's): Mr. Speaker, may I direct a question to the Honourable the Minister of Finance, who in his budget report referred to the fact that they are now aware of the expected actual, both income and expenditure, for the year 1968-69 by giving us the total. I'm wondering if it would be possible to obtain a breakdown that could be related to, let us say, the resolutions as they appear in both the estimates and the ways and means revenue column. Since we are still dealing with them in both committees, if we could relate them it would be very helpful.

MR. EVANS: I'll do my best, Mr. Speaker.

MATTERS OF URGENCE AND GRIEVANCES

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I beg to move, seconded by the Honourable Member for Kildonan, that the House do now adjourn for the purpose of discussing a definite matter of urgent public importance, and in particular, that no report has been filed for at least the last four years by the Milk Control Board as required under Section 7, subsection (1) of The Milk Control Act, Chapter 165, Revised Statutes of Manitoba (1954), and that milk prices have been allowed to increase during this same period of time from 23 to 29 cents per quart, and that a further hardship will be imposed on the consumers if the present application is approved by the Milk Control Board, and that therefore intervention by the Manitoba Legislature is necessary.

MR. SPEAKER: In perusing the motion to adjourn the House on the matter of urgent public importance which states that no report has been filed for some four years by the Manitoba Milk Control Board, my research in this regard suggests that the honourable member is in error by the fact that the report of the Milk Control Board of Manitoba for the period October 1st, 1963 to September 30th, 1964 was filed on the 8th day of March, 1965, and is known as Sessional Paper 48. Also, the annual report of that board for the period October 1st, 1964 to September 30th, 1965 was filed on the 9th day of February, 1966 and that is known as Sessional Paper No. 16. The 1966-67 journals include the report of the said Board for the period October 1st, 1965 to September 30th, 1966. It was filed on January 20th, 1967 and is Sessional Paper No. 25. The last annual report for the year ending September 30th, 1968 has been filed on March 5th of this year and is Sessional Paper No. 30. In light of the erroneous information submitted by the Honourable Member for Burrows, I consider the motion out of order.

MR. HANUSCHAK: Mr. Speaker, if I may, I quite agree with you that . . .

MR. SPEAKER: I've ruled on the matter. There's no further discussion.

MR. CHERNIACK: Mr. Speaker, will you not permit a comment at all in indication of a disagreement we have on the interpretation of the motion, and your debate on whether or not it's correctly stated. Would you permit me to speak on this?

MR. SPEAKER: My ruling has been made up as I read the report and there will be no further discussion on the matter at this time.

MR. CHERNIACK: Mr. Speaker, with regret I am bound to challenge your ruling.

MR. SPEAKER: Those in favour of sustaining the Chair please rise. -- (Interjection) -- I beg your pardon, these are always anxious moments.

MR. JACOB M. FROESE (Rhineland): On a point of order, Mr. Speaker, could we have the motion . . .

MR. SPEAKER: Order please. Order please. Are you ready for the question?

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

MR. CHERNIACK: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Those in favour of sustaining the Chair please rise. --(Interjection) -- I beg your pardon?

MR. CHERNIACK: Call in the members please, Mr. Speaker.

MR. SPEAKER: I realize that but I trust they're all here, but ring the bell in the meantime.

Shall the ruling of the Chair be sustained.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Baizley, Barkman, Bjornson, Carroll, Claydon, Cowan, Craik, Dawson, Desjardins, Dow, Einarson, Evans, Graham, Hamilton, Hillhouse, Johnson, Johnston, Jorgenson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Molgat, Patrick, Shoemaker, Spivak, Stanes, Steen, Tanchak, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

NAYS: Messrs. Borowski, Cherniack, Doern, Fox, Froese, Green, Hanuschak, Harris, Kawchuk, Miller, Petursson, Uskiw.

MR. CLERK: Yeas, 38; Nays, 12.

MR. SPEAKER: I declare the ruling of the Chair sustained.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Minister of Labour.

HON. CHARLES H. WITNEY (Minister of Labour) (Flin Flon): Mr. Speaker, I'd like to lay on the table of the House the report of the Manitoba Labour Management Review Committee.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BOROWSKI: Mr. Speaker, we're still on the Orders of the Day I take it. As of April 1st, since Medicare came in, everyone is compelled by law to pay in premiums. Up in the north there are many communities that are isolated, have no hospitals, no doctors, and they're compelled by law to pay the \$9.80 for Medicare. I'm just wondering what position they are going to be in when they get sick, what provisions have the government made to service these people that pay these premiums?

MR. JOHNSON: Mr. Speaker, I'd be happy to discuss that further during the course of my estimates, but suffice it to say it's always the problem that's with us here and other provinces. Some measures are being taken in concert with the Federal Department of Health to do more about encouraging physicians into the out-of-the-way areas, and I could probably elaborate on this more adequately during my estimates if it's agreeable to the honourable member.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL MILLER (Seven Oaks): Mr. Speaker, I'd like to address a question to the Minister of Municipal Affairs. It's my understanding that the government was going to supply sandbags and bags, in other words materials to municipalities who needed it to protect low-lying areas in Metropolitan Winnipeg. Is it correct that the only material being issued at this time are sandbags and that the sand has to be supplied by the municipality themselves?

HON. OBIE BAIZLEY (Minister of Municipal Affairs) (Osborne): It's not my understanding, Mr. Speaker, but I will take the question as notice.

MR. MILLER: A supplementary question, Mr. Speaker. I asked this question two days ago. The Minister wasn't in the House and I forget who it was undertook to look into it. I'm wondering whether we could get an answer quickly because the rivers are rising.

MR. SPEAKER: The Honourable Member from Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is for the Honourable the First Minister. To whom should an individual make application if he wishes to file a claim for flood damage?

HON. WALTER WEIR (Premier) (Minnedosa): Mr. Speaker, I don't know that there have been any rules or regulations set down. I think the extent of the damage has to be taken into consideration before these things are put in motion.

MR. JOHNSTON: A supplementary question, Mr. Speaker. I believe in the 1966 flood there was a board. The reason I ask, I've had two phone calls of people enquiring how they may make application. I don't know whether the government intends to entertain the application, but to whom can they make their application?

MR. WEIR: Mr. Speaker, I think if they wanted to put it on file with the Water Control Department that this would be satisfactory. Any decision on a board or what the policy will be can really only be taken after the extent of flooding is known.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, I'd like to address a question to the Honourable the Minister of Transport. In view of the fact that the commissioner in charge of the Royal Commission on Northern Transportation has now elected to take up residence in Toronto, could the Minister indicate when we might receive a copy of the report?

MR. McLEAN: Mr. Speaker, I cannot indicate when the report may be received. As I answered on an earlier occasion, the removal of the commissioner to Toronto will not in any way impede the completion of his work as commissioner.

MR. SPEAKER: The Honourable Member for Wellington.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I would like to direct a question to the Honourable the Minister of Health if I may. Enquiries have been made of me, and I haven't been able to answer about payment of the health premiums, or the Medical Service premiums, and whether it is possible to make one single payment, a total of the annual monthly payments at one time rather than the monthly payments? Can they make a yearly payment, or a quarterly or half-yearly?

MR. JOHNSON: Yes, Mr. Speaker, any person can make any arrangement they wish re prepayment for one month, three months, 12 months or whatever they wish through the municipal office or direct to the Corporation concerned.

ORDERS OF THE DAY

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable the Minister of Finance and the proposed motion of the Honourable Leader of the Opposition in amendment thereto, and the proposed motion of the Honourable Member for St. John's in further amendment thereto. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, having been called away, I would ask the indulgence of the House to have this matter stand. However, I would like to mention that I have no objection if anyone else wishes to proceed because I'm not prepared to proceed on my own at this time.

MR. SPEAKER: The Honourable Member for Hamiota.

MR. EARL DAWSON (Hamiota): Mr. Speaker, I want to thank the Member for Rhineland for allowing me to speak. I'm not going to take too much time. There is a matter that I want to bring up at this time, that I've been waiting for an opportunity to repeat what I had mentioned once before, the equal opportunities in education for rural and urban students.

As you are aware, last week the Member for Seven Oaks raised the problem of increased university fees. I listened with great interest and endorsed everything he said, but I felt that he was not aware of another increase in university fees which greatly affects the students that will be entering university for their first year, or their second year for that matter, that must board and room outside because they are not living in the city. The increase that has been given, or that is proposed and will be instituted in the fall, is \$10.00 per month which will be about \$70.00 a year increase in the fee. When this is added to the minimum of \$50.00 which is being proposed, this is another \$120.00. If you recall, Mr. Speaker, I mentioned another time in my remarks that I felt that the rural students should be subsidized, and in view of what has developed I certainly want to reiterate what I said before and try to make the government see how inequal the opportunities are for rural students.

(MR. DAWSON cont'd)

We know that it costs approximately \$1,700 for a student from the rural area to come into Winnipeg and take a course we'll say in science. Now it will be \$120.00 more minimum which will be \$1,820, and with everything else going up I'm sure we're going to be very very close to \$2,000 a year. Now the student who is residing in the City of Winnipeg, I think that the opportunity for him is much easier to attend university because that is actually cut in half. He has the opportunity to live with his parents and I'm sure that the expense is not that great to continue to feed and board that boy, but it certainly is a different thing from the rural areas. How are we going to equalize things in opportunity if we are going to continue to have this? It's the same thing in the Brandon area. We have students from the surrounding area coming in to university; they are not able to live at home and the ones that are living in Brandon have a better opportunity of obtaining an education.

Now with the shortage of jobs that are faced with the university students, I'm sure that we're all aware that there'll be many boys that had jobs last year attending university who will not be able to obtain one this year, and this makes the situation worse. It makes it worse too for a mother and father who have one in university this year from the rural area, and in all probability will have a second one. Now how long can this go on? We're up to \$4,000 next year for education, and I know a family which will have the third one in the third year. We're up to \$6,000. Now the government must find some way of equalizing the opportunity, and the only way to do it is to subsidize the rural students. I can no longer see how we can say that the opportunities are equal for everyone in Manitoba unless there is some form of subsidy.

The Minister mentioned that he had some \$600,000 in excess of his budget. Why not use it to subsidize some of these students. I know that you say you've increased bursaries, etc., but these bursaries are very hard to get. They're not obtainable to the average income family, as the Minister of Education knows. The student loans are not sufficient enough any longer; they're only up to \$1,000 and you have to be in fairly dire straits to obtain this \$1,000, so how is a boy to attend - or a girl - to attend university and have an equal opportunity?

This is all I wanted to say at this particular time, Mr. Speaker. I feel that there's no other reason for me to say anything else because my Leader did an excellent job of covering the budget and the criticisms that he directed to the Minister were certainly justified. As I could see from the Deputy Leader of the NDP, he endorsed most of the suggestions that were made to you on behalf of our Leader.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I want to thank the Member for Rhineland for permitting us to speak while he holds the debate. It's always interesting at budget time, Mr. Speaker, to get up and review the tax situation in the Province of Manitoba, because in my belief, taxes are the main fiscal tools that are used both to equalize opportunity and to designate what is the government program and the government direction, and I think that this year, Mr. Speaker, there is a particularly significant form of government direction that appears from the budget and I would like to discuss that direction.

Mr. Speaker, Dean Swift, who was one of the world's greatest critics, once wrote an article entitled "A Modest Proposal", and he was dealing with the Irish famine problem and the heartlessness of the government in their handling of the problem. What his modest proposal was, was to the effect that if the Irish indulged in the habit of devouring the children as they were born, they would solve the famine problem in two ways: first of all, by the fact of having something to eat; and secondly, by producing less mouths. It was rather a striking and cruel indictment of what the government was doing and I don't intend to indulge on anything quite so cruel this afternoon, but I do want to make, Mr. Speaker, a form of modest proposal because of the direction of the government taxation policy which is emerging.

