

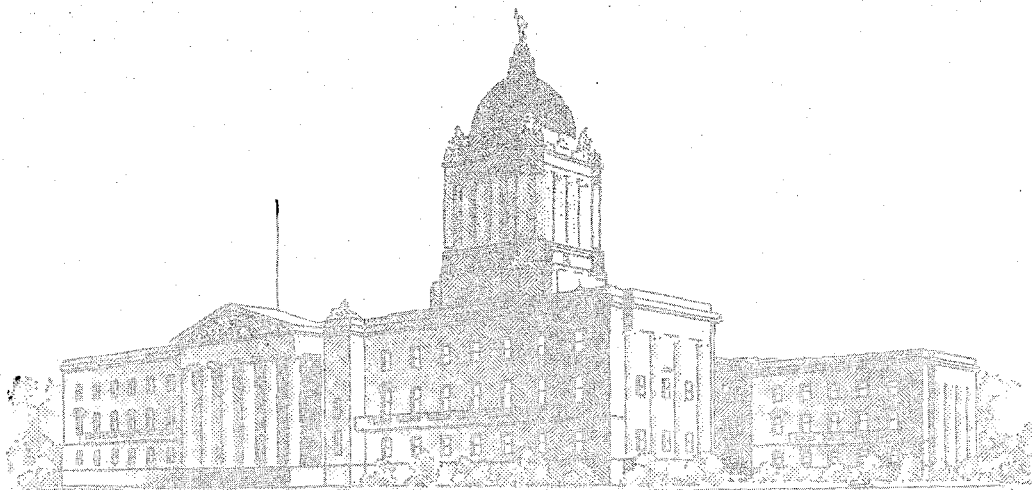


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, February 15th, 1960.

Opening prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

MR. T. P. HILLHOUSE (Selkirk): Mr. Speaker, I beg to present the petition of Reverend Douglas Hill and others, praying for the passing of an Act to incorporate the corporation of the synod of Manitoba of the Presbyterian Church in Canada.

MR. R. O. LISSAMAN (Brandon): Mr. Speaker, I beg to present the petition of William Wallace Donaldson and others, praying for the passing of an Act respecting the trust fund of the 45th Battalion of the Canadian Expeditionary Force.

MR. J. A. CHRISTIANSON (Portage la Prairie): Mr. Speaker, I beg to present the petition of the petition of Everett N. McKinnon and others, praying for the passing of an Act to incorporate the Dental Technicians Association.

MR. F. GROVES (St. Vital): Mr. Speaker, I beg to present the petition of the Winnipeg Canoe Club, praying for the passing of an Act to amend an Act to incorporate the Winnipeg Canoe Club.

MR. SPEAKER: Reading and Receiving Petitions.

MR. CLERK: The petition of Hugh Mailey and others, praying for the passing of an Act to incorporate the Association of Dental Technicians in Manitoba; the petition of Abram Arthur Kroeker, and others, praying for the passing of an Act to incorporate The Abram Arthur Kroeker Foundation; the petition of the Sobelco Foundation, praying for the passing of an Act to incorporate the Sobelco Foundation; the petition of Alfred Herbert Barnett, and others, praying for the passing of an Act to incorporate the Psychiatric Nurses Association of Manitoba; and the petition of Ernest Enns, and others, praying for the passing of an Act to incorporate the Mennonite Educational Society of Manitoba.

MR. SPEAKER: Notice of Motion

Introduction of Bills.

The Honourable the Minister of Municipal Affairs.

HON. M. E. Ridley (Minister of Municipal Affairs)(Pembina) presented Bill No. 88, an Act to amend The Municipal Act.

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

MR. RIDLEY: Mr. Speaker, I beg to move, seconded by the Minister of Education, that Mr. Speaker do now leave the Chair and that the House resolve itself into Committee of the Whole to consider the following proposed resolutions: one in my name, and one in the name of the Minister of Industry and Commerce.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House.

MR. SPEAKER: Would the Honourable Member for St. Matthews please take the Chair.

MR. RIDLEY: Mr. Chairman, His Honour the Lieutenant-Governor, having been informed of the subject of the proposed resolutions, recommends them to the House.

MR. CHAIRMAN: Resolution 1, resolved that it is expedient to bring in a measure to amend The Soldiers' Taxation Relief Act, by providing that relief from taxation by a municipality under the Act, is not lost by reason of the property owner being in receipt of a pension under the Old Age Security Act, and thereby increasing the amount payable by the Provincial Treasurer to the municipality under the Act.

MR. RIDLEY: Mr. Chairman, as you know, the Soldiers' Taxation Relief Act now gives some relief to anyone drawing a total disability pension. This change is going to help them in this way, that it says under that Taxation Relief Act, that anybody drawing money from other sources, cannot claim this \$50 reduction on their taxes. This means anyone that's drawing Old Age Security will be able to still draw it, if they are drawing total disability pension.

MR. R. PAULLEY (Leader of the CCF)(Radisson): What about old age assistance, Mr. Chairman? Is that applicable in these cases?

MR. RIDLEY: No, this is just for old age security, Mr. Chairman.

MR. PAULLEY: What's the difference?

MR. CHAIRMAN: Shall the resolution be adopted? Passed. Resolution No. 2, resolved

(Mr. Chairman, cont'd.) . . . it is expedient to bring in a measure respecting the civil service of the province and to provide therein, among other matters, for the employment of, and payment of remuneration to, the members of the Civil Service Commission, and all other officers and employees in the service of the executive Government of the Province.

HON. GURNEY EVANS (Minister of Industry & Commerce)(Fort Rouge): Mr. Chairman, this is a general rewrite of the Civil Service Commission Act, to bring it up to date and remove certain provisions of the Act which were found to be awkward. There is no great change in principle, and I think when we come to consider the principle of the Bill, and particularly the clause by clause discussion, we can have a full outline at that time.

MR. CHAIRMAN: Shall the resolution be adopted? Passed. Will the committee rise and report? Call in the Speaker.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, the Committee of the Whole House has adopted certain resolutions, and directed me to report the same, and ask leave to sit again. 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. The Honourable the Minister of Municipal Affairs.

Mr. Ridley introduced Bill No. 90, an Act to amend The Soldiers' Taxation Relief Act.

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

MR. SPEAKER: The Honourable the Provincial Secretary.

Mr. Evans introduced Bill No. 89, an Act respecting the Civil Service.

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

MR. SPEAKER: Orders of the Day.

HON. GEO. JOHNSON (Minister of Health & Public Welfare)(Gimli): Mr. Speaker, before the Orders of the Day, I would like to return to an address for papers dated Friday, January 29th, from a motion by the Honourable Member for Radisson.

MR. SPEAKER: Orders of the Day.

MR. K. ALEXANDER (Roblin): Mr. Speaker, before the Orders of the Day, I would move, seconded by the Honourable Member for Arthur, that by leave of the House the name of Mr. Jeannotte be added to the names of those comprising the Select Standing Committee of Law Amendments; and also to the Select Standing Committee on Agriculture and Immigration; and also that the name of Mr. Ingebrigtsen be added to those composing the Select Standing Committee on Privileges and Elections; and also to the Select Standing Committee on Law Amendments.

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

MR. EVANS: Mr. Speaker, I beg to lay on the table of the House, the regulations under the Business Development Fund Act.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, before the Orders of the Day, I would like to direct a question to the Minister of Utilities, and wish to apologize to him for not having given him notice of the question. If, therefore, he is not in a position to answer it now, would he please take it as notice of motion. My question is this: Is it true that the Manitoba Power Commission is charging the residents in that portion of the Parish of St. Andrews in Manitoba, lying west of the Red River, the sum of \$3.00 per month for a 750-watt water heater, while they are charging the residents of the same parish on the east side of the river \$2.50 a month; with a supplementary question that if the answer to that question is yes, has an error been made by the Commission; and if an error has been made by the Commission, how soon the error will be adjusted by a refund of the excess paid by these people?

HON. J. B. CARROLL (Minister of Public Utilities)(The Pas): Mr. Speaker, I regret that I don't carry all this information in my head, but I'll be very pleased to look into the matter and bring an answer into the House as soon as possible.

MR. S. PETERS (Elmwood): Mr. Speaker, before the Orders of the Day, I would like to direct a question to the Minister of Health and Welfare. I'm sorry that I didn't give him notice of it, and if he hasn't got the answer now, he can give it to us at a later time. How much money can a person have in the bank and still be entitled to allowances under the Social Allowances Act?

MR. JOHNSON (Gimli): Mr. Speaker, I hope to have the regulations in the members' hands possibly tomorrow, and following that, I imagine we'll have the lively discussion during

(Mr. Johnson (Gimli) cont'd.) . . my estimates.

Mr. Speaker, while I'm on my feet, during the last session, I was asked certain questions from the floor of the House. I haven't seen the Hansard, but I think I understood what the Honourable Member, first of all, from St. Boniface, wished to know concerning what information the municipalities have had concerning those portions of the Social Allowances Act which we have proclaimed as of February 1st. I would inform him that the municipalities have been told what groups were coming under the Act as of the first of February, and that specific instructions were given that we would be paying all the child welfare costs that they are now paying, plus the aged and infirm in institutions. And these nursing homes and institutions have been notified and given instructions as to where they should now bill, where they had been previously been billing the municipalities. Also, they all received our application forms--a supply of them, in case people came there to inquire, and as I indicated earlier, those responsibilities which are still left with the municipalities are of course--the municipalities of course can still get the same reimbursement as they did previously.

The Honourable Member for Inkster--I'm sorry he isn't here--he asked in our application form which I didn't have with me on Friday, why we asked the religion. This is largely for those people who are in nursing homes and institutions from whom we take applications for care. We like--in many cases these people in their old age like to be in institutions of a certain religious denomination. If they do, we try to individualize and help them--that's what we anticipate anyway. That is the only reason for that. And thirdly, what are the assets? Why do we ask them their assets and liabilities? In order to determine their needs, we must know their means. I think that's only necessary as Minister, that I have some--when you see our regulations, I think that will be more evident. Thank you.

MR. PAULLEY: Mr. Speaker, if I may apropos the remarks of the Honourable Minister of Health and Welfare in the absence of my colleague, the member for Inkster, may I assure the Honourable the Minister of Health and Welfare the question of the set-up of the application forms will be thoroughly scrutinized in due course, and that I might say on behalf of my colleague, I don't think the answer is satisfactory.

MR. SPEAKER: Order! Orders of the Day.

HON. STERLING R. LYON (Attorney-General)(Fort Garry): Mr. Speaker, before the Orders of the Day, I should like to lay on the table of the House, the annual reports of Gaols in the Province of Manitoba. These are not required by statute, but by custom, they are laid on the House for the information of those interested. While I'm still on my feet, I should like to also lay on the table of the House, the return to an address by the Honourable Member from St. George voted on the 29th of January.

MR. SPEAKER: Orders of the Day.

MR. E. R. SCHREYER (Brokenhead): Mr. Speaker, I would ask the Minister of Agriculture if there are regulations to accompany the crop insurance legislation? And if there are, are they available at present?

