

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, February 3, 1967

Opening Prayer by Mr. Speaker.

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

MR. SPEAKER: Orders of the Day.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): Mr. Speaker, before you proceed with the Orders of the Day I'd like to inform the House that I hope to bring down the budget on Monday evening shortly after we meet.

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Mr. Speaker, I'd like to address a question to the Honourable Minister of Public Works. What powers does the government possess to enforce the parking reservations on the parking lot behind the Law Courts and in front of where the old Revenue Building would be. As you are aware there are certain sections there reserved for certain organizations. There's one section there which is reserved for the Law Society of Manitoba. This morning when I was there at eight o'clock there wasn't one Law Society car there because the members of the Law Society are given stickers for the Law Society to identify their cars but the reservation was filled up with other cars and I think most of them were provincial government cars. The numbers of these other cars were 68715, AY934, 15E63, 13E70, 21E88, 11E85 and 13E8 -- and I think all of these E numbers were provincial government employees. I'd like to know what powers the government has to enforce these regulations because it is absolutely impossible for anyone who wishes to attend court at the Law Courts here who arrives at that parking lot later than 8:00 o'clock in the morning to find a space to park.

HON. STEWART E. McLEAN, Q.C. (Provincial Secretary) (Dauphin): Mr. Speaker, the powers of the Minister of Public Works are set out in the Public Works Act as it - the powers as they affect the control and supervision of the properties of the government. I would have to acknowledge that the question of parking at the Law Courts is apparently a very difficult one. Nothing that we have been able to do so far has solved it. We are still working with it.

MR. HILLHOUSE: Has the Minister reserved or has the government reserved unto itself any powers to enforce these reservations regarding parking? That's what I want to know.

MR. McLEAN: We only have the powers that are in the Public Works Act.

MR. HILLHOUSE: If the powers under the Public Works Act are not sufficient to enable you to enforce these regulations, will you take unto yourself sufficient powers to do so?

MR. McLEAN: Subject to the approval of the Legislature of Manitoba.

MR. HILLHOUSE: We'll give our unanimous approval, at least all members of the Law Society will.

MR. EARL DAWSON (Hamiota): I'd like to direct my question to the Minister of Industry and Commerce. About a week ago I asked the Minister of Industry and Commerce how the MLA's might obtain the various type of Centennial pins for distribution to their constituents. He promised to give me that answer within a few days, it's over a week now.

HON. SIDNEY SPIVAK, Q.C. (Minister of Industry and Commerce) (River Heights): Mr. Speaker, there are two types of pins offered by the government. They are Manitoba pins and buffalo pins. There are no Centennial pins that I know of unless the Centennial Commission have pins that are given away. The Manitoba pins are presented to three types of people - three types of individuals. Distinguished visitors to the provinces and persons the government wishes to recognize in Manitoba. Secondly, to people outside Manitoba deserving recognition or during an official trip by a recognized group or individual representing the Government of Manitoba; and thirdly, to Manitobans travelling outside the province on business likely to be to the benefit of the province, members of trade missions.

A departure from the Coat of Arms which was referred to as the Manitoba pin was taken by the Department and buffalo pins, small buffalo pins were introduced. I will be delivering to all the members in the House a package will contain up to 100 buffalo pins for the use by the members during this Centennial year. This will pretty well take care of the stock and inventory of the buffalo pins. They will be discontinued and the Manitoba pins which have been provided for the three categories that I have indicated will be in fact provided in the future for those categories.

MR. DAWSON: Can you tell me or direct me to the person in charge of the Centennial pins? What department does the Centennial come under, please?

MR. SPIVAK: It's a separate corporation.

MR. DAWSON: The Minister, Sir, under it, or above it.

MR. McLEAN: Mr. Speaker, that comes under the Provincial Secretary's Department but it would be quite in order for any member to speak to the officers in the Centennial Corporation. They're located on Princess Street, I believe it is; they have a telephone number and they'll be glad to supply you with as many Centennial pins as you would like to have.

MR. DAWSON: Thank you. That only took a week.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): I wonder if I might ask some questions on the same line of the Minister of Industry and Commerce. Who is in charge of the distribution of the pins? Who does distribute them?

MR. SPIVAK: The Hospitality Committee consisting of Mr. D.R.C. Bedson, Clerk of the Executive Council, Mr. Prud'homme, Q.C. Clerk of the Legislative Assembly, Mr. Guy Moore, Deputy Minister of Tourism and Recreation, Mr. Ian Blicq, the Assistant Deputy Minister of the Department of Industry and Commerce.

MR. MOLGAT: A subsequent question, Mr. Speaker. Is it not the practice to present the pins as well to new citizens when there are citizenship meetings in particular here in the building?

MR. SPIVAK: Yes, it is a practice.

MR. MOLGAT: A subsequent question, Mr. Speaker. Would the practice then extend in the future to members on this side of the House so that they might obtain pins to present to new citizens when there are functions here, because on the last occasion when I was presenting new citizens here I was refused pins by the government.

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Member for St. Boniface. The Honourable Member for Carillon.

MR. LEONARD A. BARKMAN (Carillon): Mr. Speaker, I do not wish to detain this debate much longer but I wanted to have an opportunity to digest what my colleagues had said and kind of try to find out what was happening in this matter. I saw some of the statements and I believe they were rather interesting. But I do hope, regardless of what this Order for Return will show that we agree on the basis of the matter and I think that still is the principle or our principle of the way we ought to do our pricing, or in other words establish a price by the tender system or the way we usually tender.

I think - well we know that nobody will ever argue that there may be conditions that are not always so easy to put up with and it isn't always so easy to say, "Go for the lowest bidder" and that this bidder should always be granted the contract. I do not wish to be understood that way. But certainly, Mr. Speaker, the reasons for granting, or for not granting, a bid to the lowest bidder should be very carefully - and I say very carefully considered or scrutinized. I know so often on the local basis, and possibly these are very small amounts compared to the contract that is in question here, but so many things enter a contract that is up for bid. Just recently we had the experience in the town of Steinbach of building a beautiful new civic building. We had our problems in trying to establish the right contractor for the job and I believe this certainly holds more true in a larger contract like this. And by the way, I do think that we have one of the most beautiful civic buildings in Steinbach so you fellows do come down sometime and have a look at it. But on another building on a local basis, take for example when the bidding of our local skating rink took place. We ran into some troubles, I believe, similar to what the government must have ran into on this one. While I'm only assuming, and possibly the Order for Return will show the detail of the matter, I know in our case and I remember distinctly when the tenders were brought in, in fact the person or the contractor that won the contract was the lowest bidder, was not a local firm, in fact he was late delivering his tender by about seven minutes, but it was still -- I remember distinctly our engineer saying that why would we as a council not just look into this matter a little more fully, take a little bit more time and maybe this very often holds true in a big contract such as the one we have been talking about. I also believe that there will be irregularities in any contract, there will be problems as seems to show up and of course - I say I assume this only because I hope that when the Orders for Return will be answered that more will come to light.

Well, Mr. Speaker, coming back to the point for the Order of Return, I like the statement made by my colleague, the Member for Gladstone, when he said that surely every person in the Province of Manitoba that is interested in its growth would like to see a Manitoba firm get a

(MR. BARKMAN, cont'd) contract of this size. I certainly agree with that and I'm sure that with some of the statements that the First Minister and the Minister of Welfare and others have made in regards to this matter, this is the object and should be the object.

I believe also that a - or hope that in the answer that will be forthcoming in this Order for Return that it will indicate why the closing date was changed from August 22nd to August 29th and the final tender not let 'til sometime in the latter part of September. --(Interjection) -- The 21st of September my colleague says.

In other words, the concern here is if everything being equal the preference could have and maybe should have gone to the local contractor. I thought I wanted to stress the point - I'm sure this government is more aware of it than I am - that the principle, and possibly it has been upheld, should be of great concern in any contract but especially since the facts were mentioned that we were trying to stimulate economy of Manitoba, we were trying to create more jobs. I do hope, Mr. Speaker, that if all is well in this contract I hope the Order for Return and the request made by my honourable colleague the Member for St. Boniface will shed more light on this subject.