Now, Mr. Speaker, we in the New Democratic Party have frequently been criticized for suggesting programs on the basis that there would be no increases in taxation, and I submit, Mr. Speaker, that we've never said that. Perhaps one of our greatest political weaknesses is the fact that we will stand up and say: Yes, we are going to have increased services and yes, they are going to cost additional taxes, and one of the things that we are going to have to do is to raise the money. We disagree with the honourable member as to the way in which the money would be raised, but we have always come out and said, Mr. Speaker, that increased programs are going to cost increased moneys and we are going to have to raise them through increased revenue.

(MR. GREEN cont'd)

But, Mr. Speaker, the government this year has an entirely different suggestion to make to the people of the Province of Manitoba and they apparently make it unashamedly. They say that there is going to be increased services and they say, at the same time, Mr. Speaker, that there is not going to be any increase in taxation. They are the ones who are making this claim. They are the ones who are saying that the budget is going to go up by roughly \$18 million, that there is going to be a medical care program which is going to cost \$30 million and that there will be no taxes, and they say it, Mr. Speaker, almost in the same way as the magician says that he is going to do something which apparently can't happen.

We have often seen, Mr. Speaker, a magician stand on the stage and have a hat with a rabbit in it and then do some tricks with the hat and the rabbit disappears, but Mr. Speaker, we all know that the rabbit is some place, that there really is a rabbit. What he has done is made it appear that there is not a rabbit, but we know where it is - we know that it's there, we don't know where it is - and I say, Mr. Speaker, that the government is doing the same kind of magician's trick. Everybody who is earning a living and finding that their taxation is going up and up knows that there are taxes. They just have been told by this government, and it's apparently accepted by some sources, that there are no taxes.

Now, Mr. Speaker, everybody in this House knows that that is not the case. The rabbit is some place and the taxes are some place, and I suggest that it's up to the members of this Legislature to find those taxes that this government say doesn't exist. They claim that they are operating on a balanced budget, well every budget ultimately balances. It can be balanced by a surplus or a deficit, but in this case they say that the budget is balanced without an increase in taxes. Well, Mr. Speaker, I'd like to look for the taxes that the government says do not exist, and I think, Mr. Speaker, that it should be apparent to all that these taxes in fact have been levied and they have been levied in a most cruel and expensive way.

Now, Mr. Speaker, I want to now embark on what I call my modest proposal to the Province of Manitoba based on their direction of taxes, and I'm going to deal with a subject taxpayer, Mr. Speaker, the fellow who knows that the taxes have gone up but is told by the First Minister, is told by the Minister of Finance, is told by the media that there have been no increases in taxes. He knows that he is spending more money on taxes but he has been told that there has been no increase. I'm going to call my subject, Mr. Speaker, Mr. Michael Thomas Pocket, whose abbreviations are M. T. Pocket. His earnings, Mr. Speaker, are \$5,500 a year; he is married; he has two dependents, one attending the public school and one at university. He is operating, Mr. Speaker, in a province, the Province of Manitoba, who for the moment let us assume has a \$300 million budget. Now, Mr. Speaker, the reason I say that is that the provincial revenues, excluding what we get from the federal, are roughly \$300 million, to which he is paying a portion. The additional revenues that we get from the Federal Government, through tax-sharing costs and what have you, would roughly bring our budget to \$300 million. It's not exact but it's approximate, and I believe, Mr. Speaker, that if you will bear with me with these figures you will see that they show the direction even if they are not 100 percent accurate.

Well, let's take this man who is earning \$5,500 and try to find out what provincial taxes he is now paying, and Mr. Speaker, I want to tell the Minister of Finance that I have tried to figure this out, balancing in every way the figures to suit his convenience rather than my convenience. In other words, I am going to take his taxes at the maximum rather than at a minimum - taking the present provincial budget. Well, Mr. Speaker, he is paying, and I have gone through the estimated revenue -- I have some copies of this material. Perhaps the Minister of Finance would like one and he can follow it, and the Leader of the Opposition. I wonder if the Page will come and get these copies.

Mr. Speaker, he is now paying roughly - and I figured this out on a per capita basis so I have multiplied his provincial share times four - he is paying roughly 92 cents in agricultural fees; he is paying \$4.80 in fines, if we take him per capita - and of course some people will pay no fines and some people will pay more; he is paying 88 cents in court fees; he is paying \$1.20 in law fees; \$5.40 in Land Titles fees - of course some people pay no Land Titles fees but some transfer a house and then pay more in one year. I figured out, Mr. Speaker, that this particular person would be drinking one bottle of beer a day, which some would call it a moderate drinker and some would call it a heavy drinker, but that would mean \$7.30 in liquor fees. He is paying \$127.10 in provincial income taxes; he is paying roughly \$68.00 in gas taxes, and for the Minister's benefit that's 400 gallons of gas for a person who drives his car

(MR. GREEN cont'd) 6,000 miles; he is paying \$6.00 in amusement taxes, that's figuring out the amount of amusement taxes paid per capita times four; \$14.20 in revenue taxes; \$29.20 in tobacco tax, and that's based on one package of cigarettes a day; he is paying 88 cents in labour fees; fisheries, \$2.50; tourism, \$2.40; he pays \$2.50 for an auto licence; he pays \$15.00 for an auto registration; he pays \$2.90 to whatever revenues you are getting from Youth and Education; he is paying \$7.36 in whatever revenues you are getting from Municipalities; and he is paying \$12.30 in miscellaneous. Have I left out the sales tax? He is paying \$85.00 - it's on my list - in sales tax, \$85.00, Mr. Speaker, which is a high estimate not a low one, a higher estimate, and I purposely used high figures because they benefit the government's case and not my case.

Now, Mr. Speaker, that more or less - and I submit to you that the figures are reasonably accurate - is the total of his provincial taxes by what the government calls taxes. It doesn't include the hospital premiums and it doesn't include the medical premiums, which, Mr. Speaker, is a total of \$395.34. And I submit, Mr. Speaker, that this is a maximum, this is a maximum because the figures that I have used are optimum figures and they inflate the amount of taxes that this particular individual is paying. Well, the members of the House may say that's an awful amount of taxes, \$395.00 for a person earning \$5,500.00 a year, and we have to keep the taxes down. Therefore, let's not have these taxes, and therefore instead of having a medical care premium that will add to this -- a medical tax by a sales tax or an income tax or another tax, let's take this out of the realm of taxes and not increase the taxes that this individual is paying. And Mr. Speaker, that is not only what they are doing with hospital care, they did it with hospital last year, they did it with medicine, they are doing this with the South Indian Lake program. But Mr. Speaker, if that makes sense - and this is my modest proposal - why doesn't it make sense or greater sense to eliminate all the taxes? Wouldn't the government like to go to the people and say that there are no more taxes for the people of Manitoba? We have struck out the liquor tax, we have struck out the tobacco tax and all other taxes. From now on there are no taxes, only premiums.

Mr. Speaker, as I have said before, that's a very weird system of financing and will result in very weird things happening. Because what do we have, Mr. Speaker - and I refer you to the second column. We know that to raise \$30 million for the Medicare premium this man is going to be charged a premium of roughly \$120 -- and I hope that the members opposite will excuse my round figure. It's probably more like \$117 but it's easier to discuss this matter if I just round them off a little bit and it doesn't destroy the argument. To raise \$30 million without increasing taxes, charge a premium of \$120 and therefore you won't have to add to the tax rolls, and ostensibly you are saving the citizens some money.

Well, Mr. Speaker, if we can save \$30 million, why not save the whole \$300 million, and to eliminate \$300 million of taxes that we are now charging the people of the Province of Manitoba, all we would have to do is charge a premium ten times as high as the medicare premium, because ten times \$30 million is \$300 million. And what would this citizen now pay? He'd pay \$1,200 a year in premiums and thereby save paying \$395.34 in taxes. Well, Mr. Speaker, I think it's somebody in the United States has said of President De Gaulle, "with friends like that, who needs enemies?" And Mr. Speaker, with premiums like this, who needs taxes? Who needs taxes?

This, Mr. Speaker, is a very weird system of financing because it results in the government saving people tax dollars by tripling the amount of money that they have to pay, and Mr. Speaker, if you think the effect is bad on a person earning \$5,500 a year, it's disastrous on a person earning \$2,500 a year or \$3,000 a year, because that person, Mr. Speaker, the person who earns \$2,000 less a year pays only \$28.50 in income taxes and pays a substantially less amount in sales taxes, so his taxes are increased even further. And this, Mr. Speaker, is the direction that this government is taking in levying the charges of government services against the people of this province.

But Mr. Speaker, let's go still further, let's make our proposal even more interesting for the First Minister, because the First Minister has indicated that he doesn't only want M. T. Pocket to pay premiums, but he really thinks that the program shouldn't have come in at all, that really the best way of doing this would have been to have done it independently, that everybody should look after their own program and then there wouldn't be any need for taxes at all. So although the premium system appears to this government to be better than the tax system, what they would really want, and this would really warm their hearts, is if there were

(MR. GREEN cont'd) . . . no premiums and no taxes, and ostensibly then we could save them not only the \$395 that they are now paying but we could also save them the \$1,200 that we would be charging them in premiums. And what would be the result, Mr. Speaker? I'm sure that you would be interested in this result.

Well, if there were no government services and no premiums, if we didn't have to pay for these programs together, then, Mr. Speaker, everybody could finance these plans individually. And what would the case be? We look to the third column. This is the no government, free enterprise, efficient, independent way. No premiums, no taxes; everybody looks after themselves. And what is the financial result? Well, Mr. Speaker, M. T. Pocket has a child that he wants to send to get an education so he has to send him to a school, and I've checked, Mr. Speaker, with a very modest, ill-equipped, and I would venture to say very less than efficient private school, and he'd have to pay \$550 to send that young person to school.

And then, Mr. Speaker, he wants his older child to be able to get a proper education so as to make his way in the world and not be in the same position as M. T. Pocket is, so he says he's going to send that child to university. And what is the cost of that university education which he will now pay in a real independent, rugged, free individualist, free enterprising way? He will pay \$2,850 for the cost of that child's education - \$2,850. That's the cost of the university education based on the present figures that the present tuition of \$450 is 15 percent of the total cost.

He will pay, Mr. Speaker - and I have used a modest figure again - if we eliminate the courthouse and the ability to handle his disputes through the courts establishment, he'd have to have a standing arbitrator. Now I've acted as an arbitrator, Mr. Speaker, the Member for St. John's has, and I have put in a very modest figure - \$100. That certainly wouldn't cover it, but then he won't be going to have a dispute every year so \$100 is a fairly reasonable assessment.

Mr. Speaker, we all know that the driveway to his house now costs him roughly \$100 just for a small piece of pavement and he's going to have to have some place to drive his car, and if he only has that much road, the amount that it takes to get him into his house, that's going to cost him another \$100 - \$100 minimum, Mr. Speaker. Again I think I'm being conservative in my figures.

Mr. Speaker, he will be deluged with people who are working for private charities, and if I know this person he will have to give to private charities because there would be no welfare assistance, there would be no other services now available to the needy people of this province. There will be no taxes and they will be non-tax supported, and Mr. Speaker, he will certainly be paying not less than \$50 in private charity grants.

Mr. Speaker, if we cut out our tourism and recreation program and all the beaches were private, well we know what private beaches are charging now. They charge roughly \$1.00 for a carload. If we send this man to the beach four times during the summer and he has no public beach to go to, he'll have to pay a minimum of \$4.00 to get into a private beach for recreation services.