HON. GEO. HUTTON (Minister of Agriculture)(Rockwood-Iberville): As you know the Crop Insurance Agency Board has been in the process of evolving a policy within the framework of the Act, and I think that what you are asking is already public knowledge in that they have gone out and explained the manner in which the crop insurance will be administered in the province this year.

MR. PAULLEY: Mr. Speaker, may I ask a supplemental question? The Act calls for the --under the Act, the Board are permitted to set up certain regulations subject to the Minister. The question is, has there been any regulation set up under that clause in the Act? And if so, are they available?

MR. HUTTON: No.

MR. PAULLEY: No regulation set up.

MR. L. DESJARDINS (St. Boniface): Before the Orders of the Day, I would like to congratulate Mac Scales and his Strathcona Rink of George Laudrum, John McCorrister and Lloyd Goodman, who will represent Manitoba in the Canadian Championship next month in Fort William. Curling being a gentleman's game, I think that we should call Mac Scales and his boys, gentlemen amongst gentlemen. I would also like to congratulate Bill Walsh, the other finalist, and his rink as well as all rinks who made this bonspiel possible. It made it the largest in the

(Mr. Desjardins, cont'd.) . . world. Also, a special word of praise to the president, Mr. Horace Thomas and his executive, who did such a terrific job under difficult conditions.

And while I'm on my feet, Mr. Speaker, I would like to ask the Minister of Public Utilities this question: In view of the fact that the Manitoba Bonspiel is the largest in the world, and in view of the fact also that so many Manitobans are now interested in curling, and after listening to the Canadian Broadcasting Corporation that would like to see 55% of the programs being Canadian programs, I wonder if the Minister intends, in the future, to ask of the CBC if it will televise at least part of the finals in the coming years.

MR. CARROLL: Well, Mr. Speaker, I think that this is a matter of Federal Government policy, or policy of the CBC rather than any matter which can be dealt with by this government or by this House.

MR. DESJARDINS: Mr. Speaker, I would ask the Honourable Minister if he doesn't feel that he could bring it up to their attention in view of what this curling is doing for Manitoba?

MR. E. GUTTORMSON (St. George): Mr. Speaker, I would like to direct a question to the Minister of Industry and Commerce. Has the government got any policy, whereby they will financially assist municipalities wishing to purchase fire fighting equipment?

MR. EVANS: Mr. Speaker, the answer to that question is no. The Department of Industry and Commerce does not have--I'm a little at a loss to know whether there is any possibility under the federal regulations to do with civil defence.

MR. GUTTORMSON: Mr. Speaker, I directed the question to the Minister of Industry and Commerce because Civil Defence is under his department, and I thought perhaps he might be able to advise me on this matter.

MR. EVANS: I think--I will be glad to get any information on the subject I can, and let the honourable member have it. I'm unable to answer categorically. My impression at the moment is, there is no such policy.

MR. SPEAKER: Orders of the Day.

Mr. Lyon presented, for second reading, Bill No. 59, an Act to amend the Landlord and Tenant Act.

MR. SPEAKER: Second reading of Bill No. 43. The Honourable the Attorney-General.

MR. LYON: Mr. Speaker, the House will recall that on the last occasion, when this was before the House, I asked that it be stood over for a matter of ten days, because of the work of other committees that is currently being carried on. I'm going to make the same request today, Mr. Speaker, with the concurrence of the House, if we might have it stand over for another ten days to two weeks, until we can get some of the present committee work out of the road, to enable this Bill to go to the committee to which it is intended to go.

MR. SPEAKER: Is the House agreeable to have the motion stand for ten days? Agreed. Committee of the Whole House.

HON. DUFF ROBLIN (Premier)(Wolseley): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved into a Committee of Supply to consider of the supply to be granted to Her Majesty.

MR. SPEAKER: Would the Honourable Member for St. Matthews please take the Chair?

MR. CHAIRMAN: Department No. 6, Appropriation. 1, Administration (a) Salaries.

MR. HUTTON: Mr. Chairman, before we proceed to consider the estimates, there are a few things I would like to draw the attention of the House to, and a few comments which I would like to make upon the state of agriculture today.

The first thing I would say is a very obvious remark, and that is that agriculture is still a very important segment of the Manitoba economy. Farm people represent about 25% of our population and they produce about 20% of the gross Manitoba product. And if you count the products which are produced in Manitoba, through the processing of agricultural products, they then represent 40%--agricultural products, through food processing and so forth, represent 40% of the provincial product. And then, if you add all the service industries to agriculture, it is not very difficult to arrive at the decision that agriculture is still the backbone of Manitoba. We also make a major contribution to Canada's world trade. And if the figures that I have

(Mr. Hutton, cont'd.) .. are accurate--and I believe they are--in 1958, 18.3% of the total Canadian exports or \$885 million of our total Canadian exports were agricultural products. But in spite of the fact that agriculture makes a significant contribution to the province, and to the nation, agriculture has been less fortunate than other segments of the economy. And there are a number of factors which have combined to create a rather difficult position for agriculture at the present time, and I will go back a little ways to give you a backdrop to the present situation. If you go back to 1952-53, what appeared to be a steadily increasing share of the world wheat market, was seriously curtailed to a great extent by US policies under the Public Law 480, in which they disposed of their surpluses by various means. And our share of the world wheat market has dropped from 39.2% to 19.8%. Interpreted at the level of producers, producer marketings dropped from 536 million bushels in '52-'53 to 397 million bushels in '53-'54, and to 319 million bushels in 1954-55. And while we were losing markets, our prices dropped from an average price for wheat at the point of delivery in Manitoba from \$1.63 in 1952, to \$1.30 in 1956. And then on top of this, in 1954, Manitoba experienced one of its worst crop losses since 1935. In that year too, rust also struck. During this period, when agriculture sustained a serious loss to crop production and serious competition from markets, the index of prices of goods and services used by the western farmers has risen from 225.5 to 257.5. At the same time, the index of Manitoba farm prices dropped from 301.6 to 231.1. To indicate the tremendous impact on the farm industry of this combination of factors, in 1954 the net income for the farmers of Manitoba dropped from \$109 million to \$65 million--a loss of over 40% of the net income in a single year.

I think the situation in Saskatchewan was even more dramatic--at least in its consequences --because there the farmers' net income dropped from \$467 million to \$141 million in a single year. In other words, the Saskatchewan farmer lost 70% of his net income in one year. The only reason the Manitoba farmer escaped the same fate was the fact that here in Manitoba, the pattern of agriculture production is much more diversified. In 1958, 56% of net Manitoba agriculture production was derived from sources other than field crops; and in contrast, in Saskatchewan, 20% of the value of agriculture production is derived from sources other than field crops. The figures for 1959, in comparison with 1958, I believe, would be of interest to all of us. Gross value of production in Manitoba in 1958 for field crops was \$167 million; for 1959, it is estimated at \$174 million; and for farm animals in '58, \$76 million; in '59, \$70 million; for dairy products, \$33 million as opposed to \$34 million; garden products, \$9 million as opposed to \$9 million; poultry products, \$28 million in '58 as opposed to \$27 million in '59. The totals for the gross value of production for Manitoba in 1959--and these I will remind you are estimated figures--\$320 million as opposed to \$319 million a year ago. The net production figures for Manitoba in the past year are \$263 million as compared with \$264 million a year ago. I think it is rather significant that in spite of the early snowfall, and the disastrous experience that a large number of our farmers had east of the Red River, that the overall agricultural production was well maintained, at least in line with 1958. Although the gross and the net figures are very closely related to the figures for '58, I would like to point out that they, in no way, reflect the very real hardship that was suffered by many of the individual farmers in the province during the year. And this fact that we were hit by snow was aggravated too, because a major part of the loss was in the field of cash crops, and this has caused widespread difficulty in the farm community.

The changes in the Federal Government price stabilization program for eggs and hogs had at the outset, I would say, a very adverse effect on the producer. Many producers have cut back production as a result, not only in Manitoba, but in other parts of Canada, especially in the major egg producing areas. And I would say that although our producers can't look for any relief for the losses they sustained in the first quarter of operation, that is from October to January, it would appear at the present time that there will be substantial deficiency payments made for the current quarter. At the same time, the forecast for egg production is one of lower production, and the forecast for price is one of a much stronger price in the latter half of 1960. I think it's premature to make any predictions with regard to hog prices and hog marketings. And I think it's rather premature to make any statement upon what affect the removal of the embargo on American pork, or US pork will have on prices. The indications are that temporarily at least, they will be depressed. But on the other hand, forecasts the number of

(Mr. Hutton, cont'd.) . . . fairings expected in United States in 1960 indicate that there will be a reduction of 11%, and this represents very close to the total Canadian hog production. There is also another gleam of hope to the hog producers in Canada, and that is the prospect of regaining at least some share in the UK market. I think we all agree that cattle in Manitoba are the balance wheel of our agricultural economy and for the most part of the year, the producers experienced firm prices. And this, in spite of the fact that there was a marked reduction in the sale of Canadian cattle and calves to the United States. In 1958 there were 209,696 cattle and calves shipped across the line; in 1959 the figures was 107,353, or almost a 50% reduction. There has been an easing of prices in the last three months. There is no indication that a drastic decline is in view. The forecasts for beef prices in United States indicate a firming up in the latter part of 1960. I'm happy to say that in 1959, Manitoba farmers showed a marked interest in beef production. They were enthusiastic bidders at community feeder cattle sales, and the Manitoba Pool Elevators initiated a new program designed to encourage and promote the finishing of our cattle on Manitoba feed lots. In 1958, 80% of the feeder cattle that were marketed found their way out of the province; that is, only 20% found their way back to Manitoba farms; and the indications are at the present time that, although we haven't accurate figures to back this up, all the indications are that when the figures come in, they will indicate that this trend has been reversed.

I don't think that there has ever been a time in the history of the province when there was a greater demand for the services of the Department of Agriculture. Because of the difficulties that the farmer finds himself in, as a result of the unfavourable cost price ratio, he is requesting assistance in those factors over which he and the Provincial Government have some control. The farmer wants to know how to adjust his program to a changing economic environment, so that he can find some means of improving his income. I think it is rather obvious that there are at least four major factors governing farm income: prices, the natural resources that the farmer has to work with, his native skills and natural harvests.

It's become rather popular lately to blame prices for all of the problems that the farmer has to face. Price is an important factor. No one can or should deny this. But if it is the only fact, then I say, what purpose a provincial Department of Agriculture and a provincial program? And I suggest that we can only make this statement and ignore the other factors if we ignore certain very obvious facts as we move in the farm community. The farmers of Canada had a cash income for 1959, estimated at two and three quarter billion dollars. If I were to pose a hypothetical situation, I could say that, suppose that prices were to increase by 20%. What would be the result? Well, the farmers in total would receive another half billion dollars. But we know from other facts, that are available, that 15 or 20% of the farmers produce 70% of the farm products; and this 20% would receive 70% of the half billion, or approximately \$350 million; and 80% would divide up 30%, or \$150 million; and 50% of that 80%, would receive about \$50 million or ten percent of the total increase. And so, I believe; that is obvious, that even if the farm community received a fair share of the national income on a population basis, there would still be many products left to deal with.