MR. SPEAKER: Are you ready for the question?

MR. LAURENT DESJARDINS (St. Boniface): Mr. Chairman, I'd like to move, seconded by the Honourable Member for Selkirk that the debate be adjourned.

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

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

MR. LEMUEL HARRIS (Logan): In the absence of the member, may we have this matter stand?

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

MR. HARRIS: In the absence of the member, may we have this matter stand, please?

MR. SPEAKER: The second reading of Bill No. 17. The Honourable The Minister of Mines and Natural Resources.

MR. EVANS: Sir, may I have this order stand?

MR. SPEAKER: The adjourned debate on second readings, Bill No. 22. The Honourable for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, could I have the indulgence of the House to have this matter stand also.

MR. SPEAKER: Proposed motion of the Honourable the Minister of Highways, Bill No. 24. The Honourable Leader of the New Democratic Party.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Mr. Speaker, I rise not to oppose the Bill or the principle of the Bill as the establishment of Commission concerned with the problems which rise from time to time in respect of water in our province. However, I regret very much that there are a number of deficiencies within the Bill itself, that I think should receive the consideration of the House when this Bill goes into committee, that some improvement or improvements should be made in the Bill itself.

We have a considerable amount of discussion recently in the House and also in the Committee of Supply regarding the very important problem of pollution. And yet I find in this Bill no reference at all to pollution. There is a section in the bill which states that the commission has power to study projects and problems and schemes relating in any way at all to water. And yet yesterday evening when we were considering the estimates of the Department of Health, we noted that the provincial sanitary commission, which is already of course established and has been for many years, is charged with the responsibility of investigation into the very important matter of pollution, not only of our rivers and streams but also of our lakes and other bodies of water in the province.

We also note that in the Department of Health estimates that there is a continuing study going on until 1971 in respect of the possibility or otherwise of having a lagoon system for disposal of fluid sewage in the metropolitan area. Yet I find no provisions within the Act, Bill No. 24 for consideration of this important matter because of course if our lagoon systems are not operated, if they're established and not operating properly then contamination can take place still further to what it is at the present time.

I also note, Mr. Speaker, that we are setting up here in the Legislature of Manitoba this committee regarding water within Manitoba. The federal authority made a proposition to the three prairie provinces where there should be a joint water study of the three prairie provinces to ascertain the picture in respect of the availability of water for the future.

It is interesting to note, Mr. Speaker, that the Provincial Government, through the media

(MR. PAULLEY, cont'd) of a press report of the Honourable the First Minister, if I read the report correctly, has rejected the participation of Manitoba into the study of our water assets on the three prairie provinces. This was a study that was to cost on the over-all basis a sum of about five million dollars and it would have cost the Province of Manitoba -- the over-all cost would have been about five million dollars, half of which would be paid for by federal authorities and the other half split three ways between the three prairie provinces and it would have meant a cost to us in the Province of Manitoba of approximately \$883,000.00. From what information I can gather because of the fact that Manitoba was not prepared, as indicated by the remarks of the First Minister, they were not prepared on the basis of a priority, the study of the water situation cannot be proceeded with. And I think this is regrettable, Mr. Speaker.

Over the past number of years we have had considerable discussions at the international level between Canada and the United States insofar as making available on an export basis to the United States what we may call in some respects, surplus water. I'm glad to note that there are those who consider that this is a problem of such magnitude that no agreement or suggested agreement should be entered into until such time as a thorough study of the availability, not only for today but for the future of our water resources should be made. And yet here we have apparently by the action of Manitoba alone a stalling of an investigation. I want to refer my friends of the government to investigations that are going on within the ranks of the Conservative Party itself at the federal level. They think this is a very important matter.

Now I know in some fields there isn't quite the sociability between the provincial conservatives and the federal conservatives but I do note that the Federal MP's of the conservative policy-making section of that party, that the Federal MP's favoured the idea of a complete water inventory to assure Canada's future needs are met, prior to any export commitment to the water short United States. And I suggest that they are right. But if we don't have studies insofar as the availability of water is concerned, then stymied as we are here, and if we're going to set up an independent commission, as apparently independent from the other provinces, Mr. Speaker, such as suggested in this bill, then where are we? Also the federal conservatives under the chairmanship of Davey Fulton suggested, it was agreed, the need of a national code to abate pollution of water, air and soil. And that there should be a federal organization to enter into this very important field. And this is so true. But at the same time, Mr. Speaker, we here are being asked to set up a Manitoba Water Commission. I have pride in Manitoba too but I do say that this may not in its present form be the type of a commission that we should be supporting, and as I said at the offset while I'm not going to oppose it in principle on second reading, or going to committee, I'm hoping that in the committee stage that changes will be made.

I also note, Mr. Speaker, that Commissioner George H. McIvor who headed an inquiry commission into the fresh water fish marketing although the question of pollution was technically beyond the scope of his inquiry, made certain recommendations insofar as pollution of waters and the effect on our fishing industry here in the Manitoba area as well. And he recommended in his findings that the present legislation governing water pollution be strictly enforced and that the government take all further steps required to prevent pollution of Canadian inland waters; went on to point out that we shouldn't just look at the question of pollution of waters insofar as the effect on human consumption but also insofar as its effect on the fishing industry and the likes. And yet we find nothing at all in this Bill, Mr. Speaker, referring to that important matter.

I also don't like the fact that this Bill sets up that the Minister, whoever he may be - and it's in the singular, I don't know if the interpretations act means when it's singular it's plural and plural it's singular. But the Bill --(Interjection)-- pardon?

MR. McLEAN: Male or female.

MR. PAULLEY: Yes, something like that. Thank goodness sometimes there is a difference though. The point I'm trying to raise at the present time, Mr. Speaker, is that the Bill sets up the commission and then states that the commission may investigate any matter referred to it by the Minister. The inference being that if the commission having been set up is on their toes technically if not actually, they would not be empowered to investigate into all aspects of the water situation in the Province of Manitoba, but the Minister. And then the Bill also sets up that the Minister in charge of this particular commission shall be the Minister as designated from time to time by the Lieutenant-Governor-in-Council.

(MR. PAULLEY, cont'd)

But, Mr. Speaker, as we are going through the estimates, we're going through the estimates of the various departments we find that the question of water in one way or another is related to half a dozen different ministers. We have, as I indicated a moment or two ago, the Department of Health, who is required, or the Minister of Health is charged with the responsibility of the Manitoba Sanitary Control Commission. I understand that the Minister of Agriculture is charged with the responsibility of water in respect of the fishing industry. I understand that the Minister of Public Utilities is charged with the effects of the raising or lowering of the water tables through the public utilities of the Province of Manitoba. I understand that the Minister of Mines and Natural Resources is charged with the responsibility of water insofar as other aspects of the use. And yet this Bill sets up "this commission shall be the responsibility of a commissioner, or a Minister." I would suggest changes are necessary in the regard to that aspect as well.

And then too, Mr. Speaker, there's another feature of the Bill that I do not like completely, is the fact that while the Bill itself sets up that the commission can have as one of its members a member of this Legislative Assembly, the Bill doesn't make provision for the Legislative Assembly to be taken into the confidence or to receive a report at all from the commission. There is no provision within this Bill, Mr. Speaker, for the commission to make a report to this House.

Now I'm convinced that water is one of the most important commodities we have in this province and here we have a situation under this Bill of where the Lieutenant-Governor-in-Council can appoint a minister, after having appointed the commission in the first place, a member of which can be a member of this assembly, the commission reports to the minister I presume, and yet no report to the legislature of what activity and what the commission does in this respect. And I'm going to suggest that, again, that when this Bill reaches the committee stage this is another important aspect of the investigation that I'm going to attempt to endeavour to insist on that we know what this commission will be going insofar as its job is concerned. On this point I think it can be agreed we have too many commissions and committees in this House that don't make reports to the legislature, but this I suggest, Mr. Speaker, is one of the more important commissions its set up. I don't think that the field of jurisdiction or investigation of the commission as contained within the Bill itself is broad enough. I don't think that the commission should just sit up and report back to a Minister. People in Manitoba and all of us I am sure in this Assembly are entitled to know what the situation is respecting this great asset of ours and I think that at least we should have an annual report to see whether this Commission is functioning or whether it is not.