Now, Mr. Speaker, I have listed only a few of his costs. On top of that we will lose whatever this government says they are providing in things such as provincial services such as health, which is not included in the Medicare Plan, tourism, recreation, labour - I hate to suggest that the Labour Department really does something which he would want to pay for, but nevertheless they feel that it's a service - he would have to pay for all those things. He would have to pay for all of the other things that the government does which would not be available to him if we eliminated the tax. I couldn't begin, Mr. Speaker, to list those costs, but I have listed a few basic ones. And what is the cost of the no tax, no premium system? Well, only the few figures that I have tabulated, Mr. Speaker - \$3,654 - \$3,654 if we eliminated the taxes and we eliminated the premiums.

So, Mr. Speaker, it's obvious that what has happened is that the government has not eliminated taxes, what they have decided to do is to charge the kind of tax which hurts, which most hurt Mr. M. T. Pocket, the guy who is earning \$5,500 a year, and the people who are under that figure. And what is the actual effect of this tax? I don't think, although it's been said in the House, for some reason it hasn't come through to the honourable members opposite. We know that in New Brunswick they levied a three percent increase in the sales tax. It went from five to eight - I believe that's correct - well it was something of that nature. Mr. Speaker, there was a march on the Legislature. There were demands that the

(MR. GREEN cont'd) . . . government resign. There were tremendous repercussions because there was a three percent increase in the sales tax.

Well how do the members opposite feel about the fact that by not levying taxes they are charging the citizens the equivalent of a 10 percent increase in the sales tax, because Mr. Speaker, they are doing at least that. They're doing that to Mr. M. T. Pocket and I'll demonstrate it again. We needed to finance this Medicare program - and let me be clear about this Medicare program - the government will say you are the people who wanted this program. Well it's true, Mr. Speaker, we were, but we never approved of this system of financing, and the fact is, Mr. Speaker, that with the amount of money that we are now receiving from the federal government alone, which is \$26 million, four or five years ago that would have covered the entire cost of the plan and there would have been nothing to levy by the Province of Manitoba - \$26 million. The government wouldn't have given us that much money but \$26 million would have covered the entire amount of the plan. Now we have that \$26 million and we're still taxing for another \$30 million, and the government says, well we wouldn't want to increase income tax. Well, why not, Mr. Speaker? What would happen if they would increase the income tax?

First of all, we know that the corporation tax would then participate in the payment of Medicare which they are not now doing under the premium system. But more important, let's see the effect of the income tax as against the effect of this tax. We would require \$30 million. The present income tax now raises \$90 million so we would have to increase the income tax by exactly by one-third, and we would charge Mr. M. T. Pocket one-third of \$127.10, or roughly \$42.00. Now we are saving Mr. Pocket \$42.00 by charging him \$120.00, and we say that we're doing him a favour. Mr. Speaker, that's a very weird system. We save the man \$42.00 by charging him \$120.00, that is if we levied it by means of income tax. If we levied it by means of sales tax - and I'm not suggesting this but I'm merely indicating that the government is going much beyond that. The present sales tax now raises \$60 million, which means to raise another 30 million you'd have to have a two and a half percent increase in the sales tax, exactly 50 percent, which would be a charge of \$42.50 to this person who is now paying \$85.07. But to save Mr. Pocket \$42.50 in sales tax, we're going to charge him \$120.00 in premiums. That's good business. That's good business by a business government. That's how they're saving the taxpayer money.

Now, Mr. Speaker, charging him \$120.00 instead of \$42.00 is charging him three times two and a half percent in the sales tax, and three times two and a half percent is seven percent additional to what he is now paying. So the premium which this government is charging to that man, the \$5,500.00 a year income owner, increases his sales tax not to eight percent, which caused an outcry in New Brunswick, but to 12 percent, and I suggest to the government that if I'm wrong that he say so right now, because that is his increase in sales tax. And to the person in the lower income group, Mr. Speaker, it's an increase up to 15 percent in the sales tax or to 20 percent, but to this person it raises his sales tax to 12 percent. So in order to save this gentleman, the kind-hearted front bench and the Minister of Finance says proudly that I did not increase taxes. In order to save this man a two and a half percent increase in the sales tax, which is not the best form but it's at least better than what he's doing, in order to save him two and a half percent he's charging him seven percent. Mr. Speaker, with friends like that, who needs enemies?

Where is the rabbit and where are the taxes? They have not disappeared; they are some place. The fact that the rabbit disappeared is an illusion and the fact that the government says these taxes have disappeared is an illusion. They have not disappeared, and when they are discovered they are far more vicious than any form of taxation that has been levied by any government in this country, by any provincial government in this country. These taxes are of the very worst type. That \$30 million could have been raised by an increase of one percent in the sales tax and a combination of a minor increase in the income tax to the people in the groups that I've spoken of, but this government doesn't want to operate this way. And this government has not only done it this year, they did it last year. They charged this same man, Mr. Pocket, they charged him roughly \$50.00 in hospital premiums, an increase of roughly three percent in the sales tax last year and another seven percent this year, and they have the nerve to say that they have balanced the budget without increasing taxes.

Mr. Speaker, I repeat, if it's a good thing, if it's a good thing, then why don't you eliminate all the taxes and balance the budget by saving the citizens \$395 by charging him \$1,200?

(MR. GREEN cont'd) . . . Or still better - and this I make in the form of a modest proposal consistent with this government's program - why not eliminate the taxes and the premiums as well and charge in the good old free enterprise efficient way, \$3,654 plus no more services other than those that I've mentioned, because Mr. Speaker, that's what they're doing. That's what they're doing, and if it's been hidden for a short period of time it won't be hidden for a long time.

Mr. Speaker, the system that the government has embarked on is one that I said in my remarks on South Indian Lake, they appear hell-bent on proceeding with in other areas, and this is what scares me. In the South Indian Lake Bill they say that they're going to finance the survey of natural resources on hydro-electric rates. There'll be no increase in taxes but there'll be an increase in hydro rates and that will pay for resource development. It will also pay for relocating Indians, something which is surely the responsibility of the province as a whole, but this government doesn't want to increase taxes.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): . . . of the tax-payers of Manitoba and not at the expense of Manitoba Hydro who are developing the project? Are you seriously saying that? Repeat it if you are because we want to have it on record.

MR. GREEN: Yes, Mr. Speaker. The Minister has got it on record. I say that the problem that has occurred in South Indian Lake is a problem for all Manitobans - for all Manitobans - yes, financially. We are responsible for that problem. They create it but we are responsible for it, and I say that it's not the user of hydro that is necessarily responsible for that problem.

MR. SPEAKER: I wonder if the honourable gentleman hasn't left the matter under discussion. I don't think we should continue in this direction.

MR. GREEN: Mr. Speaker, I intend to talk about the direction that this government is going in the raising of revenue.

MR. SPEAKER: I'm suggesting to the honourable member if he's discussing South Indian Lake at this particular time that he is out of order.

MR. GREEN: Mr. Speaker, if you call me out of order then I'll appeal your ruling, and if the House sustains you then I'll stop. I'm talking about the method of financing the costs of the South Indian Lake problem and I intend to proceed.

MR. SPEAKER: Order please. Surely the honourable gentleman is not suggesting to me that he wishes to disregard the request of the Chair which in itself is reasonable?

MR. GREEN: Mr. Speaker, I have indicated to you that if you call me out of order I will take the only course available to me. I will appeal your ruling; if the House sustains you I will not proceed in that light. Is it your ruling that I not discuss . . .

MR. SPEAKER: Order please. Do I take it that the honourable gentleman wishes to proceed on the South Indian Lake discussion?

MR. GREEN: Mr. Speaker, I've indicated, and I'll repeat, I intend to proceed on the manner in which the government proposes to finance the relocation at South Indian Lake.

MR. LYON: Perhaps I could inject a word on the point of order that we're dealing with right now. I think it is the practice on the Budget Speech, as on the Throne Speech, to permit a fairly wide range of debate on the subject. Now I'm confident that my honourable friend is not intending to make the balance of his speech on South Indian Lake, I think he was using that as an example of government financing. I don't agree with his argument but I think that perhaps he was using it in that context and I think there is a fair amount of latitude that might be allowed, so long of course as he doesn't infringe against the anticipation rule and embark on a long debate on a matter that is already before the House under another motion.

MR. SPEAKER: I appreciate the opinion of the honourable gentleman and it is always my endeavour to give whatever latitude I can within reason, and I feel that I can consider that the honourable gentleman would agree with that thinking. I hope that that has been my feeling throughout the session and will be so long as I occupy the chair.

MR. GREEN: Thank you, Mr. Speaker. Mr. Speaker, in the Bill before us with regard to South Indian Lake, the government indicates that it intends to pay for many of the costs, including the costs of resource surveys, including the cost of the relocation of the Indians, including the cost of the commissioner, including the cost of any money that has to be paid out of hydro rates. I suggest that this is directly in line with the procedure that this government is beginning to follow, which it started to follow last year and which it intends to continue to follow, to take expenses out of Consolidated Revenue and to levy them on users indiscriminately.

(MR. GREEN cont'd) . . . on the basis of either a head tax, which is the system which they are using to finance Medicare, or to put them on a user basis, which is the way in which they're financing this location by charging the hydro rates against the people who will be using hydro rather than accepting this as a total communal responsibility.

I think, Mr. Speaker, that the system that is being employed by this government is becoming more and more apparent. It escaped attention last year when they levied - and I repeat - an additional five percent sales tax on the people that I'm talking about; it has somehow escaped some attention this year by the fact that people have said that this is a balanced budget without increases in taxes. I hope, Mr. Speaker, that the scale which I'm presenting adequately demonstrates that with this type of premium, who needs taxes; with this type of friends, who needs enemies; that the system that is being embarked on is far more costly, expensive to the great majority of the people of the Province of Manitoba than a system of taxes. And I hope, Mr. Speaker, that this weird system will be recognized and penetrated and that it will not be long before the people reject this weird and wondrous world of Walter Weir.

MR. SPEAKER: Are you ready for the question?

MR. LYON: I believe that the motion stands in the name of the Honourable the Leader of the Opposition.

MR. SPEAKER: I'm presently dealing with the motion of the Honourable Member for Rhineland.

MR. LYON: I'm sorry. The Honourable Member for Rhineland.

MR. SPEAKER: Are you ready for the question?

MR. MICHAEL KAWCHUK (Ethelbert Plains): If it stands in the name of the Honourable Member for Rhineland, there's no question to be put.

MR. SPEAKER: Order please. As I understand it, the Honourable Member for Rhineland moved the adjournment of the debate, and having moved the adjournment of the debate before the question was put, he gave permission to the honourable gentlemen who have already spoken. Now I'm placing the question in favour of the Honourable Member for Rhineland that the matter stand in his name.

MR. LYON: Agreed.

MR. JOHN P. TANCHAK (Emerson): Mr. Speaker, would I be permitted to say a few words?

MR. SPEAKER: I wonder if you'd direct your question to the Honourable Member for Rhineland as it's standing in his name.

MR. FROESE: Yes, as I already mentioned, Mr. Speaker, I'm quite willing that others may speak.

MR. SPEAKER: The Honourable Member for Emerson.

MR. TANCHAK: Thank you, Mr. Speaker. I'm sorry I was a bit late, I was out with Dr. Yewchuk there greeting him. I did intend to contribute a little to this debate and my humble contribution is not going to be very long. In fact as usual I say it's going to be quite brief because you all heard what my Leader had to say and I'll agree with the Honourable Member for Hamiota that he covered the subject so thoroughly that there isn't very much to add.