There is a need for an intensive provincial program, and I believe that it is accentuated under our present economic circumstances. There are two major factors in the distribution of farm wealth and farm products. I believe they are natural resources at a farmer's disposal, and his native skill. And I ask you to take a drive through Manitoba and you will find a wide variation in the fertility of the soil in the various districts; and you will find a wide variation in the fertility of the soils from farm to farm. And you will note also that the size of the holding in the good areas reflects the productivity of the land; where the soil is fertile, the farmer made money and he bought the quarter next to it; and where the soil was stubborn, labour was less rewarding, and he never could afford to expand. And so some have a lot more to work with and so they get more. And the question arises: Can we help? And my answer is: I should think so.

We now have 58 soil conservation clubs with 900 members. Soil specialists visit these farms annually for four years. They study the farmers' problem of soil management. They make a detailed map of the farm. There were 260 of these maps prepared in 1959. They help the farmer establish crop rotations which will give him the greatest return for his effort. In this connection, I would like to mention a new project--a new club that was formed in the past couple

(Mr. Hutton, cont'd.) .. of months out in the Dufrost-Arnot area. I took a drive through that area this past autumn and it was a most discouraging sight, because along highway 23, there was miles and miles of nothing but summerfallow. These people took a very harsh licking from mother nature in 1959, and from the reports that I have received from the area, this isn't the first licking they have taken in the last decade. Mother nature hasn't been too kind to them. It's heavy land; it's flat, and many times, when the rest of Manitoba receives sufficient moisture; it would appear that this particular area receives too much. And so the boys in the department--the soil specialists, the agricultural engineers and the ag reps, got together and they developed a program which they thought could be of particular assistance to the people farming on this type of soil, and under the weather conditions that we have experienced over the past few years. And they produced a program of surface drainage that will assist the farmer to drain these flat fields and get the best advantage of a very complicated and extensive network of trunk and lateral drainage that is maintained by the drainage district in that area. They are going to encourage and help the farmers to establish crop rotations in that area, putting emphasis upon alfalfa--a deep rooted legume--to try and combine surface drainage with internal drainage, and there are efforts going to be made to try and establish livestock in this area to form a balance wheel to carry these people over when they do experience periods of very excess rainfall. And this is the type of program that is being carried out in various areas throughout the province.

There are other programs, forage crop policies; there are demonstration plots where again the department endeavours to promote the growth of legumes and grasses, and to this extent, we make seed available at approximately 50% of the retail price. And then there are the soil conservation programs, where seed is supplied again at a reduced price up to 30 acres, with a seeding down of class four land--land that is subject to erosion from water or wind; land that has proved over the years that it is not adequate for the production of cereal crops.

And then there is the gully stabilization program. In 1959, we began to contribute to the moving of earth, the shaping of these gullies in order that the farmer could bring them under control and heal some of the wounds and the scars on the face of his soil. Here again, seed is supplied on a limited basis. We have a tree planting program. Our goal is a million trees a year in field shelter belts. In 1959, 1.3 million trees were set out representing 364 miles of shelter belts.

And then we come to the weed control program. And if I'm not mistaken, Mr. Chairman, I seem to recall someone saying that there was nothing new in this. Well, I have some notes here of what has gone in the past in the province in the way of weed control, of inspection and so forth, and there was certainly a lot of room for improvement. And I think that the response of the municipalities who were consulted in this program appears to indicate that there are very few indeed who do not recognize that there is room for improvement here, and that this step which we contemplate taking in 1960, will be a vast improvement over the past. Now as my predecessor pointed out in this House last July, in the past the position of weed inspector hasn't been taken too seriously. Some of the salaries--remuneration, that have been given to the weed inspector, I think, indicate most clearly the type of service that one could expect. \$50 per year in some cases, and in some cases less. I have one here--I can hardly believe it--some weed inspectors working for \$4.00 per year. I have an example here of a weed inspector who was a grader operator; another one was checking gravel for good roads; and four inspectors were farmers who never did move off their farms. There was a lot of room for improvement. And so, the Department of Soils and Crops, and Mr. Forbes, who is the weed commissioner, devised a program to organize the municipalities in such a way that they would have the financial resources and have the administration to carry out a sound, well-balanced program. And the Provincial Government will contribute to the salary of the weed inspector who is appointed--will contribute half the salary, up to \$1,500. In addition, we would contribute half the cost of expenses, this includes advertising, literature and so on, up to a limit of \$500. In addition, we would contribute \$350 per unit for selective herbicides on a 50-50 basis. As I say, there has been a great deal of interest on the part of the municipalities in this program; they are ready and anxious to get going, and they only await the decision of this Legislature in considering the appropriation for the program. \$20,000 of the estimates in weed control is for the payment of expenses & salaries in

(Mr. Hutton, cont'd.) . . . 10 weed control units. This is the number that we propose to establish in 1960. We feel that the inspector who is employed on a year-round basis, can put the winter months to good use in organizing a program, in developing a strategy to attack some of the perennial problems of weed control that exist in the various municipalities.

Beyond this, we have a seed variety multiplication program. And in this program, we endeavour to promote the production of certain varieties which are difficult to obtain. And at the present Lincoln Brome and Primer Slender Wheat Grass are being promoted. Special crops-- here again, we can help the farmer by developing crops which he may use in diversifying his program. And I am happy to give you some information on the tobacco tryout at Hadashville and Marchand. There were four acres planted in 1959, and of them, two were badly hailed and affected by heavy rains and otherwise. But they harvested a ton of tobacco in spite of all the bad weather. They received 51 cents per pound for what was sold, or approximately \$850. There has been no official government tests on the quality as yet, but the situation is very encouraging. In 1960, we plan the same acreage--four acres in the Marchand district--and we also plan to improve more land for future expansion of the experimental crop plot. The limited tests will continue west of Portage, but the weather was very unfavourable in that area last year, and the experience not quite as happy. But certainly, no one can draw conclusions from one year.

And then there are special soil studies projects that the department carries on. In many cases, they are related to water control and conservation. We have problem areas in Manitoba, and whenever one of these problem areas crops up, and there is a question of whether drainage should be undertaken, the department carries out an economic study of the area, and it is called upon to do this, not only by water and conservation and control, but also by the Department of Mines and Resources; by the game people; and by those interested in forests. And these studies go on continuously, and the soils and crops boys make every endeavour to get the information that will shed light upon the problems of the farmers in particular areas.

And then we were very fortunate this year to receive the co-operation of the Federal Government--Department of Economics--to carry out an economic land classification study, and I would like to say that this is the first one of its kind in Canada, and possibly in North America. It goes far beyond anything that has been done in the past. In its first phase, they will take the information that is available and they will correlate it and delineate it on a map of the province. And it will be carried out--the information will be organized on a township basis, and they will make use of all the information from the Soils and Crops Branch; from the Assessment Branch; from the departments of the university; and the Economic Division of Canada; Department of Agriculture. But then in phase two, they will carry out a refinement of phase one; first rating each quarter section in the province at the economic productivity under its present land-use; and second, to rate each quarter section under conditions of its best land-use for present economic circumstances; and third, rating each quarter section for its best land-use, taking into consideration projected market conditions at the time of completion. It's an ambitious program and we feel that in terms of the problems that face us from time to time in Manitoba, it can be of inestimable value. It can be of value for the Manitoba Credit Corporation; it can be of value to the Crop Insurance Agency Board; it can be of value in determining major drainage projects and so forth in the various areas in the province. And so we are very, very happy that we received the Federal Government co-operation in this manner, and the Federal Government representative, Mr. Ted Reegan, will co-operate with our soils men in Soils and Crops in carrying out this work.

Well, that pretty well deals with what's being done with land resources and the farmer. That's the program that the Department of Agriculture is carrying out--helping the farmer of Manitoba to make the very best use of the soils that are at his disposal. But then the farmer has other resources, and amongst these, I suppose the major factor is livestock. And we have a Bangs program in this province, and Brucellosis can be deadly to man in two ways: In the first place, it is possible for the disease to be transmitted to humans; and secondly, where his losses occur more heavily, is in the loss that can occur in the calf crop. The program of cattle vaccination was begun in 1950, and in that year there were 17,000 calves vaccinated. In 1958-59, there were 89,000 vaccinated. The estimate to March 31st, 1960 is 100,000. The estimate for 1960-61 is 110,000. We have the pure bred Sire Purchase Policy of which you have heard something in the House. This has been extremely successful in years gone by. Not only

(Mr. Hutton, cont'd.) . . . bulls, butboars and rams are made available to the farmer under easier circumstances. In the case of boars and rams, they are rented through a boar-rental lease policy. And I would like to say this, that in lowering the maximum grant allowed in the purchase of pure bred sires, we had no intention whatsoever of defeating the program and the aims of the program--and I think that you will notice in the estimate that there is even more being voted this year than a year ago--but we feel that this program in 13 years, has achieved a great deal of success. We would like to attribute success to the program; the fact that it has carried out its purpose of education. And we feel that the farmers and the livestock men who are interested in improving their herds will continue to do so, even though the program is reduced from 80 to 60 dollars. Now I would like to say in this respect, that the average amount taken out by the farmer under this grant was approximately \$70.

Then we have dairy herd improvement associations. In these associations, we endeavour to raise the level of production of the dairy cattle and we had an increase of two in the number of these associations during the year. And now we have a total of ten. And each of these associations receives a grant of \$1,800 per year, which goes towards the salary of a technician who visits each member of the particular association once a month.

And then we have beef cattle performance testing. There are 24 herds under this program. They have a portable scale which they pull around the province, and by weighing the calves, they are able to assist the farmer in selecting the cows that are producing the most beef.

The Livestock Branch also offers supervisory services for the AI Units; helps organize them and so forth. And we now, at the present time have 11 units. And these units are supported by grants from the Horned Cattle Fund. And then we have veterinary science scholarships. And by this program, we endeavour to assist young men of Manitoba, by way of a total grant of \$2,000, to train themselves in this very important field. And then we assist the farmers of Manitoba in showing their livestock; in advertising it. There are grants for livestock going down to the Toronto Royal Winter Fair. And in 1959, eight carloads of livestock were shipped down there. And the Livestock Branch does a lot of work in organizing the selection committees and so forth, and getting these people away. And this is of great value to Manitoba, because today you have to advertise. And we've got good livestock here in Manitoba, and the results of the Royal Winter Fair support this. And in this opportunity to show it off, we can show the rest of the country that if they want good products, "buy Manitoba". Well, those are programs in the department that deal with some of the resources that the farmer has to work with.