MR. SPEAKER: Are you ready for the question.

MR. FROESE: Mr. Chairman, I beg to move, seconded by the Honourable Member for Wellington that debate be adjourned.

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

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

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

COMMITTEE OF SUPPLY

MR. CHAIRMAN: The Honourable Member for St. Boniface.

MR. DESJARDINS: The Minister was in the process of explaining why there was such a reduction in the allotment under (1) Emergency Transportation. I think he said, or somebody said for him that they flipped a coin and it came in tails and this is what - they figured it would be a good year that it wouldn't be too costly. I ask the Honourable Minister if all the full allotment of last year was spent. This might be one of the indications that they estimated too highly last year.

HON. CHARLES H. WITNEY (Minister of Health (Flin Flon): Mr. Chairman, the experience of the year up to the present time indicates that we are not going to spend the full amount that we had budgeted for the year before. The budget of the year before was based on the experience that we had the year before that, so based on the experience of this past year, we have felt that the amount of \$8,500 will be sufficient.

(MR. WITNEY, cont'd)

I might just mention on the Sanitary Control Commission, on those salaries, they were moved up -- if you refer back to that section of Environmental Sanitation, the salaries were moved up into (1) and other supplies that were with the Sanitary Control Commission were moved up into (2) and this figure of \$4,230 represents the payment of a secretary. The salaries paid to the three members of the Sanitary Control Commission are paid from the normal appropriation of other Departments, for instance, the Sanitary Control Commission comprises a Director of Environmental Sanitation and his salary is paid there, it involves a public health engineer from the laboratory and it involves the Chairman of the Municipal Board and he is paid from that source, his salary.

MR. CHAIRMAN: (1) passed, (m) (1) passed,

MR. DESJARDINS: Is the Honourable Minister going to say anything now about his policies on denturists and dentists or are we going to have another occasion to discuss this question of the report and so on during this session?

MR. WITNEY: There'll be another occasion, Mr. Chairman, to discuss it.

MR. CHAIRMAN: (1) passed

MR. FROESE: I am afraid when we will be discussing the matter of the denturists, whether we will be barred from discussing matters concerning dentists. Earlier on in the estimates I asked the Minister what the situation was in Manitoba in regard to dentists, whether the situation was improving, because as you know there is a shortage of dentists especially in rural Manitoba. A number of the rural towns and centres are trying to get dentists and are unsuccessful in doing so and since we now have a school where we train these people what is the situation? Is it improving and to what extent is it improving? How soon can we expect that our rural centres will be able to get service in this respect?

MR. WITNEY: Mr. Chairman, the situation is improving and particularly since the Dental College has been in operation. There have been 107 dentists graduated since 1962, 57 of those are now functioning in Manitoba, and 14 of them are in the rural parts of Manitoba. The number of hygienists that we have operating in the Province of Manitoba since the Dental Hygienists course was established at the University, now numbers about 20 and there will be another close to 15 will be graduated. I was supposed to attend the graduating ceremony some-time ago but unfortunately due to a storm it had to be delayed. So the situation is improving and the Province of Manitoba I don't think has any greater shortage of dentists than there are in other provinces in the country.

MR. FROESE: Mr. Chairman, is there some guarantee that these people that are trained in Manitoba, that they will provide service for sometime in Manitoba or how many of these are leaving the province?

MR. WITNEY: No there is no guarantee, no more than there is any guarantee of those that are educated in Alberta won't come to Manitoba or those that are educated in Ontario won't come into Manitoba. As to the attrition rate of those that are moving, I haven't got the figure for you, but again I don't believe it is any greater than any other province.

MR. CHAIRMAN: (1) passed

MR. DESJARDINS: Mr. Chairman, is the Minister -- we are talking about shortages of dentists and they come and go like other professions that's true, but is there any special care for the children of the province? I think that maybe a report on that -- I imagine that, I know that there's some plans in schools, are we progressing at the right rate on this? Are we giving the proper precaution to these children because I think this is the important time.

MR. WITNEY: Mr. Chairman, through the Dental Clinics which we have travelling throughout the country -- and when we term them travelling, actually we provide the facilities and then we have an arrangement with either our own men or with the Manitoba Dental Association and with the community in order to provide dental services particularly to children and we do provide other services to adults when they are required. Over the last year these services have been increased because of the activity of the Department and the community activities of various villages and municipalities in the province and because of the co-operation which we have had from the Manitoba Dental Association. The numbers of these clinics are increasing. What is more important, we are able to get back to various communities on a more regular basis than we had before.

This past summer we were able to also extend the community clinics up into the areas of the north country, such as up the Hudsons Bay line where they had not been for a considerable period of time. At the Frontier School Division we have a particularly effective arrangement

(MR. WITNEY, cont'd) with the Manitoba Dental Association where the Manitoba Dental Association, basically, dentists from Flin Flon and from The Pas, come in to do work in conjunction with the Department of Public Health and the Department of Education for the students in the area; and while we would like to see more of this work done we are progressing I think at a satisfactory rate.

To get to children, we have increased the number of health educators throughout the province and these in turn are able to do dental education along with health education in the field of prevention.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Chairman, has the Minister any current analysis or results of the additive of fluorides to water and the benefits derived, that are currently up to date?

MR. WITNEY: In the Province of Manitoba about 60 percent of the population have water supplies that are fluorinated. The Department of Health leaves it up to the various villages and councils to make a decision and if they decide in favor of fluoridation then we move in with our technical help to give all the help that we can in setting up the necessary mechanism that has to be applied to the water supply.

MR. DOW: Mr. Chairman, I understand that, but I was wondering whether there have been any results tabulated on this additive to the water supply. This is an interesting figure. I know locally what it is but I was wondering provincial-wide of the ones that have been added to the water, is there any tabulated results of why and how beneficial it might be?

MR. WITNEY: Mr. Chairman, I am not aware of any here in the Province of Manitoba. I am aware of the general comment of the dentists though that where water is fluorinated that there is an improvement in the teeth of children.

MR. CHAIRMAN: (2) passed; (m) passed; (n): (1) passed; (2) passed; (3) passed; (n) passed; (o)

MR. DOW: Mr. Chairman, Grant for RH Factor - is this a research grant or is it given to some institution or how is it applied, Sir? Or is it a Federal grant?

MR. WITNEY: This is a provincial grant which is given to supply the necessary type of blood that the baby requires and it is given by the Provincial Government. In some cases they have to change the blood of the baby, so the blood is given and the work for that, the costs of it are sustained by the Provincial Government.

MR. CHAIRMAN: (o) passed; (p): (1) passed; (2) passed; (p) passed; (q): (1) passed, (2) passed; (r): (1) passed; (r) passed; Resolution 35 passed. Resolution 36

MR. DESJARDINS: Mr. Chairman, we won't pass this one so quickly. I mentioned yesterday and I think this is unfortunate that the Minister was doing so well -- I don't know if this was done purposely but misled or tried to mislead the House. I am referring to his words in Hansard on January 30th on 605, talking about, giving the reason why the increase asked by the hospitals of around 20% was not realistic and this is what he said: "The Commission's budget for the year 1966 would be strained to the limit with an increase in the hospital payments of this size, and the budgets have been reduced to approximately 10 percent. It's interesting to note when we consider these increases, that in 1965 the Manitoba hospitals provided about 1.8 million days of patient care. In 1966 they provided slightly less than in 1965, and the 1967 budgets again anticipate the provision of about 1.8 million days, and that's over a period of two years. There has been no increase in days of care provided by hospitals. I draw that to your attention when you wish to consider the increases in the budgetary costs that have been requested by the hospitals." Well this, Mr. Chairman, this was said for one purpose, to prove a point, to say that the hospitals were not fair or were not realistic when they were asking for such an increase because they weren't giving any more care. This is the only reason that I can see this at this time. I think that this is unfortunate and I think that this is wrong. I think the Minister is either not familiar or not interested in the principle functions of the Commission - and I haven't the annual report for this year - but last year, we have the introduction book, there is a list of the principle functions and it says "to insure adequate standards are maintained in hospitals, including supervision, licensing, equipping, inspection, or to make such arrangements as are necessary to insure that adequate standards are maintained." Well, the Minister as I said yesterday, also is proud to give us a list and tell us all the new services that are added. Practically annually we add to the list of out-patient services and so on. I think that this is interesting and I certainly am in favour of this; but, this takes money. This might save money, save beds -- it's not the true picture when we say there are so many beds. The hospitals operate to full capacity. I don't expect that we'll have an increase

(MR. DESJARDINS, cont'd) of days of care, not a marked increase anyway when we have a waiting list of maybe 3,800 people. I imagine that they're trying to get all the people in there and until there are more hospitals built there won't be any increase in the total operation in the present hospitals, unless they have new wings and so on, will not increase.