I'd like to say a few words on the fact that the government is trying to take credit for not increasing taxation in Manitoba and they're making a lot of "do" about this. I would say, and it has been proven before, that this isn't a true statement, that there is no taxation. If you would call taxation a direct income tax point or sales tax only, then the government may be right, but holding the line in taxation in my opinion is extracting less from the people of the Province of Manitoba, and this is why I say that their statement is not true because the present government is really taking more money for services that the government is responsible for, more money from the people of Manitoba, and therefore this could also be labelled as a tax. This has been proved by my Leader, namely, that the government is taxing the people of the Province of Manitoba by a different kind of a tax - medical premiums. It's still taking money from the people of Manitoba, taking money for services the government is obliged to give, and this form of taxation the government has resorted to without any regard to ability to pay. This has been mentioned before. And the new tax premium is equivalent to at least \$117.60 per family. Well, if all of this money were to go towards this service, to Medicare, we'd have less quarrel with it, but part of this tax is used by the present government to sustain services which have formerly been paid for out of the general revenue, and

(MR. TANCHAK cont'd) . . . now it has been mentioned that something a little over \$4 million is being used for other purposes.

But what really really intrigues me is that fact that last year the First Minister lost the Province of Manitoba millions of dollars which was coming from Ottawa, and he lost this by opting to stay out of the Medicare plan, or at least until April of 1969, and the Province of Manitoba lost millions of dollars. And what was the reason given last year by the First Minister why Manitoba opted to stay out of the plan? About the only valid reason, if you can call it valid, given by the First Minister was that Manitoba could not afford Medicare at that time. But this year the Premier tells us what? That not only that he thinks that Manitoba can afford Medicare, but he adds at least \$2 million more to it in expense by covering certain services which Ottawa does not require within the plan, and this is coverage of services by chiropractors in the Province of Manitoba. Ottawa does not contribute anything towards chiropractic services in this plan, but Manitoba this year can even afford a more expensive plan than the one that she could not afford last year, and that's what really intrigued me. I cannot see why Manitoba could afford last year to lose millions of dollars, which I said before coming from Ottawa, and this year Manitoba can afford a more expensive plan with fringe benefits for some professions included which were not originally included in the Medicare plan.

I said I'll be brief and sometimes I'm accused of being not too brief, but this time I will be brief. But I would like to end this, that the Weir Government has a weird way of justifying its actions, and it also has a weird way of holding the line on taxation.

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, in rising to participate in the debate on the Budget Speech, there's one point in my Deputy Leader's amendment that I'm particularly concerned about and on which I wish to dwell, and that is the first one, "that the government has failed to blueprint the future development of Manitoba in line with proper governmental objectives by failing to relate the factors affecting human betterment," and so forth, "to the program for economic development."

Now when we talk about human betterment, Mr. Speaker, when we talk about economic development, there are many factors that we must take into consideration. A very important and significant one is the matter of cost of living, and it is this government's attitude towards the matter of cost of living that disturbs me most; its attitude of silence, its attitude of inaction, and I am referring specifically to a matter currently facing the people of Manitoba by which they will be affected in the very near future, and primarily the price of milk. The price of milk, a commodity, a very important commodity and necessary to maintain one's livelihood, a very necessary ingredient of a balanced diet of any individual, and the price of which affects the person least able to pay any increase, affects him the greatest.

Now, Mr. Speaker, there are two applications being presently before the Milk Control Board which will be heard on April 24th I believe, calling for an increase in the price of milk - an application by the producers, an application by the dairy industry. The sum total of their application amounts to - or may amount to four cents per quart, and I suggest to you, Mr. Speaker, that this four cents per quart is equal to the sales tax presently being paid by 50 percent of Manitoba's community. The average wage in the Province of Manitoba at the present time stands somewhere in the vicinity of \$83.00 or \$84.00 - the Honourable Minister of Labour could tell us the exact figure, but somewhere within that range - and I suggest to you that if you consider that figure, that average figure and deduct the non sales taxable items from it, deduct the price of food, deduct the price of rent, deduct the price of gasoline which is subject to another form of tax, deduct the cost of provision of supplies, clothing, books, school books for children, deduct all those items, you'll be left with a sum I'm certain not in excess of about \$800.00 which the consumer would have at his disposal for sales taxable items, and five percent of \$800.00 comes to \$40.00. And I suggest to you, Mr. Speaker, that the increase in the price of milk presently being sought by that family, by that type of family, a family of two or three children, will mean an additional \$40.00 to \$45.00, at least an additional \$40.00 to 45.00 annual expenditure for the provision of this basic necessity - at the very least. Thinking in terms of 2 1/2 or 3 quarts of milk per day, it works out to that. That's very simple and elementary arithmetic.

This is about to happen, and you will recall, Mr. Speaker, that very early in this session I asked the Honourable Minister of Consumer Affairs what he proposes to do about it, what position he proposes to take on behalf of the Manitoba consumer, and you will remember his reply, that there are organizations in this province more capable of representing the

(MR. HANUSCHAK cont'd) . . . consumer than his department, and he gave the Consumers Association of Canada as one example. He does not feel that his department could speak on behalf of one segment of our society, and I'm paraphrasing his statement but I'm sure that if I were to check Hansard, the honourable Minister meant exactly that. What segment of our society, Mr. Speaker, is not a consumer? Of all departments, of all departments within our government, there is one which represents each and every individual in the Province of Manitoba. That is the department. The government of Manitoba doesn't hesitate to represent other segments of our society; it doesn't hesitate to represent big business and industry. When we talk about an equitable form of taxation, their immediate reply is: "Ah, but if we increase royalties on mineral produce, if we increase any other forms of taxation, we would scare away industry; we would fail to attract industry to develop our province." They don't hesitate to represent that segment of society but they refuse to represent the one million people resident in this Province of Manitoba. They indicated a moment ago, that in a week and a half's time, or a week's time from now, the Milk Control Board established by this government, responsible to our Minister of Agriculture . . .

MR. SPEAKER: Order please. I wonder if the honourable gentleman is not arguing the problems of the Manitoba Milk Control Board rather than the matters of finance which are before the House today. I appreciate his point of view, I understand his feelings and so on, and I'm merely appealing to his ability to explain the matter and probably bring it to a conclusion and get back to the matter before the House, and leave the Manitoba Milk Control Board, as such, possibly out of his discussion.

MR. HANUSCHAK: Thank you, Mr. Speaker. It is my intention to deal with the general economy of the Province of Manitoba; it is my intention at this point to deal with the production of the Province of Manitoba; it is my intention, and also in the process of generating, of earning that production, it is my intention to deal with the costs and various expenditures facing the people of Manitoba. And taxation is one of them, taxation is the form of revenue to which a government resorts, and it is my intention at the same time to indicate all the other very pertinent and vital expenditures to which the people of Manitoba are subjected through activity or inactivity on the part of the government of the day.

Now, Mr. Speaker, I have no quarrel with the operations of the dairy industry, or rather with the operations, when I speak of the part of a dairy industry involved in a production of milk, with the dairy farmer, and I'm going to elaborate on that in a moment. I am concerned - I am concerned with the provision of that commodity at the lowest price possible. Mr. Speaker, this government pays lip service to concern about that matter, because in a piece of legislation presently on the books, and which this government has not seen fit to repeal and still retains, Section 7, subsection (1)(a) of the Milk Control Act - and I must refer to this, Mr. Speaker, because this specifically points to the responsibility of a board or a commission of this government - and it said that "the Board" - in this case meaning the Milk Control Board - "shall investigate and study co-operative, municipal and other systems of distribution of milk" - co-operative, municipal and other systems - and other systems of distribution of milk - "and the conditions of the dairy industry in Manitoba or elsewhere" or elsewhere - "beyond the boundaries of Manitoba" - in fact I'm sure beyond the boundaries of the Dominion of Canada if it wishes to - "and report thereon to the Minister of Agriculture" - and as this section reads that I'm quoting from - "and Immigration" - there have been two amendments since which changed the title of that office but basically it is the same department the Department of Agriculture; the same Minister, the Minister of Agriculture. "And report thereon" - this Board shall do this - and Mr. Speaker, I'm sure that if you check the reports tabled in this House in this session and in previous sessions you will find a report from this Board, you will find a report filed by this Board annually, but I'm equally certain that nowhere, but nowhere in that report would one find reference to this assignment with which . . .

MR. SPEAKER: . . . the honourable gentleman knows, and I'm sure his colleagues would assist him in this regard, that there has been a ruling made today, this very day, and I would take it from his discussion at this particular moment that he is giving the impression of questioning that ruling, which I trust he doesn't intend to do.

MR. CHERNIACK: Mr. Speaker, if I may on the point of order. The ruling that you made this afternoon dealt with a proposed debate on a matter of great urgent public importance. You ruled that that was presumably not a matter of urgent public importance and therefore could not be spoken to on that issue at that time.

MR. SPEAKER: Order please. I didn't rule that it wasn't of urgent public importance but rather I ruled on the matter of the question of reports that the honourable gentleman said had not been submitted by the Board. And I don't wish to enter into a debate at this particular time and I know the honourable gentleman wouldn't want me to. It's not my purpose, and I have ruled on the matter, and all I am asking and I am appealing to the honourable gentleman to remember what has happened this afternoon and not use other means to take advantage of what already has been ruled upon, creating some doubt as to the opinion that the Chair has given.

MR. CHERNIACK: Mr. Speaker, if I may. The only basis on which the proposal to enter into a debate by this member earlier was on the basis of urgent public importance. I don't quite understand how the Speaker could have made a ruling rejecting the motion on any other basis.

MR. SPEAKER: It's not our purpose to discuss this at this particular time. It's against the rules of the House. The Speaker has made a ruling; rightly or wrongly I must stand with it.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, on the point of order, I take it you are not ruling, I hope you are not ruling that my honourable friend the Member for Burrows does not have the right to discuss the Milk Board if he wishes to, or the dairy industry or the producers' position therein, or any other subject matter that he wishes to on the budget debate, because my understanding certainly is, and I'm sure the practice of this House is, that the budget debate is open for discussion on any matter. Unlike the motion going into the Committee of Ways and Means, it's not even limited to the matters within the purview of this government. It's, I think, on the budget debate world-wide, so my point of order, Mr. Speaker, is that the Honourable Member for Burrows has the opportunity to speak on any matter that he wishes to on the budget debate. Now, if the question -- and I'm sure the honourable member is not, in doing this, trying to question what happened earlier in the day, but I just want to point out that in my understanding every member of the House has a right to speak on any particular subject on the budget debate.

MR. SAMUEL USKIW (Brokenhead): Mr. Speaker, on a point of order. If you would look at the amendment which was introduced last night, and it's on the second page of your Order Paper designated under (c), there is a subject matter there that deals directly with the agricultural picture and the prices and marketing problems related to farm commodities, and in that connection if no other the Honourable Member for Burrows has a right to deal with the whole problem of distribution of milk or potatoes or anything else, Mr. Speaker.

MR. SPEAKER: Order please. Order please. It seems to me that an unfortunate impression has developed which I would be the first to suggest should have been avoided. In my listening to the honourable gentleman, he used in his last few words, he talked about no report filed, and I simply rose on that occasion to merely reiterate the fact that I had ruled on that particular matter today, and I wondered if he would hesitate from getting deeply into it on that account. Now, I know that three or four of you wish to leap to the floor, but the Honourable Member for Burrows has the floor, and I would be very pleased to hear him continue.

MR. HANUSCHAK: Thank you very much, Mr. Speaker. I wish to assure you that it was not my intention at this time to question your ruling, but simply in the process of developing my argument on the present state of affairs, related to the supply of this very important commodity, there was information that I feel that we should have which we do not have, and I would have said the same thing regardless of what may have transpired earlier.