And then a very important part of the work of the Department of Agriculture has to do with Mister Farmer himself; in the development of the skill of the individual farmer. During the past 20 years, and particularly in the last decade, science and technology has pried loose the lid on a veritable "Pandora's Box". And you remember Pandora's Box is alleged to contain the ills of the world. But the modern Pandora's Box contains the new techniques of agricultural production--the tools of the industry. And I say they were good tools, but they were mixed blessings. To the man who knew how to use them--who is in a position to take advantage of them--who could afford them, they were a boon and a blessing. They have made it possible for him to expand his enterprise, so that he could afford a standard of living comparable to his city cousins. The new techniques and technology have offered greater opportunity to capitalize on originality, good management and so forth, and it has largely eliminated the back-breaking, ever-recurring jobs of past years. But I would say this to the man who hasn't the same level of skill, training or financial resources; that the contents of that box are something less than a blessing; he can't compete with yesteryear's tools in a modern industry. Old fashioned methods of management, soil and animal husbandry just can't keep pace. And if you will permit me, I'd like to quote Dr. Harold de Graf, who spoke here in Winnipeg last week, and he said something along this line: "Grandad's farm was fine in its time. They would produce the kerosene lamp and the horse and buggy. But they won't produce a Ford V8 and keep it running. They won't pay for electric lights, the oil burner, the modern farm home and the standards of living that the farmers desire today". And I can say even dad's farm wasn't called upon to deliver the kind of living that we want today. Think back to 1945--only 15 years ago. I was still driving a team and sleigh to Winnipeg in the wintertime for groceries. There was no snowplowing of municipal roads. We were burning the kerosene lamp; the old wood and coal range; we used a lantern in the barn; and the first crude auger-type grain elevator had just been introduced on the western

(Mr. Hutton, cont'd.) . . prairies. And I thought, the other day, at the agricultural students' Winter Fair, out at the university, that they had a very remarkable demonstration. They had a demonstration which depicted two sides of agriculture. And they had a big wheel turning, and there were two visual holes. And as the wheel went around, one statement balanced the other one on the other side. And there was "Brains versus Brawn"; "Science and Education versus the School of Hard Knocks", and "Balanced Farming versus Mixed-up Farming"; and they were all typified by a farm accounting book on one side, and an old shoe box full of receipts on the other. Well, it was a remarkable demonstration in a sense, because whether we like it or not--and it's rather frightening to any of us who are engaged in farming--business in farming is here to stay, and we can't turn back. And even though we might very well love to, we can't put those blessing or otherwise, back in Pandora's Box, because we can't catch them. We know that in spite of the Declaration of Independence, that all men are not created equal--their talents vary. Sometimes we find people on a farm who psychologically or otherwise, are not suited to farm life. They could very well do very much better in another occupation. Sometimes we find people who do not use the talents and the skills that they have, because they have never been developed. Now I'll agree, and you'll agree with me, that we can't make people equal in ability, but we can assist the farmer to develop the skills that he has, and to make the best use of the natural resources at his disposal. And then, by farm credit, we can increase the resources available to him. And this is the job of agricultural extension and agricultural development. And in Manitoba, we have 35 ag rep offices; we have 37 ag rep districts; there are 37 ag reps and six ag rep assistants. Now it is true that vacancies occur from one time to another, but we endeavour to keep them filled, and they will be filled--those that do exist will be filled this coming year. During the past year, we established two new ag rep districts; one at Somerset, and one at Starbuck. There was a reorganization of the districts where the offices are located at Boissevain, Killarney and Pilot Mound. This reorganization was carried out in adjustment of the boundaries of the districts so that the work load would be spread more evenly; so the work could be done more efficiently.

And we have livestock specialists, soil specialists, agricultural engineers, decentralized and positioned at Brandon--located at Brandon and Dauphin. We endeavour to do this to do a better job, so we don't waste so much time getting there and back; we can spend more time on the job. And we have effective economy -- and I think that the results of the work of these people in this field has been improved, because they have more time to be there. We have agricultural engineers to help farmers in planning various buildings; to assist them by establishing welding courses and so on. And this year, they are introducing the plumbing short course at Brandon, and one at Carman. And here they will endeavour to really--and I don't think there is a better example--help the farmer make use of his skills and make use of the resources that he's got, so that in spite of economic environment, he can attain some of the amenities of life that make it so much better--at least we think so anyway. I can't think of an example that depicts this more clearly, because there is no reason in the world why the farmer with some assistance, cannot carry out some of these tasks and help himself to some of these, as I call them, amenities.

The program is very briefly this; a minimum of ten or 15 farmers are requested to take part in the course, and there has been some interest shown. They pay a \$10 fee--registration fee--they are shown how to make the joints and so forth; they are given assistance in drawing a plan--a blueprint of the plumbing required in the home. It is possible that they can organize their needs for plumbing supplies and get them at reduced prices by tendering. The planning of their program in their home is done by agricultural engineers, and the District Sanitary Inspector. Plumbing instructors are hired to carry out the course, and teach the farmer how to do the job. There'll be some supervision in the installation, and then, in the excavation that is needed and which will take place of course when the frost is out of the ground. This again can be organized on a community basis, and again worthwhile savings can be achieved. And all in all, they feel that they can reduce the costs of this benefit to the farmer by 30%. And I think that this is a worthwhile program, and one that very dramatically points up the way that you can help the farm community to make the best of the things that they--the means at their disposal, to improve their way of life.

Now we have in our department, as you know, agricultural economists; beef cattle

(Mr. Hutton, cont'd.) .. fieldmen; swine and sheep specialists; horticulturists; potato specialists; vegetable specialists, and these men are all working with farmers--working personally with them; helping them with their problems. And they make a marked contribution--a significant contribution to improving his position. And I'd like to indicate to you, and I think there was some talk here that--well the programs weren't increasing on the part of the provincial government, and why did you need all these civil servants? Well, I want to give you an indication, Mr. Chairman, of just what the agricultural representatives do in a year in Manitoba. The total meetings were 4,658, and the total attendance at these meetings was 111,000 people. This group of ag reps were involved in all these meetings, and with all these people. That is a tremendous work load they are carrying, and this is just part of their work--this is just part of the work--and then we wonder why we might need some more civil servants in the government to carry out these programs. These programs are growing. They grow each year. But I think that is a remarkable number of people to have reached through one means or another. Short courses alone, 84 short courses in the Province of Manitoba, over 4,000 farmers attending.

The Agricultural School at Brandon makes a significant contribution, and I would like to point out here that in 1958-59, because of--largely of the change in the program offered, 783 persons attended these courses. In 4-H Club work, 650 clubs--9,000 members. We have 14 Home Economist Districts; there is one new district to be established in 1960, which splits up the interlake district with its centre at Teulon. At the present time, there are eight on the staff, and as my predecessor pointed out, we have certain difficulties with retaining the services of the home economists, because they are usually very charming young ladies, and exceptionally well-trained, and very attractive to the gentlemen who reside throughout the province.

The University of Manitoba--I would like to point this out, I think here there is a tremendous work going on. Maybe not all of us in Manitoba are aware of the job that's being done. As you will see from the estimates, the grant for Specific Research has almost doubled in the last two years, and now stands at \$434,000 as opposed to \$220,000 in the '58-'59 estimates. They have a program on out there that is growing--growing in size and growing in significance to the contribution that it is making to the farmers of this province. They have courses and studies--their studies in the field of plant science; animal science; in farm management; and agricultural economics are worth noting. And I would just like to point out to you, that in the year 1959, in the field of agricultural economics and farm management, there were ten new, or very much increased, or intensified programs carried out and undertaken. And the same holds true all the way through. They are trying to find the answer for the farmer in Manitoba; to find the answer in production; to find the answer for his marketing problems; to find the answer to his farm management.

And then, of course, there was farm credit. That is very much a part of our agricultural program here in Manitoba, and despite what has been said about farm credit in this House, the fact remains that it is just twice as good a program as was ever available before. In the past, the Canadian Farm Loan Board's average loan was \$5,000. The year following the inception of the provincial program, The Manitoba Agricultural Credit Corporation, has made loans averaging \$10,000, and I don't think that anyone can deny the contribution that has made to the young farmer of Manitoba being able to acquire credit at 4%.

Well I would like to say just a few words about crop insurance. I'll just say this; although we're not making any wild claims, I think that it is significant; that the Province of Manitoba and the Dominion of Canada can offer to the farmers in this province, a level of coverage and a level of premiums which is superior to anything that is offered in the United States, in spite of the fact that they have had 20 years experience in this field. And I think that crop insurance is important to the farmers of this province. I think that, no matter what we do in the way of helping a farmer develop his resources, his natural resources, his native skill, that we are still faced with the fact that from time to time, no matter how much research we do, no matter how we try to take precautions, mother nature catches up with us every once in a while. And I think that it is important that we try to establish a crop insurance program that will help the farmer over these periods which so far in the history of farming, we have been forced to face up to.

I would like to make a comparison, if you will allow me, Mr. Chairman, of what the farmers put into PFAA and what they got out of it; with what they put into crop insurance, and

(Mr. Hutton, cont'd.) . . what they will get out of it. The farmers of Manitoba, since the inception of PFAA have been getting back 89 cents of every dollar that they put into it. Under the present program of crop insurance in Manitoba, the Manitoba farmer will get back a dollar for every 89 cents he puts in. In other words, he will get back 25% on his investment in crop insurance. Now I am not speaking of the individual farmer, I am speaking of the farm community as a whole. But it appears to be a better investment for the farmer of Manitoba than PFAA. And I would like to also point out that you can't really compare PFAA to crop insurance. If a man has 300 acres of cultivated land, the maximum payment under PFAA would be \$600; on the same land, if he had 200 acres in crop in the southcentral area, the maximum payment that he could receive would be \$2,600, or over four times as much. And there is no doubt, I think, that under a crop insurance program, the number of farmers who would qualify in a period of adverse crop experience, would be far greater--far greater than under the PFAA, because in the one, we are dealing with individual farmers, and the other on a very impersonal basis--on the basis of eligible areas. Now I've dealt, I think, maybe too long with agriculture, although it is a subject that one can talk about, not for days and weeks, but for years, and the discussions have been going on that long. And I suppose, Mr. Chairman, that some of my friends here feel that years have gone on since I arose first and introduced these estimates. I can't really blame them, but at the same time, I feel that in justice to the department, and in the light that some of the things--remarks that have been made in the legislature, that it might not hurt others to sit and listen to record of what the departments are doing. And I think it's maybe good to remind the public of the endeavours--the dedication and the energy that goes into some of these programs. And I think it is good that the results should be known and the success given a little publicity.