But this is only part of the story. The part is the excellent work that is being done by the hospital under the Commission in bringing all these new services and I -- as I was mentioning yesterday that the hospital is required now to do -- oh here it is -- not to give only in-patient care, this is only a part -- an important part mind you, but only part of what the hospital is supposed to do. There is the ambulatory patients, those that are coming in and out of the out-patient department and also as I mentioned yesterday and I'd like the Minister -- he's asking us to pass quite a sum, now I want him to comment on this. I think that the people of Manitoba are interested. There's this graph here explaining what has been done in the insured out-patient claims, or ambulatory patients. This has practically doubled since 1959. And this means an awful lot. For instance, before the services were given, before they came under the Hospital Plan, you had people that would probably take a bed in a hospital to get this service and this is not -- I think that too many of our people feel that this out-patient, you're used to thinking that out-patient, associating this with just welfare and so on. This is not the case at all. There is a lot of people that are taking advantage of this out-patient thing. And then there's this referred in procedure. I saw in one of these -- I think it was here, for instance in the summary of activities for 1966 on page 12 we have Cancer Control Grants. The allotment to Manitoba under this grant was \$100,629.00. However the operational cost of the Cancer Treatment and Research Foundation are now the responsibility of the Manitoba Hospital Commission, therefore the entire cancer control allotment was transferred to the general public health grant and was utilized to extend health units, laboratory and X-ray unit services to additional areas in the province. In other words, this is now under the plan, it comes under the plan, the hospitals did not have anything to say in this. But they are doing this work now and they must have the money. We're told that this is transferred. Now do you make allowance for that in your increase? When the Minister is talking about 10 or 20 percent increase these things are included in there. We are told that it's transferred and if it's transferred they should not be using the increase at all.

Now there's another thing that I don't quite understand. The Minister said that, I think that some of the estimates are for 15 months because we're going to go on a different year. He's talking now that these changes account for \$4.9 million of the \$11.9 or \$12 million increase for '67 - '68 over the previous estimate period. Well I don't know how this is figured out. I'd like a word of explanation in there, 4.9 million of 12 million, to me this is more than one-fourth. I think the change would be three months or one-fourth. While we're at this, the Minister also -- and I would like to make sure that this is what he meant -- the budgets of the 80 public hospitals in Manitoba have been received and the estimates are such that they are now up to about \$64 million. Now I think that the Minister must tell us where he wants to cut. If he's going to cut 10 percent of the demand from the hospitals he'll have to tell us if this is in-patient care or referred-in procedure or home care, because this is all the responsibility of the different hospitals and they have to pay for it. This is something that was imposed. I know that they're very willing and eager to co-operate but this nevertheless was not of their own choosing, this was imposed on them and now they are told that they are being extravagant. I understand that the study of cancer that I was talking about, the cytology that was initiated at General and St. Boniface hospitals, I understand that they're not getting what they're spending in this. This is another thing, and added cost, so I think that the Minister must tell us what he wants, what he expects to see reduced or discontinued in the hospital because this is what the different hospitals tell us that definitely there will be a decrease in services. I don't think that the Minister should ask us to pass this without giving us some comments, without assuring the members of this House that even with this 10 percent, only a 10 percent increase, that we will be able to keep on this good work, all these free services, not only the in-patient care -- or if this is not the case I think that he should tell us what he has decided to discontinue. And if we want to look at this realistically we must remember that when these hospitals are asking for an increase of 20 percent, this is 20 percent over the "approved" budget of 1966, not what was spent. So this is not too realistic a figure when we're talking about -- I know what the public I'm sure when they read the paper and say they want 20 percent more than they had last year, we're going to give them 10 percent. They want 20 percent more than was "approved" by the Commission last year. I think that -- and

(MR. DESJARDINS, cont'd) this is a question that I asked the Honourable Minister -- I think that the deficit for the Plan was one and a half million or so, I don't know the exact figure, and that would what? - represent maybe five percent or four percent of the increase and if the increase to be given this year is reduced from 20 percent to 10 percent and 4 or 5 percent out of that is to pay the deficit, well there's not going to be much more. And then we add, we keep adding on these services. And I'm not complaining about this. I think we're doing the right thing. I think we should do more because we might not see this but we are saving, we are saving beds, we are saving a lot in this work. I think that this is terrific work. I've always advocated home care. In fact I think we should go a little faster on this. I think we're not progressing quite as fast as I'd like to see it. I'm taking into consideration now the shortages in our hospital beds and the high cost of building these beds. I think we should really be busy on this home care. So I'm not complaining; but I'm saying that it's not quite fair for the administrators of these hospitals who are doing their best to do all this work and then for the Minister to make a statement - which would indicate, at best would indicate that maybe they are asking a little too much because they're not giving any more days of care. But all this has to be paid for.

There's something that I would like to remind the Minister here. The Minister made a speech once at the hospital conference -- this was a few years ago -- but he warned the hospitals not to misjudge autonomy and he was telling them that the autonomy still depends on public patronage of a hospital service to the public. Saying that the new dimension of hospital work is to consult, discuss, advise and co-operate by contact between government and hospitals and between hospitals amongst themselves when it comes to the administering of services for the introduction of new services. Well if the Minister really meant this he has to be a little more clear. He can't just make a statement that will scare these people, discourage these people and scare the people of Manitoba, to say that we haven't the money. Now this is not a popular thing to do, this is a dangerous thing to do, for me politically to say, "Stop building hospitals, new beds, until you find out what you're going to do". But I think that this is the realistic way of looking at things and this is why I suggested -- I think things are kind of mixed up now and I'm talking again -- I must say I'm talking about administration. This is why I suggest that the administration of all these beds should come under the Manitoba Hospital Commission and should be taken away from the Department of Welfare, so you really know what we're doing and really place the people in their right hospital or the right bed -- those that have to be in bed. But I think that it's kind of, well ridiculous and costly to build beds all over the place if we've got to start -- and especially where we're approving all this high cost equipment, and if we have to start reducing these services that are now given at the hospitals - that they can give, I can't see how the Minister or anybody can justify this, to say, "Well we'll have to start cutting down on the services that are given now, but in the meantime we're building more beds." This is too costly to let this become a political football, this construction of beds, and it's too important to the people of Manitoba.

I think that the different Administrators of all the hospitals, not only General, who receive the grant, they will have the biggest cut. I think that they all agree that they will be cut. I have an article here of December 19th where "hospitals predict cut in services." Now where are they going to cut? I'd like to ask the Minister where he wants them to cut. The administrator said that 20 percent increase is necessary next year because drugs and medical supply costs are rising sharply. Are we going to give them one pill a day instead of two? Is that what we're going to cut? "Food prices have gone up almost 10 percent in the past year." By the way I think that there is a place that we might be able to cut. I love to see the service for myself when I'm sick and for other people when they come and present this menu and that, but we have to do something drastic. The main thing is the care, the medical care of these people and if we can save on there there might be some complaint but not from me. "The equipment servicing expenses have skyrocketed." They can't do anything about that unless they abandon some piece of equipment and figured well we're not going to work on this. It's too costly to repair. "The use of emergency services is increasing rapidly." And apparently we say that we haven't got enough so can they cut down on this? "The interest on capital cost at an all time high." I don't think that the government or the plan is giving any interest on the overdraft that the hospital must get at the bank to pay their deficit. This is another thing. Where does that money come from?