Now, Mr. Speaker, I had mentioned earlier that I have no quarrel with the producers' request for an increase in the price of milk paid to them. I do feel that there is a very justifiable case that could be made out. Examining the Dominion Bureau of Statistics report for the year ending 1967, which was the last report for a complete year that I could find in our library, I find that the farm net income, the farm net income - and this I assume includes all farms, dairy and other - has dropped considerably from the year 1964. In Manitoba in the year 1964, the net income figure stood at about 2.6 billion dollars and in 1967 it stood at 2.3 billion dollars, which indicates that the 1967 income was only about 87.1 percent of that in 1964, despite the fact that in some segments - and the dairy industry is one of them - the cash receipts of the dairy industry had increased over the same period of years. There was a 15, 16 percent increase in the cash receipts. But there are a couple of other extremely significant figures that I would like to draw to this House's attention, and that is, if one relates net income from farming operations to the value of farm capital - and unfortunately, and I hope that the Honourable Minister for Agriculture will enter into this debate; he has access to figures of the statistics of this type, greater access than I do; all I was able to locate in preparation for participation in

(MR. HANUSCHAK cont'd) this debate were Canadian figures - I note that the total value of farm capital shown for 1965 stood at about 1.5 billion dollars and the net income in that year was about 11 percent of the farm capital, and in three years' time, in 1967, it dropped down to 9.4 percent.

Now I do believe, Mr. Speaker, that this is a significant factor. This is a factor that a farmer must take into consideration. In fact, I would hope that somebody would get up and explain some details related to these figures, because from reading the Dominion Bureau of Statistics reports I get the impression that there's no price tag put on the farmer's time that he spends in operating his farm. In other words, in the figure "net income" the farmer was not paid a salary, which is a legitimate expense item in any other business operation. In other words, Mr. Speaker, if one were to deduct the value of the farmer's time in operating his farm, this figure would be still less than it is. In other words, it will bring it down below a level of a return that one would normally expect on a reasonably secure bond investment. Now surely, Mr. Speaker, we know that there are many more risks involved to a farming operation than there are to a Dominion of Canada bond investment, and because of the additional risk involved, surely the farmer has the right to expect a higher return than what he gets there, but I doubt very much, and as I indicated earlier, I hope that the Honourable Minister of Agriculture would explain some of these figures in detail, because I doubt very much whether the figures as presented to the public in the Dominion Bureau of Statistics report do give a true picture of what the financial state of affairs in the farming operations really is.

Now in the meantime, in the meantime, Mr. Speaker, while the farmer's return is going down, the consumer price index is going up. The consumer price index is going up. For the City of Winnipeg, in 1962 the consumer price index stood at 127.4. In December of 1968 it went up to 152.3. That's the food price index for the City of Winnipeg, and I would like to remind this House that the base presently used is no longer 1949 but I believe it's 1957. In other words, the index continued to 1957, then 1957 was used as the base 100, and it works up from there. So, in other words, if one were to relate the current cost of living index to 1949, one would probably arrive at a figure of somewhere well in excess of 200. And what's even more significant in terms of the price index, and unfortunately, and here again I was not able to obtain these figures specifically for the province of Manitoba as such, but on a breakdown of the consumer price index as per commodity, there are some very significant facts revealed.

During the last three-year period, for the years 1965, '66, to the end of 1967 - the 1965 figure, I take it, is the average one for that year and the last figure that I have is for December 1968 - and here's what's happened in the Consumer Price Index in a number of areas. Food went up about 13.6 percent, from 135.9 to 154. That's all food in general. Housing went up about 14.4 percent; housing operation, about 10 percent; recreation went up about 17 percent; tobacco and alcohol went up 15.4 percent; jewellery went up 18 percent. Dairy products for that same period, the consumer price index went up 22.3 percent. Now I use jewellery just to illustrate a point, that this is not an essential for one's living, but the price index of this did not go up as much as the price of this essential food commodity which all people consume.

Now it's been said, and this no doubt will be used as an argument by the supporters of the position to increase the price of milk - and may I remind Mr. Speaker again that the increase will be close to \$2 million for the whole province of Manitoba - that our price of milk is much lower than that in other parts of Canada, and this may be true that it is lower than in many parts, but one will also find that in Manitoba a much smaller percentage of a total milk production is used for fluid sales, and a much larger percentage is used for other forms of production which are the more profitable areas of operation for the dairy industry, for the manufacture of powdered milk, concentrated milk, ice cream, various types of creams that are on the market, and that sort of thing. In Manitoba, the fluid sales are only about 37 percent of the total sales. According to the Dominion Bureau of Statistics reports for last November, the Milk Control Board report shows a somewhat different figure. In some provinces, in Nova Scotia the fluid sales account for 65 percent, and generally speaking in all the Maritimes the figure is higher. In British Columbia the fluid sales figure is high. Now this is a very important factor because this does govern the price of milk.

I would suggest to you, Mr. Speaker, that this being as vital a commodity as it is, as vital as it is to the well-being of our people, and in particular as vital as it is to those least able to speak for themselves, to those least able to appear before a government body, before a Cabinet Minister, because taking a day off means a loss of wages at the existing average wage

(MR. HANUSCHAK cont'd) . . . or perhaps even at the existing minimum wage, because it affects the ill, because it affects the aged, because it affects the parents with young families, I therefore urge this government, Mr. Speaker, in the interests of the economy of the province of Manitoba and after all, the people of Manitoba are part of that economy and surely, surely we can't talk only about dollars and cents, about tons of nickel ore, about bushels of wheat, or about gallons of milk, and ignore the one million people resident in this province; surely, Mr. Speaker, in the interests of those people, this government would see fit to intervene at this point and launch a full scale investigation into the operation of the dairy industry in the province of Manitoba, what they are presently demanding, and you will find that there were increases over the last three or four years from a maximum figure of 23 cents set about three or four years ago to the present 29, to a further four-cent increase presently being requested.

Surely, Mr. Speaker, this warrants the intervention of the government and to call these fellows in and let them demonstrate, let them demonstrate that they cannot operate their business in any other way, that they cannot supply the people with dairy products without an increase in the price of milk, and if they do show that, Mr. Speaker, then what about this piece of legislation that exists here? What about this piece of legislation authorizing a board of this government to investigate and study and report, and report to this government on other methods of the distribution of milk? If it is uneconomic for the local dairy industry to distribute milk, maybe this government should be doing it. Maybe this government should be buying milk from the producer. Maybe this government should be selling milk - yes, and I mean it. Maybe this government should be, in turn, selling milk to the retailer and selling milk to the dairy for manufacture into ice cream and other by-products of milk that it chooses to manufacture, but -- (Interjection) -- and I am sincere. I am very much sincere in what I am doing. If the honourable member would look beyond the boundaries of this province, beyond the boundaries of this country, he will find - and surely this legislation anticipated that because it makes specific reference to that - that there are government bodies in the business of distributing milk.

A MEMBER: Where? Russia or somewhere. Not in Manitoba.

MR. HANUSCHAK: In the country of England. In the country of England there are municipalities involved in the distribution of milk.

Now, Mr. Speaker, there is a solution to the problem to provide the consumer with milk at a reasonable price to him and not be subjected to the exploitation of big business, and this, Mr. Speaker, I suggest is what this government ought to look into and not hide behind a board and say, "We've set up a board; let them handle it," and if the board says so, if the Board gives the stamp of approval to a four cent increase, for an increase, as I said before, tantamount to the 5 percent sales tax that this government imposed, it would be tantamount to a 5 percent sales tax on the majority of the people affected by this increase in the price of milk. This, this government ought not do. It will be doing the people of Manitoba a grave injustice if it remains in its present position and completely inactive and allows this to happen.

..... continued on next page.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. McLEAN: Mr. Speaker, it is not customary for me to engage in the general debates in this House but there have been some matters on my mind that I thought I would like to express. And I'm encouraged, of course, to do so by the members of the New Democratic Party who keep asking us what are our plans and programs and what direction we're going. I would like to discuss very briefly if I may, the direction in which the New Democratic Party is going as indicated by their motion or sub-amendment in these proceedings, and if I may use the expression "by the weird and wonderful speech" made this afternoon by the Honourable the Member for Inkster, and the now rather interesting addition that has been made by his colleague, the Honourable Member for Burrows.

Mr. Speaker, I think one could say that there are two underlying principles which are advanced by the Members of the New Democratic Party in the presentations which they make to this House. I underline the words "to the House", because of course, outside the House they endeavour to present themselves as being a very reasonable group and that indeed is the position taken by the Leader of the New Democratic Party. But I suggest, and sometimes there are those who suggest that there are people on this side who perhaps have more influence in the formation of our policy than others, and I suggest that the real policy of the New Democratic Party is perhaps influenced by the Honourable Member for Inkster and the Honourable Member for Burrows, and the Honourable Member for St. John's, if I might be so bold as to suggest some people in that group. And what are these principles? These gentlemen suggest and this is abundantly clear from this afternoon's proceedings, that they would like to impose a system of socialism applying to all our activities. They would tax us - and I'll have something to say about taxes in a moment - and then they would look after all the matters that normally we perhaps like to think we look after ourselves. They would decide who would go to university, because universities would be financed by taxation, but only those who would meet certain qualifications, as yet not indicated, would be permitted to go. They would provide us with milk if we can't get the milk, according to their method of doing it. They would provide us with medical care and hospital care, all on a basis of taxation. The only one thing they wouldn't allow us to do, Mr. Speaker, would be to think for ourselves or make our own decisions. And after all, the gentlemen opposite in the New Democratic Party, you know sometimes they stand up and we shrink when they utter that word "reactionary" and they point to us. Mr. Speaker, Mr. Speaker, they're advocating the oldest, most shopworn outdated political and economic theory known to mankind. The serfs had freedom, they had everything looked after; all they didn't have was the ability to decide for themselves, and to make their own decision and order their own lives. But they were looked after, they were provided in accordance with the society of that time with food and clothing and all the things that they require. We've gone a long way since then and here are these people who like to represent themselves as being in the vanguard of human progress suggesting that we should revert back to that outworn and long gone system of society.

But Mr. Speaker, the most interesting thing is the way in which the Members of the New Democratic Party would finance this Socialist State prison into which they would consign all of us. They would finance it by an ability-to-pay tax. Now that doesn't mean, that doesn't mean, Mr. Speaker, that everybody would pay taxes according to his ability to pay tax. It would mean that only a certain group, designated no doubt by the members of the New Democratic Party, whose ability they would decide would pay taxes according to their decision. And just think what a splendid political idea that is -- now, Mr. Speaker, let me not suggest that the members of the New Democratic Party would ever stoop to anything like politics in matters of this kind because as with Brutus I can say they're all honourable men -- but just think what this theory could do for some other political group not so highly motivated as them. You see it has a great advantage. First of all, when you say we will finance these things by the ability-to-pay tax, every citizen, and as indicated, it isn't everybody that's going to pay taxes according to ability to pay, this is just going to be certain people that will pay taxes according to the ability ascribed to them by government, or whoever it might be. First of all every citizen can feel quite comfortable with this principle because obviously with the way in which my wife spends money I have no ability-to-pay taxes; I can feel quite comfortable about that theory. I can support it.

If the honourable members were challenged individually or collectively, by a group, about that they would be very careful to explain that of course they didn't mean Mr. M. T. Pocket

(MR. McLEAN Cont'd.) . . . who earns \$5,500 a year, they mean somebody else. Some other undefined person away above there. But, Mr. Speaker, the interesting and the most - the thing about this that really packs the wallop in the Legislature is that it wouldn't make any difference, it wouldn't make any difference what tax was imposed on that principle by the government; you could always argue that we hadn't picked the people with the ability to pay. Under that principle you can advocate programs till the cows come home. -- (Interjection) -- And you can always give us - and I can't use the word in this Legislature - for the tax that we impose because according to your definition we would not have selected the people with the ability to pay the tax. And I say, Mr. Speaker, that that's a lot of nonsense, spelled in capital letters and underlined, and nobody knows it better than the members of the New Democratic Party - nobody knows it better than they do, because, Mr. Speaker, while we do not have a socialist government in this province, and we're not going to have one, there have been parties of their association who have been in office in other places. And it is interesting to look at what has happened.