Water Control and Conservation--a very, very important part of the Department of Agriculture and Conservation, because any farm program that didn't include soil and water control and water conservation, wouldn't be very effective for long. And since the organization of the various services connected with water control and conservation in this department of agriculture, there has been a consolidation of the services. And I'm sure you will have noticed it in the estimates, and I think that I owe you an explanation. In considering this appropriation, it should be noted that while the total vote of \$15 million, if \$1 million five shown in the left hand column for '59-'60 agrees with the total vote previously shown in the current year's estimates, the distribution of this amount into the sub-appropriations is different to that shown in the '59-'60 estimates before the Legislature last July. This is explained by the fact that this branch was recently formed, mainly from staffs of the Department of Mines and Natural Resources, and the Department of Public Works. And in the 1959-60 estimates, item VI, 15 (b), represented the transfer of estimates originally prepared under the Department of Mines and Natural Resources; and VI, 15 (c) represented the transfer of estimates originally prepared in the Department of Public Works. Since that time, these staffs have been amalgamated into one branch, and the sub-appropriation of the 1960-61 estimates represent the planning divisions and the operations divisions of this new branch, but with an entirely new re-arrangement of staff. This interchange of staff is reflected in the revised sub-appropriation distribution shown in the left column of the estimate now under consideration. Likewise, this arrangement has brought about the re-distribution in the number of permanent and casual employees between the sub-appropriation, and therefore it is suggested that, rather than consider the number of employees and changes in each sub-appropriation, that they may be considered as a total for the branch in the case of each year's estimates. This would be as follows: The total permanent staff, '59-60, 71; and in 1960-61, 79. The employment of casual staff in varying numbers during the year as provided for in (b) and (c). Appropriations have been re-arranged as follows: In 1960-61, \$51,000; in '59-60, \$55,000; in (c), \$144,000 in '60-61; in '59-60, \$99,260. And so the totals are for 1960-61, \$195,000; and for 1959-60, \$154,260. And I think that's rather confusing in looking at the estimates, and that explanation was due to you.

During the short time that I have been Minister of the department, there has been a marked interest in the Water Supply Board in the terms of the Water Supply Board Act. And I would like to say that we've acquired the services of a waterworks design and construction engineer, and I'm also happy to say that he's an Irishman from Northern Ireland, and it just happens that he carries part of my moniker. His name is Theodore George Henry McKibbin, an Irishman

(Mr. Hutton, cont'd.) . . . educated at Queen's University, Belfast. It happens that my grandfather came from County Down, and that my name is George Henry as well. So I thought that was a little interesting--must be a pretty good fellow. And they tell me he is.

The watershed conservation district is of interest to this House, and I imagine that you would like me to inform you of the stage that we are at in establishing it. The municipalities have sent resolutions in. At the present time the Commission is studying the proposed area. They are setting out the boundaries; they are considering the types of works that will be taken over upon the establishment of the watershed conservation district of Whitemud; and they are also considering a schedule of grants to cover various types of works, and when they have reached their decision in these various aspects that are to be considered, their decisions will be submitted to the municipalities which are concerned, and they will have an opportunity to make a decision in that regard. I think it should be said also, that due to the very early onslaught of winter, a good many projects--in fact all the projects underway came to an abrupt halt, and that we look forward to 1960, with the hope that there will be better weather, not only for the carrying out of these projects, but for the benefit of the farmer, and indeed, the Province of Manitoba. Now I would like to say this in addition to all these programs--and I have not mentioned all of them by any means--but I have mentioned those--and I shouldn't say this either, because they're not more important--but it's just physically impossible to do justice to every aspect of the Department of Agriculture program. But I want to say this; that in addition to all these programs that they're carrying, this fall they were called upon to administer the emergency assistance program about the movement of hay and the movement of feed grains; and the administration of the acreage payments have fallen upon this department. I would like to give you some indication of the size of the operation. To date, 800 applications have been received for permits to move hay by freight car. Now that's a lot of carloads of hay. I think that there are about 10 to 15 tons per car, and if you add to this amount at least an equal amount moving by truck, you would have one mighty long train, at least 1,600 cars. But I think it's been worthwhile. As I stated earlier, there was a movement of Manitoba cattle back to the farm. This movement was sustained. There was no liquidation of livestock and I think that it was most important that after the years of promotion and encouragement that the department has given to the farmers to increase their livestock herds and establish more, that we should extend this type of assistance to help the farmers and the feeders over this rough spot. In closing, I want to pay tribute to the Department of Agriculture, and in particular to my Deputy Minister. This man has made a tremendous contribution to agriculture in the Province of Manitoba. I'm his 15th Minister. I needed his understanding and his sage advice, and I needed that wealth of energy that he has given to the people of Manitoba through the years. And I can say the same thing for my whole department. Their dedication, and the dedication of my Deputy Minister, Dr. Bell, was reflected by the dedication of the other members of the staff. And I can only say this, that it is an inspiration to me and has been an inspiration, and a source of strength to me in the past six months.

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MR. STAN ROBERTS (LaVerendrye): Mr. Chairman, I would like to congratulate the Honourable Minister first for his complete coverage of the Department of Agriculture. I would like to join with him in his tribute to the staff of the Department of Agriculture and with particular respect of course to our very good friend, a good friend to all of us, Dr. Bell, the Deputy Minister because he is the finest man I've known for a long time. I would like to thank the Minister for his statistics, rather complete on the agricultural situation. I would like to thank him, too, personally, because it offers a bit of a background to what I would like to say. He refers to the large role that agriculture plays in the economy of the Province of Manitoba. It's still obvious however, that only a small portion less than 5% of our budget in the Government of Manitoba goes to the Department of Agriculture. The estimates of the department just in quick review indicates some fields 'up' and some fields 'down', but unfortunately and with consideration to the state of the condition of the industry of agriculture there is very little new in the estimates to offer us. The economic land use survey, I hope, will get off the ground this time and will do the job that the Minister tells us it will. It is a big job, it is a long job and the sooner it's started the more value can be derived from it. I hope that the plumbing course being offered by the department to some certain farmers in Manitoba is not the plan referred to in the Throne Speech because it will be a big disappointment to a lot of people if it is. They had visions after reading the plans being offered by the government of Saskatchewan of running water in their homes and if the plumbing course constitutes the whole of the help the Provincial Government intends to make towards running water in many farm homes, then I suggest there is going to be many disappointed people. The farm problem has been ably described by the Minister and I won't elaborate on it other than to say that in addition to low prices, which he suggests isn't the only problem, we have, as farmers, had a real revolution in the industry technological progress has added to the production of the farms and that productions increase together with a lowering of sales percentage-wise to other countries has created surpluses. And in addition to price and this tremendous production, agriculture has been struck by quite a number of things but I think very important at the present time is the unsettling government policy and I'm referring particularly at this moment to the federal policy because in my estimation it just does not exist, there just hasn't been indication of policy of a concrete nature.

Trade, the one subject most vital to the progress of agriculture has taken backward steps in the past two years with adverse effects on agriculture. The Stabilization Act that was introduced by the Federal Government some two years ago only lasted a very few months particularly in the fields of pork and eggs and was replaced by a real disaster type of thing which -- they call it the deficiency payment plan -- but which has really hit many producers very, very hard. The particular plans being proposed by this government, the Provincial Government, farm credit and crop insurance, so far to the average farmer in Manitoba, are just nice sounding words but they have done him no good at all. Only 1% of the farmers in Manitoba have had loans approved under the Farm credit plan, none have benefited under crop insurance as yet, so they are at least in no better position than they were. The Federal Government to get back to them again with their payments to farmers, payments without policy, just a flat payment of so many dollars to every farmer in the province, I suggest, has done more harm than good. In the good shall I say that the money could have done if it had been put into a proper policy than the way it was, indiscriminately giving so many dollars to each farmer without any purpose, policy or direction.

I sympathize with the Minister of Agriculture of Manitoba because he's in a particular position that's very difficult when he compares his government's policy to that of Ottawa because it must be obvious to all now, and the Minister of Agriculture at Ottawa has said so himself when he introduced his egg plan for instance, and later on when he introduced his pork plan and with his wheat products and so forth and grain products, has said that their policy is to reduce production. We've got to cut back on our production, we are over-producing, we can't sell as much products as we are producing, therefore we must cut back on our production. You must encourage efficiency as you said today, Sir, you must encourage efficiency, you must encourage efficiency on the farm, and efficient handling of farm products. A direct contrast to the suggestions made by Ottawa as to what their policy is. Surely it must be difficult for you to operate with a large staff of very fine people who are going out through the province encouraging the people to produce more pork better, to produce more eggs better, to produce more crops better, and have

(Mr. Roberts, cont'd.)....Ottawa tell you we are over-producing, and we must cut back on our productions and therefore we will go into a disaster plan of deficiency payments where everybody will get hurt. And surely this must be frustrating and discouraging and I suggest, hard on the farmers too.

And there's many other parts of government policy which need looking at. Politicians have always said they are supporting the family farm without being too certain of exactly what family farm is, there is a very, very great shortage of economic and social research on such subjects as community living and family farms. I'm sure that it's pretty hard for anyone who maintains they are supporting the family farm idea in Manitoba to tell you what size a family farm is even in terms of definite units, whether it's pork production or grain production or any other type of production. It's pretty hard without the research that we have not got to determine what efficient size of operating unit is.

Then there are those things that we have discussed in this House before of contract farming and vertical integration as compared to independence on farm operator's part. And there is a very, very great lack of research in this department as well. I suggest that the contract farming in many forms-- I'm not referring to the thing they call vertical integration now-- but contracts between the producers and processors are some times very, very valuable. But without the research that is necessary in these fields, how can we pass this information on to the farmers and to help them to choose. There have been many things that have happened in agriculture in Manitoba in the past year; it's been a disaster year as the Honourable Minister was saying, with crops and so forth, and in my particular area the Seine River kicked up this spring we had flooding, we had heavy, heavy rains washing land away, we lost crops, farmers who had sown had them washed out and that we were in session of the legislature here at the time, and the Member for Carillon and myself brought these facts to the House. The Honourable Minister of Agriculture at that time said that a survey would be made and if there was real need for help, help would be given to the farmers of the area. I think as we all know now, no help was given to the farmers of the area. If they had their buildings damaged they received some assistance in repairing their buildings, but to their crops no help whatsoever, to their livestock or poultry which they lost no help whatsoever, and in addition they have been burdened with heavy costs in rebuilding roads through municipal taxes; heavy cost rebuilding roads, rebuilding bridges and so forth. And then in October as the form says, snow fell in Manitoba and an emergency crop loss plan was set up. Once again in my area no snow fell, so this became an immediate confusion to the people who applied for aid because they were not damaged by snow and the form said right off the bat that you had to be damaged by snow to get in, but of course this was immediately reconsidered when people just pretended they were snowed in. (Interjection)-- No, no one's collecting. But it was a rather unusual situation and I suggest that the government perhaps made quite a bit of hay with their plan to relieve the storm-hit farms at the time. The Department of Agriculture here estimated the crop loss in Manitoba at that time at \$25 million in a press release. Shortly after that or not too long after that on December 15th, 1959, press release "Roblin announces plan \$2 million in relief for storm-hit farms. Relief payments of \$2 million to Manitoba farmers possibly by the end of this month were announced today by Premier Duff Roblin in a long-awaited decision on aid for crops laying unthreshed under the snow."

Now this was in December and he said at the time that possibly by the end of this month that the payments would be made. Now this is near the end of February and as far as I know, no payments have been made yet, although some may have been approved. But it said "Relief payments of \$2 million to Manitoba farmers. I don't know, I presume there's no point in asking the Honourable Minister at the present time how much will be paid out, but I'll bet you it will be far far short of \$2 million.

MR. ROBLIN: I don't, I don't.