"New services are required to bring better but costlier health care to more patients, many of whom were untreatable in the past." Now are we going too fast in this. Is this what

(MR. DESJARDINS, cont'd) the Minister, is this where he feels we should cut? "Provincial utilities have increased operating costs. New federal taxes on building material have driven up the capital cost. "Well now I certainly would be all in favour of cutting this thing off if we can, if we can make say representation to Ottawa. "Hospital staff salaries which amount to about 75 percent of total budget." Now do we realize this that 75 percent is for salaries. Now would we be better off through a special committee the Manitoba Hospital Commission was to negotiate the salaries of all the hospitals, at least in the Metro area? This might be a headache that we can - less duplication - a headache that we take away from the administrators of the different hospitals. That might be a good idea. Maybe we'd save there, I don't know. I don't think we would because I don't think that anybody working in the hospital is overpaid. And then we must remember also that this Canada Pension Plan is adding. It's not the whole cost - - the hospital's not paying the whole cost because they had a plan before but it is costlier. Those are some of the things that have gone up.

So before we pass this item I think that the Minister must give us some clarification. I'd like to know also exactly the amount that is coming from the Federal Government on this. There's another thing, the executive of the hospital are really disappointed because they have been told that they will not get the money that is needed and unless we show them and we tell them, "All right, these are certain things that you won't have to do any more, won't have to pay for". There's too many things that is not of their own choosing that they're very pleased to do but this takes money and you can't just add on services and add on costs and pass it on and then say that you're not realistic because you haven't given any more days of care for the last two or three years.

Now another thing that -- I would like for the Minister to answer this. These hospitals are allowed to appeal. Does he think that it makes any sense at all that the different hospitals would have to submit their budget to the Commission, who will keep it at least three months -- mind you the Commission is improving on this, it used to be a lot longer than that -- and then that they will have a little better than - I'm talking about the hospitals now when their budget is not approved -- there's certain cuts in there, the hospitals will be given a little better than two weeks to submit a new budget, a written appeal? Does the Minister or the members of the Commission feel that these administrators of the hospital are sitting waiting doing nothing else and that in two weeks they can go ahead and start everything and submit it to the Commission again. And mind you sometimes they're wondering what is the percentage, what is the point in submitting this appeal when the Minister stands in this House and makes the statement, when some of these budgets are under review, that there will be an increase of only 10 percent.

Again I sympathize with the Minister. It's something very difficult. And this is why I took some strong measures that didn't interest him at all and brought in suggestions that politically were not too -- well certainly I wouldn't win a popularity contest. This is why I was talking about this utilization theme. What are we saying in effect to the people of Manitoba, that this plan that this is a right, they have the right to go to the hospital, is this what we're saying to the people of Manitoba, or are we saying you have a privilege. I think that we're trying to tell them that this is their right, but in effect it is a privilege, a privilege for some, some that might have a doctor with a little bit of pull to get in the hospital. We saw this - one of the guides here last year - and I mentioned this to the Minister, he's waited for months to have an operation on his neck and he was running around with this horse collar around. But that's pretty painful. Now we're saying well you can wait, it's not important. We don't wait when we ask him for his premium, we don't wait. If we wait too long we put him in jail. And there's all kinds of people like this. To get in certain hospitals you have to be practically out on the street, you have to be dying. There are some people, some doctors -- now this is not my deduction -- but some doctors tell me there might not be an emergency of somebody being hit by a car and he's refused admittance to the hospital, but there are some people who are at home dying because they can't go in the hospital. That is the case. A lot of Doctors.

Now, I don't want to put all the blame or the blame for this on the government. This is not the point. I'm not discussing now, because I just finished saying, let's see what we can do before we build more beds and let's bring the administration of all these beds under the same people so we know what we're doing; and let's have a survey to see how many beds we have and how many people could go down from the extended care to rehabilitation beds and so on, where it's less costly. I realize all that. I'm not trying to make the point now that I'm blaming the government. Although I think we're fooling the people of Manitoba and if it's the same in other provinces they are fooled.

(MR. DESJARDINS, cont'd)

We have a contract as I've said so many times and a contract is a two way deal, and if somebody doesn't live up to the contract it's wrong, you're breaking the contract, and when these people are waiting for the bed, they can't get in, they paid for their -- How many times did they pay for it? They paid for their premium; they paid for their federal and provincial taxes, municipal taxes, and probably in the very near future through some sale taxes and so on. Some of them don't get any value out of this at all, but worse, some of them are just waiting to get in the hospital and they can't get in.

And another question, I haven't got the paper - my honourable friend from Gladstone showed me this a while ago. We have an average of length of stay, and how many days for people, and we see that those that are in our hospitals in Manitoba coming from outside of the province, their average stay is longer. Now, what is the reason for that? What is the reason for that? I don't know if my honourable friend can find that, he had a graph a while ago. The people that are in our hospitals but that come from outside the - on page 32 of this supplement report for last year, it's got location of hospitals and the average -- it's got the total days of care and it's got the average length of stay. Well you've got location of hospitals in Canada in different years and the average length of stay was 8.5. Now in the United States, 8, and in other countries 15.1. Now all hospitals outside of Manitoba was 8.5. Now I don't know if this is just a study, maybe this is the answer, but if this is the people -- no this is non-resident in-patient care in Manitoba hospitals, 1965 was 11.5, three more days. We give these people a total of 87 1/2 thousand days of care. Now I'm not going to say we're going to kick them out because we need our beds here. Some of them should not be allowed to go in the hospital I'm sure. Maybe they have a good friendly doctor here. This is fine. Of course if somebody contacts any illness or anything while they're visiting us we certainly wish to provide that because we would want them to do the same thing in the United States. This is not an accusation, this is a question. How many of these had to be in our hospitals, and I would say that when we have so many people in our own province waiting to get in hospital, people who are being cheated, robbed, because they're paying their premiums and they're not getting in the hospitals. I think that we'd have to be careful. As I say, this is not an accusation, I don't know, this might be very valid and I'm not suggesting that we're going to kick them out, we expect to have the care if we go to the hospitals, but I'm asking the Minister are there any abuse of this.

I certainly am not ready to pass this item now, Mr. Chairman, without some information. As I say, this is very unfortunate that we haven't got this, well both, the supplement to the annual report and the annual report, but it's no use discussing this any further. The Minister has stated that he will try to see that we get this information before next year anyway, but for this year I would like to get the information of how much these different things cost. How much is spent on these different categories that I mentioned: out-patient care and this referred in-services and ambulatory patients; how much is spent on this and how much are we going to cut from all of these. I don't think that he can say he's going to cut 10 percent of the budget. We want to know here. We wouldn't be doing our job if we said all right, there's \$63,000, you take out \$10,000 or a million dollars or ten million dollars, I don't think that we would be right. Because who's going to say, are we going to say, we'll have money for five heart operations, not six. I certainly wouldn't want my child to be the sixth one and say, "sorry the budget is spent for this year." This is something that we can't do, Mr. Chairman. And I know that the Minister doesn't want that or that the Manitoba Hospital Commission doesn't want that. But I know that we have to be careful with this money, it's going pretty high, and this, as I say again, this is why I suggested a utilization fee. And the Minister did not want to enter into any debate in this and I think it's wrong. I might call it deterrent and it might scare people, but it might be a deterrent for one, utilization fee for the other, or co-insurance. I think that this has a lot of merit and if it's done in a province where they're not getting any help, they're losing grants from Ottawa -- and one province is still doing it, at least one -- there must be some good in it. I think the Minister should be ready to debate this.