Would the honourable the members of the New Democratic Party care to discuss the tax policies followed by the present labour government of Great Britain or its predecessor? Would the members of the New Democratic Party like to discuss the tax policies of the CCF Government in Saskatchewan, when they had a Minister of Finance, a man by the name of Finest that knew more about taxation and capitalism than some of us will ever know? -- (Interjection) -- Well it would be interesting. As a matter of fact, as a matter of fact, when the CCF Government was in office in Saskatchewan they were the most orthodox, the most orthodox financial people in all the provinces of Canada, in their financial and fiscal arrangements as a government of that province. They didn't embrace any of this nonsense about ability-to-pay tax. They imposed a premium when they introduced hospitalization -- just the same type of thing that we're talking about now. . . .

MR. LAURENT DESJARDINS (St. Boniface): Twelve dollars a year.

MR. McLEAN: They imposed a premium when they introduced medical care.

MR. DESJARDINS: Twelve dollars a year.

MR. McLEAN: And -- oh well the same principle, same principle - still a premium is a premium. If it's a fixed charge at \$42.00, it's a fixed charge at \$12.00 - the principle is quite the same. I give that only as an illustration simply to indicate, Mr. Speaker - and this is the point I wanted to make here - that of course the New Democratic Party don't believe this idea, they endeavour to create this impression as an arguing and a debating point.

Now, Mr. Speaker, we're engaged in a question of shall - in effect are we going to defeat the government on what is a motion of non-confidence on the basis of the proposals put forward by the members of the New Democratic Party as espoused by them here, and on other occasions. And Mr. Speaker, it will probably not come as any surprise that I am unable to support their views. -- (Interjection) -- But, Mr. Speaker, much more important, the people of Manitoba don't believe them either.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. MILLER: Thank you, Mr. Speaker. The Minister of Transportation as usual brings me to my feet. There is something about the tone of his voice - there's usually something about the tone of his voice and his philosophy which somehow challenges me every time we happen to get together. He talks about nonsense and I think we have listened to some great nonsense in the last 20 minutes. -- (Interjection) -- He talks in terms of - true, true somebody says - He talks in terms of this party not being sincere and suggests that were we but in office we certainly wouldn't adopt the very things we talk about in this House, whereas they, the true blue - and that is the colour I believe - the true blue Conservatives, they always uphold the banner of - what is it? Free enterprise? -- (Interjection) -- Rugged individualism. A concept that is as dead as a dodo, a concept that is so long gone, no economist in his right mind talks about it any more, and no major businessman talks about it any more because they know what the name of the game is in today's society. And it's not the laissez faire so called free enterprise system of 50 years ago. It's gone; it's dead. But these people apparently won't believe it.

Mr. Speaker, to talk in terms of trying to defend the method of premium taxes that this government is pursuing is doing a disservice to themselves and to the people of Manitoba. If they want a premium tax, they're welcome to it. They have the majority and they're obviously doing it. But to try to justify on some mythical grounds that they are upholding freedom from some Socialist attack is absolute nonsense. This same government when it introduced hospital premiums started off with a small premium and paid an equal amount from consolidated

(MR. MILLER cont'd.)... revenue. This same government when faced with an election chose not to increase the premiums, and said "we don't want to increase premiums because this is a harsh and not a good way, not an equitable way to pay for hospitalization." They chose through taxation to increase the amounts required to run the hospitals, and for a while there the provincial government through the consolidated fund was paying more towards hospitalization in Manitoba than were the premium taxpayers.

Well now they've decided they want out, and if they want out that's their privilege, but let's not kid anybody about what they're doing. They are trying to hold the line on taxation in Manitoba, and the way they do it is to charge everything up to the individual through premiums, and by doing that they hopefully, they hope, that the public will say: "Now isn't that government wonderful, they are holding the line on taxation." But in fact, the public is not gullible, the public knows darn well - to use the expression - that they are paying out in hospital premiums, in medical premiums, they are paying out dollars to the hospital commission or to the new corporation that is being created, they're paying out this money, they're not paying it through the provincial treasurer, but they're paying it out to the corporation, and to all intents and purposes the individual is therefore paying for it. But the inequity is that the man who is paying \$17.00 a month is going to have to pay that whether his income is \$2,000 a year or his income is \$20,000 a year. The only way he's going to avoid it is if he goes on welfare, if he can somehow convince the municipal and provincial authorities that he qualifies for welfare. Mr. Speaker, there are tens of thousands of people who won't qualify for welfare. They're just above that very very minimum income and they're not going to qualify for welfare, and they're going to have to pay a very onerous \$17.00 a month - an amount they can ill afford. And to suggest, as has been suggested here, that when this Party or when the Liberal Party suggests that the premium taxation is onerous and it's vicious - which is what it is - to suggest that that's Socialism is a lot of poppycock. And the Minister of Transportation knows it full well, because I'm sure if I go back in Hansard I will find speeches where as Minister of Education he made statements where he claimed that it should be the province as a whole through the state that picks up the larger share towards education. He isn't giving us -- (Interjection)-- Yes, at that time he was a Socialist. Now he's giving us the guff that he didn't give us when he was Minister of Education. At that time he was saying: "Well now the province has to pick up the larger share, it's only equitable and fair that the province through it's shared resources picks it up. The average individual cannot afford to pick up the cost otherwise." Today he's on another road, today he's on another bicycle and he says to us: "Well now that was Socialism; I repent, and in repenting I'm now defending a policy which says that we are all rugged individualists and we shall all stand on our own two feet." And he says: "And the NDP has a terrible philosophy. They were financing through an ability-to-pay principle." Now isn't that terrible! A horrible thought! And how are we going to measure ability to pay?

Well Mr. Speaker, we now measure ability to pay through a graduated income tax, and we've been doing it for many many years, as no doubt the Minister is aware. I'm sure he pays income tax. If he doesn't I'd like to know how he avoids it. But that's a private matter. So really to deride the ability-to-pay principle, to deride the whole development of taxation, a graduated scheme based on ability to pay through income taxes, corporation taxes, to dismiss Socialism, is flying in the face of the realities of today. This is the society we live in. These things were brought into being, this form of taxation, by various types of government, Conservatives, Liberals, CCF Government, Saskatchewan, the United States of America, that left-leaning Socialist State which works on the basis of income tax. So really the only difference between us despite the protestations of the Minister is the matter of degree - where we say you're on the road, you have accepted the principle of ability to pay, you're using income tax as a means of doing it, now by all means be consistent and follow through. Do not use the premium tax or tuition fees as a means of deciding whether or not a student can go on to university. If a student qualifies to go on to university and if he meets the standards, which incidentally are not imaginary standards as we would set in or even government would establish, but the University of Manitoba establishes, because if you don't meet the standards today you can't go to university whether you pay three times your fee. So certainly it goes without saying, the standards or qualifications have to be met. But once they're met, I ask the Minister what is wrong, if he's interested in seeing Manitoba move ahead, what is wrong with the University of Manitoba saying the only ones who shall get in are those who qualify, and shall not be hindered or have an obstacle of dollars thrown in their path. Now if that's Socialism,

(MR. MILLER cont'd.)... then I'm a Socialist, and I suggest to the Minister that the truth is he probably feels the same way. I don't think he really will publicly say that he feels that it is the number of dollars the student pays which in the final analysis shall determine whether or not he gets an education. Would he say it for public school education? Would he suggest that tomorrow we introduce fees at the high schools? Or at the junior highs or at the elementary schools? If we're going to follow his reasoning, maybe that's what we should do. If we're going to say well the ability-to-pay principle is so foreign to us, then by all means let's start on a new deal. Let this government introduce legislation which says that we'll pay up to a certain amount towards public school education and then let the parents pick up a \$50.00 fee or a \$75.00 fee or \$100.00 fee - not a great amount, but an amount of money. I would challenge that Minister to make that statement in public. He won't make it because politically he knows it would be suicide -- (Interjection) -- and politically he knows he can't make it, and because I think basically he doesn't really believe it.

But he had to get up somehow and he had to get up today and had to challenge the Member for Inkster, and for Burrows and the Member for St. John's, and he had to defend his own Minister's budget and I don't blame him. If I was in his position I suppose I'd have to do the same; although frankly I don't envy him having to do this because I know he knows better and I know that in the final analysis he's doing it out of party loyalty. So I hope the Minister of Finance, I hope the Minister of Finance appreciates what the Minister of Transportation is doing for him. -- (Interjection) -- He's a banker certainly.

The Minister earlier suggested it was an outmoded philosophy that was being preached. The outmoded philosophy was again that society as a whole groups together to provide services. Now if that's outmoded, I wonder what we're doing every day in this Legislature? What we're doing every day in the municipal councils across Manitoba and what is being done every day in the House of Commons in Ottawa? Is it not that society through its elected representatives gets together and formulates methods, ideas and methods whereby the public will can be effectively and jointly acted upon through its elected representatives? That's not an archaic outmoded philosophy at all. It's the present philosophy. And when a society feels that it is more efficient, more equitable and fair, that that society should pool their resources and pay for a fire department through taxation, he would say that's Socialism. I suppose he would suggest that tomorrow the municipalities should disband their fire department, turn it over to private enterprise and he who has a fire shall have to arrange a private contract for fire fighting. That, if we follow his reasoning, that would be private enterprise, that would be standing on your own two feet and that certainly would do away with the outmoded philosophy which he feels we are trying to project in this House.

Would he also suggest that we do away with garbage collection, a very plebeian sort of thing that takes place every day, and that the homeowner shall arrange for it himself? And is he suggesting that where a municipality does it through taxation, that that municipality are acting in a Socialistic manner or that they have deserted the concept of free enterprise? Of course he isn't because it would be nonsense, and he knows it. So what he's trying to do is hopefully, by throwing around a few words which he hopes and he thinks still have some connotation in the public mind, he hopes maybe people will be riled up by it or will react to it. Well, I have news for him. That day is gone. The bogeyman is I don't think with us any longer. I think that it's pretty well accepted by all and sundry and by people everywhere that society, particularly urban society in a modern community and the more urbanized you become and the more industrialized a society becomes, the more it must pool its resources, the more it must resort to more efficient and modern tax methods. This is not the old agrarian society where a landowner was supreme. That day is gone. Thanks to estate taxes - the fight that was fought a couple of hundred years ago - thanks to estate taxes, they've broken down the power structures. Your grandparents started to be the beneficiaries and you today are the beneficiaries of that first attack on the vested power structures of those days. But today, on the other hand, the Minister of Transportation...

MR. LYON: Will my honourable friend permit a question? Would my honourable friend care to describe to us in some detail this great landed power structure that existed in Canada?

MR. MILLER: For the benefit of the Attorney-General, I'm talking in terms of the situation as it existed not just in Canada, but throughout the western world, and the Attorney-General knows full well that what we inherited was the British concept of ownership, the British idea of ownership and the battle fortunately was fought for us in Britain. We are the

(MR. MILLER cont'd.)... beneficiaries of what they went through. And as the Attorney-General well knows, the entire parliamentary system, we have to thank not Canada but the mother of parliaments in Britain. So I think that is completely non sequitur and I don't think it's of any consequence.

But really I feel it's very amusing, very amusing when a Minister of the Crown gets up and in a free swinging attack tries to justify the unjustifiable. You know, sometimes a foot fits into the mouth real well. I think the Minister today gave a perfect example of it - he put his foot into it. He's all for free enterprise, he's all against Socialism but the fact of the matter is he is for Socialism for some but he doesn't want to broaden it to include all. He is for paying 80 percent - or is it 83 percent? - I think it's 83 the Minister of Education mentioned - he's for paying 83 percent of the cost of university education for some people but he's against extending the same privilege for the rest of the public. He is for a public school education, the money for which is raised through general taxation and property taxes, etc., but he's against using similar taxation, the Consolidated Fund, for the payment of health. Now why a person's education is accepted as a responsibility of society and why health is not accepted, I really don't know.