MR. ROBERTS: Because if there's a \$25 million crop loss to the farmers of Manitoba surely to goodness we can reimburse them with \$2 million of it.

MR. ROBLIN: You never did. Never did.

MR. ROBERTS: And I'm very surprised at the Honourable, the First Minister, for saying he hoped he didn't have to pay out \$2 million, because that must have been his intent when he drew up this draft of the plan of how he was going to pay farm aid assistance to the farmers. Is that why you put in the clause that 'no man who collects prairie farm assistance

(Mr. Roberts, cont'd.). may even apply for this farm aid assistance, because you didn't want to help them?

MR. ROBLIN: No, want to be fair.

MR. ROBERTS: And the Minister of Agriculture, Honourable George Hutton in a press release here November 20th, 59 said that compensation will be made on an individual basis and according to need. Pretty hard to define 'need' sometimes I suppose. But surely the restrictions didn't need to have been nearly as strict as they have been placed on this because there are many, many farmers who have lost 60-70% of their crop who will receive no assistance whatsoever under this plan or the Prairie Farm Assistance plan.

The Honourable Minister referred to crop insurance. I would like to perhaps pass on a few opinions on it. It is a plan that we hope will be accepted by the farmers of Manitoba. A crop insurance plan as such. There are parts of this plan which I suggest make it unattractive to some farmers. I'm afraid that the test areas that are now being educated as to the possibilities or to all the factors in this plan, have found some parts of it that they find aren't too ready to approve of. I hope an attempt hasn't been made to make this plan unattractive to these people but some parts of it would actually indicate that there is an attempt to make crop insurance unpalatable to the people who are in the area.

MR. HUTTON: Mr. Chairman, I wonder if the Member for LaVerendrye would mind listing the parts of the Crop Insurance.....

MR. ROBERTS: I was just coming to it. I have the list here. I would think that possibly the most contentious argument or part of the crop insurance plan, when I've been in the areas and I haven't been talking crop insurance as such but I hear the reports of the farmers who have been to the areas and they find the parts where they are going to base their payments on crop losses or base their payments on crop losses to 60% of the 35 year average of that area, of that farm and all farmers in any area know first of all that the 35 year average on a farm and a good number of those 35 years, as the Honourable Minister himself said, were farmed in the horse and buggy days without fertilizer and without wheat sprays, that a good number of those 35 years were farmed with methods that we didn't know at that time that we do know today, that surely yields 35 years ago and 30 years ago and 25 years ago and 20 years ago would be much lower than the yields today. And then when you base your insurance plan on a 60% of the 35 year average you're bringing the average down so low that most farmers say to themselves "Well shucks, I might not have anything as low as that ever again. Why should I carry insurance?" And I think it's quite logical that the 35 year average is just too long an average. I suggest that 20 years would be plenty long enough. They have based their averages over there 35 years largely on elevator deliveries and once again this might be far lower than the actual yield obtained on the farms over those years because elevator deliveries don't always show the picture on an actual farm. Once again they based the value as I understand it on the grain which it will be insured to -- the value of the grain -- on initial payments for the grain not initial payments plus subsidiary payments -- following payments at least, the payments that come a year or so after your participation period. And these are the main things which -- and then there was one other thing, for instance on the farmer who has two holdings of land if one of his farms is completely hailed out and the other one holds a good crop on it then he will receive no insurance whatsoever for the farm which is completely hailed out because his average of the two farms would be above the level which would insure him at. And even for that matter if a farmer had half of his farm hailed out and the other half with a reasonable crop on it he still would receive no benefits under the insurance plan and these are the things that are making this crop insurance plan unpalatable to the people, to the farmers in the area and while I wish the crop insurance plan every luck unless some of these regulations in the plan are made more attractive, then it's my feeling at least that the farmers of the areas just are not going to buy the plan.

The farm credit plan, much ado has been made of it, and the assistance it's going to give the farmers of Manitoba, still only 1% of the farmers of Manitoba have had any assistance under it. It's a pretty small percentage because by and large that 1% constitutes people who could have raised money in some other fashion because the security requirements are so great and the length of time it takes to get an application put through the plan that it is discouraging for anyone else to try and get a loan under the plan. The Minister compared the ten thousand dollar, or near ten thousand dollar average of this farm credit plan of the Province of Manitoba

(Mr. Roberts, cont'd.).... to the 5 thousand dollar average of the Canadian Farm Loan Board but of course the Canadian Farm Loan Board has been operating through the years when 5 thousand dollars would have bought something that ten thousand dollars is required to buy today. He compared the Crop Insurance Plan of Manitoba to the Crop Insurance Plan of United States. I'd like to compare the Farm Credit Plan that we have available to us here to the Agricultural Credit Bureau of the United States and if you do that, Sir, you will find that we have nothing in the line of agricultural credit compared with the plans that's available to the farmers of the United States. And as I said the other day and I don't wish to repeat today, there is a great deal to be said for 4% credit to young farmers but not enough consideration is being given under our farm credit plan to the ability and the enthusiasm and to the energy and to the education of the young farmers and for this reason too few young farmers are able to apply for the credit to purchase farms.

Now the Minister spent some time or quite a good deal of time talking about livestock and particularly in the field of livestock I would refer you back to the early part of my talk when I was saying how difficult it must be for a Minister of Agriculture in Manitoba to have a policy regarding livestock when the Federal Government's policy is to reduce the numbers. And particularly in the field of eggs as has been said we are in a period when the farmers are actually losing money day by day. It's impossible to produce eggs at the price they are expected to receive for them today. Particularly in eggs again the deficiency payment plan which some people might argue would make up the average which a farmer would hope to get -- a decent average for his eggs. I might point out that first of all deficiency payments are only going to be paid in the first quarter up to a thousand dozen of Grade A large from any one producer and there is no support being paid whatsoever for any eggs he produces over the thousand dozen of Grade A large and there's no support being paid for the thousand dozen also of other grades and he had to sell during that same time of mediums and smalls and he had to sell for 12¢ or 10¢ or .09¢ a dozen and there's no support to him for these levels. And again the Manitoba people in particular and the prairie producers in general have gotten the rough end of this deficiency payment plan I think to everyone it's perfectly obvious because egg prices in Manitoba have been lower from 5 to 10 or more cents per dozen lower than they have been in Eastern Canada or on the west coast meaning that the deficiency payment plan which is averaged on a weighted basis right across the whole of Canada will benefit by far those -- by a far larger extent those living in the west and those living on the east and will strike the prairie producers the hardest.

A similar plan is being developed for pork. It may not strike quite as low a disaster level that the Honourable Minister has said that already pork prices have reflected the program.

I'm disappointed as I said the other day that the Honourable Minister of this government has taken the idea of lowering Sire-Purchase policy. I'm sorry I don't understand your argument as to why you have done it. You have said it is a good policy. You have said that it improves the type of sires being used. Each year more and more animals were being purchased under the policy therefore each year more and more good animals were being used on the farms of Manitoba as sires and as a result of this we lower the policy and I'm sorry but I just do not understand the reason. Performance testing plan I think is something which should be increased, something that should be stressed because this along with a sire-purchase policy and an artificial insemination policy and a dairy herd improvement policy are the type of policies which will improve the quality of our livestock and I think that the beef cattlemen in particular have given their wholehearted support to more and more performance testing and I hope that next year the Minister will be able to report that instead of 24 herds under performance testing plan there will be twice or three times or more times that number.

I'd like to, very briefly, pay tribute to the University of Manitoba and the fine manner in which they are using the increased grants to them. I would like to congratulate this government for its increased grants to the University and to the Faculty of Agriculture out there and I would like to say as I was out on Friday and Saturday, or Saturday in particular to the Student's Fair -- there is real evidence there is action going on out there and I think it's a wonderful thing. I'd just like to refer to a policy of the present government in Manitoba which I disagree with and this is I suppose a debatable point but it is my opinion that there has been an

(Mr. Roberts, cont'd.).....absolute failure on behalf of the Government of Manitoba to speak on behalf of Manitobans and farm Manitobans in particular -- to speak on their behalf to the Government of Canada. With the exception of freight rates there has been no indication of what this government policy is. There has been no indication of what the Government of Manitoba thinks of the egg deficiency payment plan. There has been no indication what this government thinks of the pork deficiency payment plan.

MR. HUTTON:

MR. ROBERTS: Will it? Good. Because we have never in the time that this government has been in office had this government speak up for the farmers of Manitoba on their behalf to the Government of Canada.

MR. HUTTON: That's what you think.

MR. ROBERTS: We would like some evidence of it.

MR. HUTTON: You'll get it.

MR. ROBERTS: It was so very obvious how good a job this government can do when they desire to speak up as they did during the freight rates meeting here. They did a fine job and if we could get the same kind of representation from this government to the Government of Ottawa about some of our other policies, for instance the egg plan at the present time where Manitobans are being scuttled...

MR. HUTTON: You'll get it.

MR. ROBERTS: We'll get it but when -- after the farmers have all gone broke?

MR. HUTTON: I said you'll get the indication of what we're doing.

MR. ROBERTS: I'm still waiting for the statement from this government as to what its policy is regarding deficiency payments on grain and I think we've been bringing that up regularly enough. How about its policy towards two price system for wheat? And how about its policy towards possibly the greatest single thing affecting the agriculture or actually affecting our nation, trades and tariffs? You might say this isn't your business but are not trades and tariffs the business of every Manitoban and particularly the Government of Manitoba? If we could make the same kind of representation to the Government of Canada with regards to trading with United Kingdom or trading with Japan or trading with United States as we do towards freight rates then maybe we could get a little bit of interest or a little bit of action. Has this government made representations towards the situation which is developing at Ottawa or in Europe at the present time? The development of the common market over there -- the development of the outer seven - trading groups in themselves which are , might be a very, very serious detriment to this country if we can't trade with them. We have to sell our products. We can't live without it and we in the west are particularly in that position. We must trade.

MR. HUTTON: Read the record of Canadian Sales during the Conservative administration -- Canadian sales of wheat

MR. ROBERTS: Are you proud of the Conservatives' administration with regard to trade? That I'd like to know.

MR. HUTTON: We've done a pretty good job.

MR. ROBERTS: Because if you're proud of the manner in which Mr. Diefenbaker is handling the Japan case and if you're proud in the manner in which Mr. Diefenbaker tried to divert this trade from United States to United Kingdom with all sorts of mix-ups, if you're proud of that kind of a trade record then I for one am mighty disappointed.

MR. HUTTON: Look at the record in wheat sales....

MR. ROBERTS: Oh, the record in wheat sales. You just give to us. You said we've dropped from 39.2 to 19% of the world market. You gave it to us just a few minutes ago.

MR. HUTTON: During the Liberal administration, my friend.

MR. ROBERTS: Are you suggesting that wheat trade picked up percentage-wise during the last few years.

MR. HUTTON: Yes.