As I mentioned before, I don't think that it's right that I should pay, or the Minister should pay for the hospital out of his income, the income tax, provincial and federal and a sales tax and municipal taxes, and still not be able to get in the hospital. I think that the people that are fortunate enough to get the care should be willing to pay one or two dollars a day. And especially with the way they live. Can you see anybody going to a hotel and paying this - with the meals, and people coming in and asking you to select your menu, with the meals and care, bringing you

(MR. DESJARDINS, cont'd) juice and cookies in the afternoon or at night? This is all good, but gosh, we must have some responsibility in us, we must be ready to pay part of this. Especially, when we're saying that this is a right, especially when some of our less fortunate friends are waiting in line to get in the hospital. He says that it's not going to act as a deterrent that much. I say that it will. But even if it did, it'll be a utilization fee. Of course I mentioned if this was done, we would do away with the premiums. Yes, I do believe -- the Minister's smiling -- I believe in the ability to pay principle. I would like to see it on the income tax, provincial income tax, better than in a sales tax, I believe in this. This is where you're going to take from those that need it. Nobody likes to pay tax, but this is a realistic tax and I can't see for the life of me -- last year, not last year, a few years ago the government reduced this hospital tax by one percent. I'm lost for words, I can't explain this at all.

So, Mr. Chairman, again I want the Minister to know that I'm trying to be constructive. This is not a way to embarrass him because if I was in his shoes I'd have these headaches as much as him and I fully realize this; accept this and understand this, but I think that he should be the same, that he should be able to look at our proposition, our suggestion, to talk about this, and then we won't make it difficult, it's not a question of embarrassing anybody, but tell us where you're going to cut down this ten percent so we can be together and approve this or so we can tell you well now you're doing the wrong thing, you shouldn't cut these services. If he says this maybe we'll be the first one to say well all right let's not build more beds and hospitals, although it is very popular and so on; let's start taking care of what we have now. We're not going to buy some more equipment for instance and let this one sit idle because its too expensive to repair.

So I would hope that the Minister understands the way I'm saying this. He's asking for constructive criticism, maybe I'm all wet in all the things I've said, but at least if I can get an explanation from the Minister on this I think it would be worth the few minutes that I've spoken.

MR. DOW: Mr. Chairman, I was somewhat disappointed in the Minister's opening remarks in regards to the Manitoba Hospital Commission in which he states on page 606 that he was sorry that the annual report of the Manitoba Hospital Commission is not yet available and it is usually brought down about the middle of February and not required until the end of March. And here this morning we're talking of passing estimates of \$63 million, which approximately is about one-sixth or one-fifth of the total provincial estimates for the forthcoming year. The only report we have to work on is the report of 1965 and to get the questions that I would like to ask, I would like to see a current report, and in view of the fact the Minister states that this report will be available along about the middle of February, I'm going to move, Mr. Chairman that this item be held over until the report is produced to the members of the house.

MR. FROESE: Mr. Chairman, if I may speak of the motion that is before us to delay this item. Are you putting the motion, Mr. Chairman?

MR. CHAIRMAN: Where is the motion. . .

MR. DOW: The motion, Mr. Chairman is that I move that this item -- I may have to name it -- Item 4, Manitoba Hospital Commission estimates \$63,265,000 be held over until the annual report of the Manitoba Hospital Commission is produced and handed to the members of the House. It will be Resolution No. 36, I imagine, Sir.

MR. CHAIRMAN: Could I have the motion in writing.

MR. DOW: Yes, I'll take a minute to write it.

MR. DESJARDINS: Mr. Chairman, I wonder if the honourable member could to save time, speak on that same subject. He wouldn't be out of order, would he?

MR. CHAIRMAN: Committee agreed? I am advised when the motion is before the House that we will proceed with the motion.

MR. FROESE: Mr. Chairman, we have a motion before the House now to hold this item over until we get the report on the Hospital Commission. I am heartily in accord, in fact, I had in mind moving that motion myself, if no one else did, because this is an item of \$63 million. It is an increase of roughly \$12 million over the amount that was allocated last year and I certainly feel that we are entitled to get a financial statement. I would also like to tell the Minister that we as members of this House are entitled to a better statement than we have been getting in the past, the information that we have been getting in the past is too skimpy. All that was contained in the statement was the three or four items of receipts, and a few in connection with the expenditures. I think we should be entitled to more information as to what

(MR. FROESE, coat'd) is contained in the budget, how this money is divided up between the various hospitals in Manitoba and so that we could make and give a better analysis of how the money is spent.

I would also like to know what rates are we paying for the care that is being given outside this Province and in the United States? As already pointed out by the Member for St. Boniface, that here is a considerable item of patient days; in fact, the total days of care last year was 26,490. And what happens if people from other provinces come into Manitoba? What are we charging them? Is this comparable? Are we reciprocating in the proper way? I think these are questions that I would certainly like to have answered and I would heartily concur in the motion that is before us to keep this item open so that we can discuss it properly at the time.

MR. CHAIRMAN: Order please. I just want a moment with the Clerk here. There is some doubt here as to whether this motion is in order. I think it is in order to reduce the amount in the estimates, but whether

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Chairman, speaking on the point of order, my suggestion would be that why not have an agreement by the Minister that it be stood over and then we don't even need the motion. I would think that likely the Minister would have no objection to it being held over until the annual report is available, because I am sure that the reasons that have been given for having it before us on a large item like this are valid and must appeal to him. This is something that has been frequently done in the past. I admit it has not been as frequently done recently as it used to be, but it was quite common a few years back to allow items to stand, even to allow them to stand so that an individual member who wasn't here would have the opportunity of speaking on them, and quite often this was done.

But this seems to me to be a much more important point than just meeting somebody's convenience because here we have the fact that the report which is the foundation for this very large vote, is not yet before us and I would urge that the Minister simply agree to let the motion stand and then the discussion can properly be much more to the point than it could if we continue discussion in the absence of that report.

MR. DESJARDINS: Mr. Chairman on this same point of order

MR. CHAIRMAN: Maybe I should make a quote here from Beauchesne, citation 242, on page 203, chapter 8, clause 2, "The only motion allowed when a resolution is under consideration in Committee of Supply is that the amount be reduced". Now I suggest maybe the Minister might

MR. WITNEY: Mr. Chairman, on a point of order, I might be able to resolve this whole problem and save some time for us. As Minister of Health I don't want anybody to misunderstand anything about what we are doing for hospitals. I believe that we've had all kind of debate up to the present time - and I would suggest that we have had a good debate up to the present time and I am prepared to answer the questions that have come up now. But in view of the fact that my estimates are up at February 1st, and February 2nd, and in view of the fact that the annual report of the Hospital Commission never generally comes down until February 15th, and in view of the fact that, that does put the honourable members in some difficulty in debating the matters of hospitals, Mr. Chairman, I am prepared to hold it over.

MR. DOW: On this condition, Mr. Chairman, I will withdraw my motion.

MR. CHAIRMAN: The Minister has agreed to stand over Resolution 36. Resolution 37, 5 -- passed.

MR. CAMPBELL: Mr. Chairman, has the Minister given us a report as to the building projects?

MR. WITNEY: I beg your pardon?

MR. CAMPBELL: Has the Minister given us a report of the projects that are planned in connection with this vote 37 --(Interjection)-- I was asking if it had been given. If it has, why we don't need to take the time to

MR. WITNEY: No it hasn't, Mr. Chairman.

MR. CAMPBELL: Thank you.

MR. WITNEY: It is Page 424. It's for such matter as telephone switchboards, new kitchen equipment and laundry equipment at the Hospital at Brandon; new milk pasteurization building, kitchen equipment, air conditioning in the Geriatric Ward at Selkirk; and at Portage la Prairie, laundry equipment and the improvements made to the telephone switchboard.

MR. CHAIRMAN: We will now proceed with the Department of Agriculture and Conservation. (a) Minister's Compensation.

HON. HARRY J. ENNS (Minister of Agriculture and Conservation) (Rockwood-Iberville): Mr. Chairman, it is now my privilege to present to the Committee the estimates for the Department of Agriculture and Conservation, and I have a very brief statement to open these deliberations. I would just like to say that we feel that we have in these estimates a very broad and comprehensive program for the agriculture industry in Manitoba, and before we begin the discussions on the government's program and our estimates of this department in particular, I would like to take the opportunity to extend, through this Legislature, compliments to all our farming people for handling well the difficult and challenging task that they face in all their farming enterprises. The agriculture industry has no doubt in the past, and will continue so in the future, being in a rapid state of change and readjustment, and in the main, the response that our farmers are showing to this change is most gratifying to this department.