Now surely if we're concerned with the mind, and we feel in society as individuals that we have a stake in the development of children's minds in that the education they receive will benefit all of us, will make for a better society, if we have a stake in their education, doesn't the Minister also recognize that we have an interest in securing that stake by also making sure that that person remains healthy? Does not he recognize that the whole purpose in the Medicare scheme was not simply to treat a person after he's contacted perhaps an incurable disease, but the biggest value in a health scheme is preventative medicine, that if we can get people to doctors in time we can save tens of thousands of dollars later on in the road. Because when a man goes to a doctor with an advanced case of emphysema, there's nothing much can be done with him. If a man goes to a doctor with an advanced case of cancer there's nothing can be done with him. On the other hand, hopefully if you can get people to doctors, and that includes children, early enough, and you can diagnose, you can save countless of thousands of dollars in medical costs, in hospitals costs, institutional costs - and the Minister of Health, the former Minister of Health certainly can tell you what it costs to run the health institutions in our province, whether it be Portage, Brandon - and if five percent of that could have been prevented through adequate screening in advance, then I'm sure he would agree that it would be money well spent.

Mr. Speaker, when we talk in terms of health, why we somehow separate it from the cost of education, I can't understand. Maybe we just haven't got around to recognizing that health is as much a right of an individual, as much his right to have health and to have access to health as it is to education. If a parent doesn't send his child to be educated I think under the Act we have the power to force them to do so, and yet in health we're prepared to let them go any which way. Well I think those days are gone and I think the message the Minister hasn't gotten is that Canada, Canadians, Manitobans, want a health scheme; they feel they're entitled to it; they feel it's one of their rights; it's no longer a privilege, but in doing so, in having that, they shouldn't be put in the position where they are forced into an economic hardship. There was a way to finance the health scheme fairly, equitably, some people would be paying more - and probably all members of this House might be in that position - but a lot more would be paying less, Mr. Speaker. And in doing it that way it would have been fairer, it would have been more correct and we would not have -- (Interjection) -- well, he's got a right to leave -- and we certainly would not have been in the position we are today where this government is able to use premium taxes and so try to avoid the charge that it is levying taxes. Because it is levying taxes whether it is under pretext of premiums or otherwise.

Mr. Speaker, the Minister has to get away. I appreciate he's a very busy man - I don't doubt it. I think he came in specially to make this speech attacking the New Democratic Party and its very unorthodox philosophy of charging people or paying for services on an ability-to-pay principle. I would suggest he read some of the speeches made by some of his colleagues in other years, by some of the colleagues in other levels of government, other jurisdictions, in the House of Commons; I suggest he read some of the speeches by his present leader, Mr. Stanfield, and what he has to say on the ability-to-pay principle and you know, there might even be hope that some day this particular Minister might even come to recognize that we're coming into the 1970's and we're no longer in the 1920's.

MR. SPEAKER: The Honourable Member for Souris-Lansdowne.

MR. M. E. McKELLAR (Souris-Lansdowne): Mr. Speaker, I hadn't intended to speak but after all that nonsense we heard this afternoon, it's about time somebody stood up and told you people the facts of life. Never in my life have I heard so much nonsense and from supposed to be intelligent people living in the Province of Manitoba, having lived here for some years. You'd think that we're creating all hell by...

MR. DESJARDINS: On a Point of Privilege, Mr. Speaker, and it would be a privilege indeed if we could hear the honourable member make his speech. Would you please speak in the mike? We'd like to get in this too, we'd love to.

MR. McKELLAR: I was trying to avoid my honourable friend.

This afternoon, and I'm sorry that my -- oh, here he is now -- here's the man I wanted here. This afternoon we heard one of the speeches of the day, criticizing the Manitoba Milk Control Board, criticizing the Manitoba farmers, criticizing the Manitoba Dairy and Co-operative Association or Co-operative that sells I would imagine 60 percent of the milk in Manitoba. And who do you think owns the Manitoba Co-op and Dairy? The Manitoba farmers. And what did he say? What did he say? He condemned them; he went back over the years and he didn't have a good enough argument before, he mentioned in the early part of this afternoon that the Manitoba Milk Control Board didn't ever give out a report in the last five years. It shows one thing -- that he didn't do his homework. He was only interested in one thing -- speaking to the press and I'll bet any money when we go to see our television tonight, he'll be on that television box -- preaching to the people of Winnipeg. But what do you think the Manitoba farmers are going to say about you, and what do you think the dairy farmers in my constituency, from Souris and Brandon, are going to think about you -- and I'm going to let them know what you said too. They're just going to say to you in no little terms "that you go back to your little old house in north Winnipeg and mind your own business."

MR. GREEN: What are the people in north Winnipeg going to say....

MR. McKELLAR: Because if you don't know any more about milk I would say you should shut up from now on. Do you know what operating a dairy is all about? You talk about minimum wages and you went back to that. I don't even get a minimum wage on the farm. I bet you every farmer behind me don't even get the minimum wage.

MR. HANUSCHAK: That's right. That's exactly what I said.

MR. McKELLAR: But we're not there for that thing. But I'll tell you the hours that a dairy farmer....

MR. SPEAKER: Order please. I think this circus has gone on long enough. I wonder if the Honourable Member for Souris-Lansdowne might not have the courtesy of addressing the House in the proper manner without being interrupted in the manner he is being interrupted. The Honourable Member for Souris-Lansdowne.

MR. McKELLAR: Thank you, Mr. Speaker. I want to explain to the honourable members, because I realize that they are all from the City of Winnipeg with the exception of two members -- (Interjection) -- well, two and a half.

A dairy farmer has an investment second to none, second to none, and there's one of the finest dairy farmers, Mr. Rampton in the constituency of Dauphin where the Minister of Transportation was speaking just recently. But in the constituency which I represent in Souris and Brandon, there's some of the largest dairy farmers that do exist in the Province of Manitoba. Those men have in the neighbourhood of 100,000 dollar investment. At the present time they work seven days a week. Help is very hard to get. They are having a very difficult time. Now the Honourable Member for Rhineland has a real problem and we have the very same problem that he does where the dairy farmers....

MR. DOERN: Would the honourable member permit a question.

MR. McKELLAR: Yes.

MR. DOERN: How does a man who is earning the minimum wage acquire an estate or property of \$100,000 or more?

MR. McKELLAR: Well, I'll spring that another day. That's a big problem.

I'll tell you, never in the history of farming have the farmers been any worse off than they are today, because I'll tell you what's going to happen. Many many farmers this year are going to go bankrupt with their granaries full, and have you ever heard of a situation like that before? Never in your life has that ever happened.

Getting back to the dairy farmer. Here we had today a man speaking against the farmers.

(MR. McKELLAR cont'd.)... He spoke against the farmers all afternoon. He criticized them, said milk was going to go up four cents....

MR. HANUSCHAK: On a point of privilege Mr. Speaker, I would appreciate....

MR. SPEAKER: Order please. The Honourable Member for Souris-Lansdowne still has the floor.

MR. HANUSCHAK: I rose on a point of privilege, Mr. Speaker.

MR. SPEAKER: I didn't hear it. You have the point of privilege?

MR. HANUSCHAK: My point of privilege, Mr. Speaker, is I have no recollection of making the type of statement alleged to have been made by me by the Honourable Member for Souris-Lansdowne, that I spoke against the farmer, and if I did I would appreciate hearing his version of recollection of what I said.

MR. McKELLAR: Well, I don't know. My ears must have been rolling all afternoon because three or four times during your speech I heard that.

But do you realize that the dairy farmers in Manitoba are having a very serious time. I know the way that the Milk Control Board operates and I know the men that are on this Milk Control Board, and that's more than you do. Because there's two farmers, Mr. Russell Scott is the Chairman; Mr. Robert McPherson from Brandon is one and Dr. Nesbitt from the University of Manitoba is the other member of that Board and the way they deal with that, they listen to all the arguments put before them, taking into consideration the cost of everything, the people's ability to purchase, and in the end they might not accept that four cents but they will do what's right in their opinion. Now whether you want to go or any other person does not feel right with the decision of that board, I would imagine you would have your right to protest, whether they will accept that or not, but this Board has done a very fine job under the guidance of Mr. Paxton the former chairman, and the other former members of this Board. I think the farmers who are operating under this Milk Control Board have a lot of faith in this Board and I think that any one of us that gets up and challenges the Milk Control Board in this Chamber should do a little homework before they come up with facts and figures which they cannot substantiate.

I think this is about all I have to say, other than much was said about Medicare. I want to tell you the premium that I was paying up until just this last three weeks. I was paying at the rate of \$213 a year, \$213 a year, and if \$118 or \$116 isn't a lot less than \$213, I'll eat my shirt and I know -- (Interjection) -- Mr. Speaker, would you ask the honourable member to take his seat. He's out of order.

MR. GREEN: Mr. Speaker I wonder if the honourable member would permit a question.

MR. McKELLAR: No. Mr. Speaker in the area where I come from, Wawanesa, we have two of the finest doctors that I know of and they both come from England, and had they not come from England a year and a half ago we would not have had a doctor. And I realize they've opted out, but that doesn't create any problems in our area. The doctor knows us, he's not going to extra bill us, he's told all of us. There's no problems at all. And all this hot air coming from my right here, day after day, just reminds me some days when I'm out on the tractor when some things aren't going right and the wind is blowing the wrong way and the dust is flying, and you just feel like throwing up your hands, and that's just about the way I feel today, throwing up my hands and getting on with the job of operating the Province of Manitoba, under the guidance of my good Leader, the Premier of Manitoba, and the Minister of Finance.

MR. SPEAKER: The Honourable Member for St. John's.

MR. CHERNIACK: Mr. Speaker, would the honourable member permit a question?

MR. McKELLAR: Yes.

MR. CHERNIACK: In paying your present premium, are you working at such a low level that you don't pay the two percent social development tax? Oh you do?

MR. McKELLAR: Do you realize we're getting more coverage than we were before? Do you not realize that? Well you want to take that into account.

MR. SPEAKER: Would the honourable gentlemen please address the Chair. The Honourable Member for Elmwood.

MR. DOERN: Could I ask the honourable member a question? Do you think that the Consumer or Consumers groups have a right to appear before the Milk Control Board?

MR. McKELLAR: Sure they have, sure - it's public knowledge, you can go out and appear yourself.

MR. SPEAKER: Is it the wish of the House that we move on? I take it the Honourable Member for Rhineland has leave to let this matter stand. (Agreed.)

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

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

COMMITTEE OF SUPPLY

MR. CHAIRMAN: No. 7. Manitoba Agricultural Credit and Development Corporation. The Honourable Member for Rhineland.

MR. WATT: Mr. Chairman there is a couple of questions I was going to answer that came up last night that I didn't have the answers for. Just back for a moment on crop insurance. The Member from Lakeside asked the question I believe, how many claims had been placed since 1968? There were 4,050 claims. There were a total of 14,481 farmers had crop insurance, the total liability for 1968 was \$36 million. I believe I did point out that \$2,100,000 had been paid out as of now and there are 768 claims that are still to be further adjusted.

On Credit Unions, the Member for Lakeside asked if any credit unions had applied for recognition under the new Credit Corporation. There are ten that have made application to the Corporation at the moment.

The Member for Rhineland asked the question what procedure had been gone through to transfer the authority of the old Manitoba Credit Corporation to the new Corporation? The answer of course is in the bill, Bill 96 of last session, the Agricultural Credit and Development Act. If he has the answer to it, I won't bother reading it into the record. I think probably that was all the questions I can think of right now that came up last night.

MR. LEONARD A. BARKMAN (Carillon): ... Minister answered on the claims. I doubt if he will have the answer, but I was trying to put across yesterday, I realize that 700 and some odd claims have been settled, correct? And it's the balance of the claims...

-- (Interjection) -- Pardon me?