MR. ROBERTS: That's very interesting, that's new. Better tell Dief he'd fix it quick. I hope that if this government in Ottawa ever does decide to improve the trade situation and allow certain countries like Japan which happens to be in the limelight at the present time to sell more products to Canada so that we can sell more farm products to them. I hope that if they ever do allow some of these products in that they're planning on allowing in, some day at

(Mr. Roberts, cont'd.)....the rate of 5% if it happens to be a good year, then that they will treat the industries of Canada that might be hurt by the little bit just a little more gently than they are presently treating the egg people of Canada or the pork people of Canada because I think this is a great parallel. The Government of Canada decided that they wanted to cut down on the number of eggs in Canada so what do they do they throw in a disaster policy -- that costs the egg producers of western Canada millions and millions of dollars but they wouldn't dare open up a market a little bit that might allow some Ontario manufacturer to get hurt just a little bit because some product was coming in from Japan or for some other country or some woolsens from Britain or so forth, which might hurt their industry just a little bit.

MR. PAULLEY: Mr. Chairman, I'd first of all like to congratulate the Minister for the introduction of his estimates and I would also join with the Honourable Member from La Verendrye in a tribute to the department itself. I'm sure that they are by and large very dedicated individuals and are doing a good job in their respective fields. Now my remarks insofar as agriculture, the department are concerned are going to be very, very brief.

First of all I haven't the intimate knowledge of agriculture that many have in this Assembly but there are one or two things that I would like to say in respect of agriculture and I would say that while the program of the Department of Agriculture, in most instances, is very, very fine and is progressing, that this government and in this I join the Honourable Member who has just taken his seat, that this government is not doing enough if it is doing anything, in order to solve the basic problem of agriculture in Manitoba and in western Canada today and that is, namely, to assure to the producer a fair return for his product and while we appreciate fully the fact that prices and markets are in general under the direction of the federal administration at Ottawa we feel that the Government of Manitoba could be far more energetic in attempting to impress upon its brethren at Ottawa the need for a greater, greater activity in an attempt to dispose of the natural products of Manitoba. It was interesting to hear the Minister of Agriculture tell us that we still have about 25% of the population in agriculture in Manitoba. And then if I heard correctly a little later on, and I trust the Minister will correct me if what I say is incorrect, but I do intend to search Hansard and read it again, but it seemed to me that in his remarks when he was talking of price, that price increase of farm commodities, farm products would not be much of a solution because of a breakdown of percentages that the Minister seemed to me, again I'm prepared to stand corrected, that if there was a general increase in prices to agriculture in Manitoba that the increase would go to a relatively few. Now then I say, that for a Minister of Agriculture to speak that way cannot be justified because of the fact that our whole economic well being of the Province of Manitoba is based on the net return to all of the producers be they physical labour or agriculture. And it has a reflection generally on the whole economy of the province, irrespective of whether it goes to a comparatively few individuals as a result of their energies in the field of manual labour or agricultural production and I want to differentiate and I know my Honourable Friend the First Minister thinks I'm off on a tangent in respect of this.....

MR. ROBLIN: No, you maybe be off.....

MR. PAULLEY: Because he will attempt or someone will attempt to link up my remarks apropos of agriculture with the general return of large scale industries and the like and I suggest, Mr. Chairman, that there is no comparison at all because after the Minister had mentioned the fact of the return going to a comparatively few in respect of agriculture, he also went along and said that as a result of agriculture and the productivity of the 25% of the population -- if I recall the percentage correctly -- he inferred that 47% of the income of the whole province was linked some way or other with agriculture. And I would suggest Pardon?

MR. HUTTON: 40%

MR. PAULLEY: 40%. And I would suggest this, that while it may be true, as he mentions, of the larger operator receiving a greater percentage, it reflects all over the whole economy and down to the 40% or including the 40% which takes in a considerable portion of our population.

MR. HUTTON: Mr. Chairman, on a point of privilege could I just clarify a point before the Honourable Leader of the CCF Party becomes too involved. What I said was that -- what I was trying to determine was the justification for the provincial program and the Provincial Department of Agriculture and I said that if price were the complete answer or by far the

(Mr. Hutton, cont'd.) major factor in the over all prosperity of the agricultural communities then there wasn't any justification for a program but we believe that our contribution is equally, at least, as important to the well being of the farm communities as price is.

MR. PAULLEY: Well, I thank the Honourable the Minister for that but I don't think, Mr. Chairman, it alters what I'm trying to establish as what apparently to me is a philosophy of government. In other words, that if we carry through the contention and I agree with the Honourable Minister insofar as his other programs are concerned such as agricultural research and so on. I agree with that point but if we carry through to its logical conclusion, in my opinion and I may stand alone on this, the contention of the Honourable the Minister then we have the evidence of why it is, or some evidence of the lack of any initiative on behalf of the Government of Manitoba to ensure or to do its utmost on behalf of the agricultural industry insofar as increasing the net income or the gross income of the agricultural industry by way of price increases. And I think it very pertinent that the Minister should, and the government, should lay greater emphasis on the necessity of more income. Let's not worry too much of a breakdown of a percentage figure like my honourable friend gave us here this afternoon and as I say again I think that that is an indication of the policies of this government here in Manitoba and I agree most heartily with the Honourable Member for LaVerendrye that if there was as much energy placed within this department and other departments in order to assure the people of Manitoba a far greater, a far fairer share of personal income as they're doing in other fields that it would be well for the people of Manitoba. And I think I have, through the brief of the Manitoba Farmer's Union the substantiation for this; we all received their brief, and on page 6 of their brief I think there is a very pertinent sentence which says "The over all outlook for agricultural prices in 1960 is not good. We are at or near surplus production levels for most farm produced commodities." Now, then, let's think that one over for a moment in the light of the program of the department or of this government. It seems to me that more and more the emphasis of the Government of Manitoba is ever increasing production and an ever slackening in an endeavour to get rid of those products which we produce and I think that that is the basic criticism of the Government of Manitoba in respect of Agriculture. I agree with the Honourable Member from LaVerendrye they're a very energetic group of individuals. Very forward looking but I think their forward look is somewhat like the end of a Chevy -- you can't tell whether it's coming at you or going away from you.

Now the, Mr. Chairman, I would like to just say a word or two in connection with the plan of the government in respect of the farm water and sewage system. Unfortunately just as the Minister was going to dwell on that subject I was called from the House and did not have the opportunity or the pleasure of listening to him but I was informed on my return that one of the ventures of the department is going to undertake a course of plumbing lessons for the farmers of Manitoba and that there would be a \$10.00 fee for lessons which indicates to me that the government isn't going ahead very, very quickly on this particular program, but I would like to draw to the attention of the Minister a little booklet that has been in production now for some considerable number of years titled "Farm Water Systems and Sewage." This booklet was put out and I haven't the date -- I will check it up -- put out, prepared under the auspices of the Prairie Rural Housing Committee, sponsored by the Governments of the Provinces of Manitoba, Saskatchewan and Alberta, and the Central Mortgage and Housing Corporation and in glancing through it I find that there is a wealth of information in respect of plumbing and water systems for agricultural farms for our three prairie provinces. Are we going to have another duplication from the Department of Agriculture or is this just another wishy washy scheme without any substance? Is there any amount in the estimates which we have before us for expenditures of money in connection with this plan. I would like to hear that from the Minister. Now I said at the outset, Mr. Chairman, that I was not going to be long but I do want to draw to the attention of the House what in my opinion was a grave omission on behalf of the Minister in his remarks on the introduction of his estimates, that omission being to what we esteem one of the more important portfolios or sections under the jurisdiction of the Minister of Agriculture and that is in reference to co-operative services and credit union supervision. I might say that the Minister was kind enough the other day to send me a typewritten copy-- and it was pretty hard to read too incidentally -- a typewritten copy of the report of the Department of Agriculture. And of course the department of co-operatives is a branch of his department. If I recall

(Mr. Paulley, cont'd.).... correctly here was a department rather through the co-operatives, if memory serves me right, there was trade to the extent of some \$317 million or some figure along that line. A very important and growing industry, if we can call it that, in the Province of Manitoba -- one which we of the CCF and at one time we thought even of some Conservatives had thought was of prime importance -- and yet I am glad to hear that we still do because on the introduction of his estimates, it may have been an omission on the part of the Minister and I give him that right, but on the introduction of his estimates, not one single word, not one single word of a program of the development of co-operatives among our Indians and Metis! Not one word of a question of extension of co-operatives to our northern areas! And I think it was a very serious omission and I trust and hope that when the Minister deals with the subsections, that when we come down to the question of co-operatives he will be able to give us a full story of the development of the co-operatives. I say to him, it may have been -- I don't think it was a deliberate omission and I sincerely trust.

Well with those due remarks, Mr. Chairman, I want to say on behalf of this group which I have the honour to lead again, we appreciate very much the manner in which the Minister introduced his estimates and again suggest to him and to the Government of Manitoba that while all of their endeavours in the fields of research, weed control, and water conservation or wells for the Province of Manitoba -- how about getting off of your horses and doing something for the basic problem of Agriculture in Manitoba which is the return to the farmers and the individuals for the products which they produce.

MR. J. M. FROESE (Rhineland): Mr. Chairman, I had not intended to speak at this time. However, since I will be unable to be here tonight, I wish to say something on matter of this department. We were given quite a lengthy report by the Honourable Minister and I wish to congratulate him because after all he has not been heading this department for too long and it shows that he is familiar with what is going on. Coming back to what he had to say, I feel that this House should be alarmed when he says that the price of the wheat has gone down from \$1.62 in 1952 to \$1.30 in 1956 and it seems that prices are on a further decline. Certainly agriculture is very important to the people in Manitoba, especially to the farmers in Manitoba, and we should take every opportunity of seeing to it that the farmer is getting a just reward for his services. And I feel for one that as this House at one time endorsed the taking in of oats and barley under the Wheat Board that we as a House are also responsible now to see to it that the farmer receives good prices for his grains.

We have also received briefs from farm organizations explaining to us what they are working toward and trying to achieve parity prices for the grain that they are producing on their farms. Certainly we can all support this, after all the farmer should receive a price that has a fair relation to what he has to buy and therefore, we should encourage higher prices for the product the farmer produces, and that he sells in Canada to the consumers of this country. Surely now we as farmers cannot be called upon to subsidize the Canadian people forever like this. If on the export market, this is the total and the highest price possible to receive then why not go out and encourage bartering. Surely other countries have things to sell that we in Canada could well use. What is preventing us from trying to barter for our Canadian grain and crops? I would like to have an answer from the Minister on this very point. Why not go into bartering? Is it our Canadian wheat agreement that is keeping us from it? Is it that other countries do not have the currency, the dollars to pay for our wheat? Or is it something else that we do not know about? Certainly we are entitled to know just what is preventing us from going into bartering.