I would further ask the indulgence of this committee to also take this opportunity to compliment and simply state my very sincere appreciation of the men and women on my staff in the department, and while I can surely expect some vigorous criticism of some of the policies they are being asked to carry out, I am sure that most members of this House, and in particular the rural members, will go along with me in extending this compliment to our staff, with particular reference to our field staff who live in the communities throughout the province and provide such a meaningful service to farmers, not only in their farming enterprise but indeed in fields sometimes far removed from that.

Certainly it is our objective, along with the private agencies and companies, to bring to the farming business the knowledge and fruit of our research efforts and indeed present to the farming community a total policy package to assist them in every way possible in carrying out their farming enterprise.

I feel that it is fair to say that agriculture generally has had a good year in 1966. For the first time in this province our total production surpassed the half billion dollar mark. If I am correct, I believe the estimated figure of actual farm production stands at some \$507 million. We did not, in contrast to our neighbouring province, enjoy a record cereal crop, however, near record levels of production were achieved. I must always hasten to add that I personally am rather reluctant to make any sweeping generalizations when speaking about farm or agricultural prosperity because this year, as no doubt in the past, there are always some farmers in our province who, through no fault of their own, did not share in this prosperity.

On touching on just a few aspects of the agricultural scene in this province, I would have to make note of the swine industry. Our hog producers have done an admirable job in this past year, and while hog production nationally declined by some 3%, and more specifically, in our neighbouring Province of Saskatchewan I believe the actual decline was some 8%; in Alberta the decline was 17%. In view of these figures all the more remarkable the job that our hog producers have done in that they actually had a 3% rise in hog production in this past year. There is a continued increase in the finishing of livestock and farmers generally are undertaking production of the different special crops that are being offered to them when and if the opportunity becomes available.

Our farmers are employing their increasing management skills and increasing the amount of capital and other investments that are required in their farming enterprise. A particular case in point would have to be the application of fertilizer. In the year 1965, some 80,000 tons of fertilizer were used by our Manitoba farmers. In contrast, last year we used some 130,000 tons - truly a remarkable increase - and I think it is only reasonable that we can give some credit to the recently established soil testing program that has met with such success and such acceptance by the farmers in Manitoba.

I feel, Mr. Chairman, that there is no question that the policies and the programs that this department has carried out in the past, and hopes to continue to carry out, that with the passage of these estimates we are making a most important contribution in helping our farmers take advantage of the full opportunities which are available to them. In these estimates for the coming year you will see provided for a continued expansion of our nationally recognized crop insurance program. They will also provide for the establishment of the Agricultural Productivity Council as well as further expansion of other key programs in the department.

With these very few and brief remarks, Mr. Chairman, I submit, and I feel that the estimates as presented to this committee prove that the government that I have the privilege of being associated with, my department in particular, is only too aware of the investments

(MR. ENNS cont'd). . . . and the effort required and that we are doing precisely so to ensure that the agricultural industry, perhaps indeed the most important industry in this province, continues to flourish. If I have tended to bring into my comments a note of optimism, it's precisely that I am just that about - I hope - the passage of these estimates, but more important about the whole future of agriculture. I think that it shouldn't surprise anybody, certainly anybody that's engaged in agriculture has to be a born optimist, and I will call on some of that optimism now and leave my estimates in the, what I hope to be, the constructive hands of this committee. Thank you, Mr. Chairman.

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, my first words would be words of congratulation to the Minister for having been elevated to the status of Minister at such an early age in the political field. The fact that the First Minister, and certainly it is his responsibility to choose the Ministers of his Cabinet has chosen the Honourable Member as a Minister amongst many others, I imagine, is a reflection of his ability and I certainly don't question him at this time and offer him my very best wishes. Also, I would like to congratulate the members of the department who, in my opinion, are doing a very good job in general. I think in many fields of agriculture it is a rather thankless job and people have to be dedicated if they are to do a good job in such a field and I am sure that we have these people in the department. I have no specific criticism of the Minister's policies as such. He has only been there for six months and certainly taking over such a department takes some time for him to adjust and make himself aware of all the complicated matters involved.

I am happy to see that water control has been transferred to Public Works, although farmers in general I think are the ones that suffer mostly from the lack of control or flooding, but in my opinion, the Department of Public Works is the right department to handle this particular field. I am sure that there is a lot to be done. This is not the department to speak on, however, and water control is certainly very important a department in this province and especially in my area. We have suffered extensively from flooding last year and I'm certainly looking forward to some very important measures to be undertaken by my honourable friend the Minister of Public Works for extensive work in water control and drainage.

I would like at this time to offer some suggestions that in my opinion would be helpful, and one of the first ones that I would like to bring attention to is that in my opinion the department should do all possible to make sure that nothing that is not entirely bearing upon agriculture should be charged to the Department of Agriculture. In today's world where there is a great deal of protest against high food costs, I think urban people have a tendency to see that the high cost of food is quite often the responsibility of the producers themselves. For example, this might not be a major item in the Department of Agriculture, but I see that there is a great deal of social work, rural development work being done and charged to the Department of Agriculture. I do not criticize this work in general as such, however, in my opinion a great deal of it is not actually bearing upon agriculture and has a reflection to increase the amount of money allotted to agriculture, and by the same token increase the budget for agriculture which is, in the opinion of a great many people, taken as a subsidy.

Also, I think at this particular time the Minister should do all that is possible in all his programs to try and give guidance to farmers to make better use firstly of what we have rather than initiate programs that are non-existent as yet, and by this I mean especially in the use of their farms, of the different commodities that they are working with at this time. I think agriculture, just like any other business, has to be more efficient nowadays and certainly make better use of what we now have, better use of our land, better use of our new techniques in agriculture. I remember for example that last year I think we were told by the former Minister that a new machine for cucumber picking was to be brought in this province, and I'm anxious to know from the Minister what the results were and what benefits this particular industry can derive from such new innovations.

As far as the Manitoba Agricultural Credit Corporation, I have had some complaints - I wouldn't say that it's from every applicant - as to the time taken for the loans to be issued. I realize that it is a fairly complicated matter when there is a large amount of money involved and that it takes some time. However, I would like at this time to ask the Minister to do everything possible to make sure that this length of time is reduced as much as it can, because quite often this means a lot of inconvenience to farmers who are just waiting for this money. I am told that in some instances the period is as long as six months, and certainly this is a long time to wait when there is a large amount of money involved.

I'd like to say a few words on marketing boards and commissions, and here I would

(MR. VIELFAURE cont'd).... congratulate the Minister for establishing an enquiry into the operations of the Vegetable Marketing Commission. I am sure that this is no easy one for the Minister at this time, and of course the fact that it's being reviewed, but I think marketing is a field that needs a lot of attention now. There is a lot of different opinions on it and certainly the marketing commission has very well showed that everybody doesn't agree on marketing boards. In my opinion it was much too rigid in its original form. This was discussed last year in the House and I am very happy to see that it's being enquired into and am looking forward to see the reports.

As far as the Hog Marketing Commission is concerned, I think that we can all say that the Hog Marketing Commission has accomplished quite a bit for the producers and the processors as well in the province. I think one of the greatest benefits is that it has put the small producer and the larger producer on the same basis as far as selling, and also in my opinion it has brought in a lot more competition in the field of buying. Now with the new system the smaller processor is on the same basis as far as purchasing as the larger processor, and here I would like to draw to the attention of the Minister that in my opinion there could be some improvement in the operation of the Hog Marketing Commission. I think it would be good if we could extend our buying facilities in other provinces, especially the eastern provinces. This would bring some more competition, some more potential buyers in the field.