MR. WATT: 4,050 claims actually had been put in and there are still 700, just a minute now - 4,050 claims were settled on and there are 768 claims yet to be adjusted, and will be in the spring.

MR. BARKMAN: Well my main question then is, these 768 claims are they basically in the Red River district or possibly Minnedosa as you mentioned yesterday?

MR. WATT: I really haven't checked that out but again I say there are some out in the area where I live and there are quite a few up in the Minnedosa area and I understand there are some down through the Red River Valley.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I wanted to rise just before the Minister did, but I checked into the Act, the former Act and also the new Act and I see that provision was made whereby the former Act or the funds of the former Act could be incorporated into the new one. So I'm satisfied on that point.

When I was speaking last night I was discussing the matter of comparing the former Act with the new one and I still feel as I did last year that we should probably have retained the former Act because I think there is a great need for another source of credit, of long term credit, for farmers in this province and that as a result, the other Act was repealed and we are now completely dependent on the Federal Farm Credit Corporation for long-term credit and this certainly has had a severe effect on the farming community in Manitoba. When farmers are unable to get the credit they need, to buy property, to buy farm land, older farmers who want to sell their properties, if they are dependent on the one source and if this source will not come across, that means that that sale won't be made and this has had a very drastic effect, in my opinion, on land sales in this province and that there has been a very severe reduction in land prices as a result - that formerly where people were bid a good price, they're asking a much lower price now and there are no takers. You will also note from the various newspapers and periodicals, that a lot of properties are being advertised for sale and that very little land is moving.

(MR. FROESE cont'd.)

No doubt the prices and the little of the grain that can be sold also has an effect on this matter, but when I read from Page 98 in the report here, of the annual report '67-68, and I would like to read one paragraph. Page 99. "Increased Credit Requirements" is the heading. "The increased cost of equipment, farm supplies and the rising cost of land and farm buildings continued to require more long range capital expenditures and therefore more credit. Because of this many farmers were turning to the Federal Farm Credit Corporation or the private lending sector, both of which could lend money to a larger maximum than the Manitoba Agricultural Credit Corporation's present maximum of \$30,000. For the same reason, other farmers borrowed from the Farm Credit Corporation or the private sector to repay their debt with the Manitoba Agricultural Credit Corporation. Rising costs are making it increasingly difficult for a young farmer with limited means to get started in farming."

Mr. Chairman, I feel that this is a very true statement that for young farmers it's getting increasingly more difficult, and when it is stated here that loans were made from the Federal Farm Corporation in order to repay loans with the Manitoba Credit Corporation, it is rather hard to understand, because these loans with the Manitoba Credit Corporation are subsidized very largely, especially to the younger farmers, and it's almost impossible to comprehend that a farmer would borrow from the Federal Corporation and repay a loan that is being subsidized interest-wise here in this province, except for the one fact that he would require larger amounts of credit.

Could the Honourable Minister inform the committee as to how many loans were repaid in this category, where they were getting funds from the Federal Corporation and paying off the Manitoba Corporation loan, because I think this is of interest. I for one feel that we should not have done what we did last year in repealing the former Act because this supplied a definite need for the young farmer in Manitoba and as we know, we're going to spend over \$900,000 this year to subsidize farmers in Manitoba under this former Act as it is before us, and we know that the new Act says that no direct loan shall be made, so this money that we are allocating here is strictly for the purpose of subsidizing loans that were already outstanding under the old Act.

The former Act was to be proclaimed at some later date. Could the Minister also tell us just when the new Act was proclaimed, so that we know when operations started under the new Act? I think these are matters that I would like to have a reply to.

MR. CAMPBELL: Before the Minister replies, I understood him to say that ten credit unions had made application to be approved lending institutions. Would the Honourable Minister tell us how many of them have been accepted, have all of them been accepted? And then yesterday, I think the Honourable Minister agreed that he would bring to the committee the most up to date figures he could regarding the experience of the corporation in the interval since the last report was issued.

MR. WATT: Well I was unable to get that figure this morning. I will attempt to get it if possible. The procedure is insofar as considering the credit unions, the credit unions apply to the corporation, the corporation reviews them and make recommendations then to the Executive Council. These applications have just been reviewed by the Credit Corporation and my information this morning is that they will be sent on to the Executive Council. But I'm sorry I haven't got the figures on the state of the corporation between the last report and the present time. But I will undertake to get that.

Now in answer to the Member for Rhineland, I think that I have pointed out - first let me say that I'm not aware of any case where a farmer has borrowed money under the Federal Credit Corporation Act to pay off Manitoba Credit Corporation loans. Now this could be, but I'm not aware of it. But insofar as the loss of this credit system, direct lending to the farmers in Manitoba, I think that I have pointed out in the House before that through the years, since this Credit Corporation was established, that is on the long term system, back in 1961 I believe it was, that the Federal Act has been upgraded to the point where our loan was not actually as good as the Federal loan. Insofar as subsidizing the farmer and interest rates is concerned, the Federal Government have a better system, they have a better rate system insofar as their interest rates are concerned and of course their ceiling was raised to \$55,000 where ours was \$35,000. I believe in the Federal case that a father-son operation can borrow beyond the \$55,000, I believe up to about \$100,000. I think that the Federal Government are offering an adequate credit system insofar as long term loans are concerned.

(MR. WATT cont'd.)

In defence of the credit system that we have set up now, as I have pointed out before it's a production credit that is being offered to the farmers and I believe that it is essential, as I pointed out before and it's in the regulations, that it provides for loans up to \$50,000, and it is my opinion that in conjunction with the federal long term loan for the purchase of land, and with our own credit system now, insofar as production is concerned, that it should work well insofar as credit for the farmers is concerned.

MR. USKIW: Yesterday, Mr. Chairman I raised a point on the question of how the loans are going to be processed and the question of the need for the staff that we now have and I don't believe the Minister gave us -- that's right, he didn't give us an adequate explanation. As I understand it, from the Bill that was presented in the House earlier on this particular point, that the corporation would only process applications after they have been rejected by other lending institutions and that all the applications in any event will go directly through the banking system or credit unions or what have you, but that they will process the application and subsequently submit to the corporation that application. Now if this is the case, it seems to me that the lending institutions are going to do most of the background work and research work in this connection, and that it is only when they arrive at a point where they can't perhaps make up their mind as to the disposition of that application that the credit corporation shall enter into the picture. And if this is so, I would just want a further explanation as to whether indeed there will be the need to sustain such a large staff in view of the fact that I expect that most applications will not have a great deal of work done by the corporation itself.

MR. WATT: Well Mr. Chairman, I'm sorry I didn't answer the honourable member's question. I forgot about it - I didn't have it written down here. But on the brochure that was sent out, you will note on the brochure How to Apply for a Guaranteed Line of Credit. No. 1. Contact the bank or approved lending institution of your choice requesting the line of credit required. No. 2. If the bank or approved lending institution is not prepared to provide, without a guarantee, the line of credit required, then contact your nearest Manitoba Agricultural Credit Development Corporation office, where the feasibility of your request will be considered.

Now this in effect is saying, actually, that it will be those farmers who can show evidence that they have prospect of becoming a good farmer and becoming an intricate part in the whole agricultural industry, that then will go to the credit corporation and they will then process the application. And here I want to say that I think that we're justified in keeping the staff on and I expect that we will be increasing the staff, that we are looking for personnel such as the type they have in the United States where most of the banks down there that are serving agricultural areas have people who are trained, actually, in setting up a finance system for an individual applicant, where they can assess his total unit and give him direction, actually, in whether he should be expanding and whether he should be consolidating and what have you. We're looking for personnel of this type now and I think I should point out that the banks have gone, at least to some extent, in this direction. I know one bank have been working on this type of personnel, have been training and getting people within their organizations that understand a little bit more about agriculture than the banks admittedly themselves have not known in the past.

MR. CHAIRMAN: The Member for Brokenhead.

MR. USKIW: I'm wondering, Mr. Chairman, if the inference is then that it is perhaps the banks that are going to be restricting the type of loans that they have been making without the benefit of guarantees by any government, that whether in fact this is what the Minister believes will occur, and that because of that this legislation then comes into play, that the banks will be looking for guarantees on loans that they normally would have made without guarantees before. Are the banks, Mr. Chairman, vacating a field which they have served, I would say quite reasonably well up to now? And if this is so, I would appreciate to know. Otherwise I can't imagine that there would be any great volume of applications coming to the corporation.

MR. WATT: Well, I think I pointed out yesterday that we are already looking at 62 applications. It's a hypothetical question actually, just to what direction or what might happen insofar as the banking people are concerned, but I can tell members of the committee now that I know of two particular cases that have gone to the bank with the idea of processing a loan guaranteed by the corporation, and the bank in two particular instances that I know, they said,

(MR. USKIW cont'd.)... "You don't need any government-guaranteed loan; we'll loan you money without government guarantees." So I just throw this in.

MR. CAMPBELL: Can I get in touch with that bank please?

MR. FROESE: Mr. Chairman, so the other members are very anxious to get it passed. I think this is a very worthwhile matter that we are discussing and something that is very important to the farming community in this province, and I don't think we should just pass it and be done with it. The Honourable Member for Brokenhead questioned the costs and the amount that we are allotting to this and the amount that will be spent in the operation of this fund. Surely enough we shouldn't be spending as much money as we did under the former Act, because there will be no investigations of the various properties, I understand, like soil sampling or what have you. All this will fall by the wayside because you will just be dealing with the lending agencies and they in turn will have to make sure on these points, that it is not up to the credit corporation to do this any longer, the way I understand it. Then, too, I feel that those loans that are not doubtful will not come to the corporation in the first place because the credit unions and banks will take these as a normal course of business and just transact them on their own. It is the doubtful ones who will come to the corporation and I'm just wondering how lenient will the corporation be? There is one very stiff requirement, in my opinion, under the regulations and that is that it will require a consolidation of accounts, that the farmer that does get a loan from this corporation will have to consolidate all his loans and will just have one account with the corporation. This is very restricting, in my opinion, and I think this will limit the number of applications that the corporation will be getting because you will henceforth only be able to deal with one financial institution. Therefore, I feel that that is very restrictive in itself, but Mr. Chairman, I would certainly like to know from the Minister that certainly there will be less work involved for the staff of the corporation in making loans under this Act than under the previous one, because investigations of the type will not have to be made.

MR. WATT: Well, Mr. Chairman, I don't think there was any indication here that there would be increased costs or that there's increased costs at the moment insofar as the corporation is concerned, and I don't know how well I pointed out, maybe I didn't make a very good job of it last night, but I say again that the increase here is not the increase for the cost of operating this corporation. It reverts back to an increase in the cost of the corporation insofar as money was concerned for the year of 1967. Where are we? Yes, there is an increase here of about \$20,000. The figure that is shown for last year actually is the figure that was estimated and it does not necessarily mean that that was the amount of money spent. That amount is increased by the amount of increase in the interest rates that we had to pay in that particular year. Actually the costs that are involved in here insofar as administration is concerned, is \$317,182.00.

MR. CHAIRMAN: No. 7. Manitoba Agricultural Credit and Development Corporation \$921,893, Resolution 12--passed.

No. 8--passed, \$15,000, Resolution 13--passed. No. 9 (a)--passed...

MR. HANUSCHAK: Mr. Chairman...

MR. CAMPBELL: Mr. Chairman...

MR. CHAIRMAN: Maybe it would be best to call it 5:30. Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions and asks leave to sit again.

IN SESSION

MR. McKELLAR: Mr. Speaker, I beg to move, seconded by the Honourable Member for Winnipeg Centre, that the report of the Committee be received.

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

MR. SPEAKER: I'm just as happy this day's come to an end too. It is now 5:30 and the House is now adjourned and will stand adjourned until 2:30 tomorrow afternoon.