Then another point I am quite interested in is the artificial breeding that is being carried on today to improve our livestock. We have various artificial breeding associations throughout the provinces and these perform a very useful service. Now the other day I was informed by one of the officials of one of the breeding associations that the support they had been receiving would be on a diminishing basis, that they would receive less this year, that there would be a further reduction next year and probably the end would be the following year for any support. Now if we also have a lowering in the sire-purchase policy, why not then increase the artificial breeding society support? Certainly they can give much more in dollar value for the amount that is being spent and these societies have brought as great benefit to the rural areas in that herds have been improved tremendously. One further matter that the Minister hasn't

(Mr. Froese, cont'd.) even touched on is farm labour. I for one have found it hard and seen other farmers getting into difficulties in getting qualified help on their farms. We as farmers, whether we like it or not, have to compete in the labour market to a certain extent. The prices offered in cities for wages and salaries and so on are much higher than we as farmers can offer them, so that the people in the more experienced fields tend to drift to the cities and take away employment from other people living in the cities. Another reason why this is happening is that these farm workers are unable to secure unemployment insurance and that through the winter months very often they have to use up what little they have earned during the summer months in order to keep on and to exist. So I would request that the government give every support and make representation to the Federal Government to include farm workers under unemployment insurance.

Coming to a further point that wasn't touched on is in connection with the co-operative services branch. I notice that the Leader of the CCF group touched on this matter just a moment ago. However, I also in previous speech made reference to this crop services branch in regards to credit unions and at this time I further wish to touch on that very topic. We in Manitoba as you know have better than 200 credit unions in the province including the and these credit unions are of various types. We have the associational, the occupational which could include industrial groups; we have the parochial or parish credit unions; and we also have the community type credit unions. In the country, the community type credit union is prevailing and there are only a few of the others in the country. However when we come to the city, the picture is completely different. We have just a few community credit unions in the city at the present time and apparently there is a reason for it because we have on earlier occasions tried to organize community credit unions and when it came to chartering them, the people were refused the charter for these credit unions, on the grounds that there was no common bond existing. Under the Credit Union Act there has to be a common bond in a given area or an association or so on as already referred to in order to receive a charter. Now I think this is basically wrong because once you organize a credit union in a given community, the credit union itself forms the common bond. And in many cases, I say, in most cases, that common bond is much stronger than any other organization that community has and to which a credit union would have to be tied to, so that I feel that that reasoning is not justified and that we should have community credit unions in greater Winnipeg. Surely, the city could be sub-divided into several areas so that the communities need not be too large and that people would get to know each other. This has been proven in the community credit unions that we have at the present time. They are functioning well and they are giving a service to their community. Certainly why should we deprive so many people in the city of the services of a credit union? People joining these credit unions are learning to save and at the same time they are providing a source of credit for those people that belong to the credit union when they are in need to make a loan. And in this way they are helping themselves which is the ideal thing in our present day living. We have many credit unions in the country that are of considerable size and that provide a very useful service and the more people in a given community that belong to a credit union the more of the funds that they have will be channeled back to the credit union; that once you have a fairly good membership in a given credit union it will snowball and it will grow by leaps and bounds; and today many of our credit unions are all providing their members with checking services so that they now no longer need to go to banks or have two accounts, one with the credit union another with the bank, in order to write checks and make their monthly payments. This can all be done at the credit union. So I would like to have an answer from the Minister on this matter. I know that the Department has changed. We have had different people heading the department over the last several years so that I would assume that quite a portion of the power would be with the director of the services branch, and under the Act he has wide powers, sometimes I feel they are too wide; so that I think this government should give us a policy as to the future in this connection. I think that this is all I have to say at the present time and when the estimates come up I might have some further questions. Thank you.

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, I think I will be briefer even than the former speaker. I wish to congratulate the Honourable the Minister of Agriculture because I can see he has put quite a bit of effort and I wish to apologize to him for calling him a pessimist last week. He shows quite a bit more optimism this time and I really didn't mean

(Mr. Tanchak, cont'd.)....to hurt his feelings. I apologize if I did. That was my impression that he gave me then. I also wish to associate myself with all the good words said about the civil service, about the deputy minister. I think he is doing a very good job. I don't think that in the last several years whenever I went to the Department of Agriculture that I have been refused any help or any information. They are always willing to do the best possible and to give us all the information possible. And I hope that the present Minister works even harder than so far is indicated by the brief that he presented to us and I wish him success. I can see that he really is sincere. In his remarks he made a statement that Manitoba's gross value of agricultural products is over 20% of the total provincial gross product. Now I may be accused of again as some people have been doing before but I just want to stress some of these points that have been mentioned by some of the previous speakers.

Then if we go back and look at the agricultural department, to say there are allocated -- I do not agree with this 5% as the member from La Verendrye my colleague did mention before-- if we do not include water control I think that the allocation of Manitoba estimates was only about 3%, and I do not think that that is a fair share of the Manitoba budget.

The Honourable Minister spoke about techniques and technology. It seems to me that some departmental people feel that the solution to the farm problem is management, greater efficiency, larger production and greater productivity. I agree that this is absolutely necessary but I don't think that it solves the farmer's problem at all. It seems to me that the problem is the decreasing product prices and increasing surpluses. If the farmer attempts to attempt savings in cost by increased production, what is the result? The result is lower prices to all and you can't blame him. You can't blame the farmer. He is forced to ask for support and deficiency payments. Parity prices were promised the farmers of Manitoba but when the farmers of Manitoba asked for deficiency payments from Ottawa (where this promise came from) what does our Manitoba Government do? As was witnessed in the last -- in a resolution brought by the member of the CCF group on deficiency payments -- what did the government do? They turned this resolution down. Then the Government watered it down until nothing was left but a babble of words and I don't think that the present government is helping the Manitoba farmer very much. The Manitoba Government should impress on the Federal Government the urgency of this farm problem in Manitoba. The farmer in Manitoba has no attractive voice now from the MP's in Manitoba and I think that the Manitoba Government should -- and that's the duty of the Manitoba Government. It is the duty of the government to tell these people and I am going to emphasize it again -- to tell the people in Ottawa although it isn't the policy of the Manitoba Government regarding prices and deficiency payments but they should tell them in Ottawa that the present federal support prices offer the farmer no stability as I mentioned before. Tell Mr. Harkness that his agricultural stabilization act gives the farmer not even a disaster price; tell him that it has become a farce; tell Mr. Harkness that his egg deficiency plan is a huge goose egg. Eastern producers of eggs at the present time are getting the same price -- or higher price I mean for their eggs than the farmers of Manitoba, but when the deficiency payments come, they will be getting the same kind of a deficiency payment although they have already received a higher price than the Manitoba farmer. Why not impress on the Federal Government that they should change their policy -- pay deficiency payments on a regional basis; tell them that their contribution to the Provincial Crop Insurance plan was niggardly, because that's all it was. You should tell them that; draw their attention to that. Tell Mr. Churchill that he is not helping the farmer by protecting big industry by import restrictions; tell him that he should encourage trade whereby encouraging markets for our surplus products; again tell them that these promised parity to the farmers; tell them that our Manitoba farmers do not want charity -- he wants parity. And finally, the farmers unions are telling them this -- why shouldn't you? You should also tell them these things in no uncertain terms. If you don't you are not as you claim, the farmer's friend.

MR. SCHREYER: Mr. Chairman, I have but a few things to say by way of general remarks on the opening of the estimates in this department.

I first of all would like to say that a good many of the things which the Minister has said in this chamber today are things which can be agreed with, certainly I found myself agreeing with him in a surprisingly large number of cases. That is not to say, of course, that all of the things that he had to say were comforting. As a matter of fact one or two, possibly more, points

(Mr. Schreyer, cont'd.) were rather disturbing. It is not my intention at this time to go into a profusery of words as regards the departments but I would like to draw to the attention of the administration certain aspects of government spending in agriculture which are rather disturbing.

First of all, we notice that the total vote for the department is up by some quarter of a million dollars, \$250,000. Now that isn't very much, especially when one considers that there must be a substantial increase in the number of civil servants and, of course, surely I would not criticize any government for increasing the number of civil servants where there is need for it, and I think in this department there was. They are doing valuable work as the Minister outlined but it stands to reason then that this increase of \$250,000 is not applying too much to actual service in things other than advice or research of extra people hired in the department.

One of the specific things which I would draw the attention of the administration to is their lack of movement, lack of action with regard to seed cleaning plants. I am somewhat surprised to see that the Conservative Government has not seen fit to move boldly ahead with the program of assisting communities and building seed cleaning plants, especially in view of the fact that the First Minister, when he was in the opposition, and prior to the elections, made a great to-do about the urgent need for seed cleaning plants. And when we look at the estimates what do we find but that the government have reduced the allocation for loans to community seed cleaning plants by some \$30,000. If anything, Mr. Chairman, they should have increased their allocations in this respect because surely if one wanted to make even a brief cost benefit study on his own, he would come to realize in very short time that this province is losing money, not saving money, by not providing adequate capital for communities to go ahead and build their seed cleaning plants. The Premier who often uses the phrase that the former administration was penny-wise and dollar foolish surely must not be aware of this situation. Should we see the Provincial Government spending some \$75,000 approximately for weed control, research, etc? The Municipalities are spending on the average \$1,500 each in the way of weed control and if you multiply the number of municipalities by their average expenditure, it comes out to a rather substantial sum, possibly somewhere in the neighborhood of \$80,000. And then when one considers how much each farmer loses because of loss due to weeds, if we were to take the loss of each farmer and let us say \$5.00 per acre annually, I think that in the report of the Feed Drill survey 1954 it was stated that each farmer in the province loses on the average \$1,000 because of weed infestation - it would come out somewhere in the millions of dollars. And yet we see this government expecting communities to go ahead with seed cleaning plants without giving them any financial assistance. It is not enough to merely give them a loan of one-third of cost. I think that this government would be wise if they were to consider seriously allocating monies for grants to seed cleaning plants plus a loan up to one-third of the cost. I don't think we should expect communities to raise more than one-third of the cost in their own particular locales. I must say again that I am rather surprised that the Premier, after having spoken so long and so loudly on seed cleaning plants, is now actually sitting back and not doing anything much about it. And then too, my leader mentioned, and the Member for La Verendrye mentioned some aspects of the proposed program as regards the providing of sewer and water in rural Manitoba. We don't see anything in the estimates as regards this so we can only conclude that the government is going to provide data, information, and similar help -- but this in effect, I contend, was, always from the extension service and when there was such a great to-do about this scheme we thought that this administration was going to come forward with something quite surprising and quite substantial. Instead, I think we shall see that this firecracker that was exploded on us in the Throne Speech will actually sizzle and become somewhat of a dud. I don't think that there will be very much coming out of all this. Good publicity- yes, but in terms of actual results I think the people of this province, the farmers of this province will not be too tickled. For one thing if the government is really serious about encouraging the people of rural Manitoba to install sewer and water they will be ready to give us such information as, for example, will the government make bulk purchases of necessary equipment and so on so that the price to the individual farmer will be lower, or will there not be any bulk purchases at all? Will there be a fee to the individual farmer for services rendered to him by the province by way of information and so on? What does the government think the estimated cost per farm unit will be to install sewer and water on the average? Does this government - has it given any consideration to the guaranteeing of loans to farmers for installation of sewer and water, or have they not considered that either?

MR. CHAIRMAN: It's 5:30 I should leave the chair until 8:00 o'clock.

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