Also, I have had quite a few complaints and notice that some processors are a little slower in paying back the farmer than others, and this usually happens mostly with smaller processors, and in my opinion what happens is this. The farmer, just like the working man, just like the business man, when comes pay day he expects his cheque on that day, and certainly to a farmer it is wanted more than in any other field probably because of the fact that the farmer himself has had to invest money for months in order to bring his product to market, and certainly pay day is important. The fact that some smaller processors quite often take a little more time to mail out the cheque creates the impression with the smaller farmers that by selling to the larger processor his cheque comes a little faster, and from there comes the attitude - well, it's just as well to sell directly then I get paid right away. So I think the commission, the Hog Marketing Commission should either take it upon themselves to make the payments at the earliest possible moment or at least make sure that everybody pays at the same time, that no longer length of time is taken by one buyer than another. I think this would help bring more marketing through the commission.

Mr. Chairman, I have other matters that I will try and raise further through the estimates, but for this moment this would be the comments that I would like to make on the Department of Agriculture.

MR. SAMUEL USKIW (Brokenhead): Mr. Chairman, may I say at the outset that I certainly appreciate the position of my honourable friend the Minister of Agriculture. Certainly he is in a similar position to that of myself in that we are both new members in this House, and certainly I don't think that if I am somewhat critical of government policy or lack of policy, that I hope he doesn't take it to heart that I'm accusing him of being inactive in this field. I certainly respect that he is a new member and certainly he's got a big job. However, the government itself is not new in this House and of course they do have a responsibility for action or lack of action as a result of their administration in the last number of years. So if I pursue a point of criticism, it's in that light, going back some few years rather than the immediate time. I think also I might point out that the Minister does have some advantage over myself in that he does have a research department or a staff that possibly might assist him in looking up information and so forth, but apart from that I think we're somewhat on the same ground.

In beginning my remarks, I wish to mention that I as a farmer certainly appreciate the various services which are available through the Department of Agriculture, that is through the Soils and Crops Branch, the Economics, the Co-op Services Branch, the Marketing Board, Agricultural Credit Corporation, and the Extension Service incidentally is one that I have worked with for many years and I certainly appreciate the work that is being done through that service. I think it's a job well done and it is to be commended. However, my remarks, Mr. Chairman, are going to centre more on policy rather than on the technicalities or the mechanics or administration of the Department of Agriculture. There are points which I will have the opportunity to raise later on when we get down through the estimates so I'm not going to touch on them at this particular time.

I want to somewhat go back a few years and review a bit of history in agriculture, not only Manitoba but Canada as a whole, and certainly we are an important part of it. Over the

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(MR. USKIW cont'd).... last number of years we have had problems in Agriculture, no doubt as we are all aware and as we all agree. We had some - well, I'd say starting back in 1950 we began to have serious problems in agriculture, and those problems were problems of marketing of grain and of course Manitoba is very interested in the marketing of grain. At that particular time we had a Liberal Government in Ottawa which was rather reluctant to sell grain to China, Russia, what have you. They considered that was dealing with the enemy and so forth, at least it appeared that way, or they may have been influenced by the United States, that the United States was at that time opposed to Canada having any dealings with those countries.

So I am very happy of course that this didn't prevail for too long, that we did have a change of policy even though it had to come by way of a change in administration in Ottawa. I think this is a credit to the then Conservative administration in Ottawa that they broadened the scope in trade and said we must sell our grain; we must find our markets and thereby we are going to trade with those countries. I think this was a very important factor in the economy of Canada at that time and indeed today, because we have continued those sales of grain and these sales have contributed largely to Canada's position insofar as the balance of payments and so forth. So I am very happy that this step has been made and I say that it was a good step and it is commendable to the Conservative administration of the day. I think perhaps our Liberal friends have learned somewhat from that experience, and of course I am happy to note that they are carrying on in the same procedure.

But just to review the problems that arose in those years in Manitoba, and indeed the prairie provinces insofar as the grain picture is concerned, I recall from 1950 on that farmers were busy borrowing more money to build more granaries to store more grain. I recall this experience at home simply because we didn't have the imaginative policy of trying to look for markets or recognizing the markets that were available at the time, and certainly no one can argue the point that in the Province of Saskatchewan, if one drove through that province at that time, that there were many mountains of grain stored outside and this was indeed a terrible situation for the prairie provinces. This is a very depressing situation economically.

So when we did have a change in administration in Ottawa, what actually took place in Manitoba and Saskatchewan and Alberta. One of the first things that happened is it removed our grain, not only the grain that was piled up over the years but even the current crops were being sold. The farmers emptied their bins; the piles of grain from Saskatchewan were removed and were transferred into dollars and debts were paid and taxes were paid, and mind you these were arrears I might point out; new cars were bought and new buildings went up and land was improved. This was a major economic boom in the prairie provinces at that particular time and it has continued. However, I think we must recognize that although we have moved all this grain and we are now in a position where we have to produce because we are somewhat possibly on the short end in terms of the market demands, that we are not that much better off in terms of money in our pockets as farmers. Of course this is where the problem is.

At that particular time I think we can recall an incident where farmers were indeed pressed for money, for cash, and we did have cash advances introduced - and we're reflecting back again - and I think this is an important breakthrough because prior to that the Liberal administration said this wasn't feasible and of course they wouldn't go along with the idea, and this again is a commendable advance on the part of the Conservative government in Ottawa. So I am certainly happy that we had progress, and even though I didn't agree with the government philosophically, I do recognize that progress was made in that respect in those years.

However, at that particular time, because we lost sight of the fact that we do require long term agriculture policies, we sort of all got lost in the shuffle here. We were excited about the huge grain sales, that money was coming fast and so forth, although it was money that should have been in our pockets years before - it was actually earnings of previous years that we received in one or two years - but nevertheless we lost sight of the fact that we had to develop a long range agricultural policy. So my criticism is that that was the ideal time to talk about agricultural policy - away back. A lot of people in the area, in our particular area, were rather enthused that they were able to clean up their granaries and that they were able to meet their commitments, their financial commitments, and of course they weren't overly excited about agricultural policies. I know when we said to them, "Well, this is fine, we are selling the grain that we have piled up, but what is agricultural policy in Canada." They weren't excited about agricultural policy, they simply said, "Well, John isn't too bad, we are going to keep voting for John."

(MR. USKIW cont'd)....

This is really what happened at that particular time, but I say to the government of today, that because of the fact that we had a strong government in Ottawa at that time, a government of 208 out of 265 members, and because of the fact that we had a fairly strong Conservative government in Manitoba at that particular time, that this was the time for our Honourable First Minister to say, "Let's have a farm policy conference." What more ideal situation would one wish to have than two governments looking in the same direction, two governments recognizing that we must develop an agricultural policy with a long range view. This was the time we missed the boat. We were too busy sitting on our laurels at that time I am afraid, and of course we end up with a situation where we have agricultural bankruptcy today.

It seems to me though that had we had such a conference some ten years ago, that a lot could have been gained by it. This business of calling for an agricultural conference now, although it is important, knowing full well that the opposition in Ottawa - and I say opposition in the sense that it is not a Conservative government, in the sense that it is now Liberal administration - may not go along with the idea, so of course we can always say, "Well we have been asking for a conference and why can't we have one?" So I say to my friends on the government side, why didn't we have one when the opportunity was there, the time that we had Conservative administration both in Manitoba and in Ottawa. That was the time to act and that was the time of course we didn't act.

I think we can all remember some of the slogans in that day. One of them of course was "follow John," and of course everybody followed John, in fact I think even our First Minister did at that time. However, John didn't have an agricultural policy. --(Interjection)-- That's right - that's right. He had charity in the terms of \$200 payments or up to \$200 payments to farmers. This is what he had, and coincidentally it happened to come around at a convenient time, usually around election time. This was Conservative policy and this was the "Follow John" approach.

HON. DUFF ROBLIN (Premier) (Wolseley): This happens to be the Legislature of the Province of Manitoba and this happens to be 1967.

MR. USKIW: That's right, we're still debating agriculture and I am saying that Manitoba missed the boat when we didn't talk to John when John was there. This is what I'm saying.

MR. M. E. McKELLAR (Souris-Lansdowne): He's still there.

MR. USKIW: That's about all too. I say that at that particular time had our First Minister said to our friend John, "Let's have an agricultural conference, let's invite the farm organizations and let's talk about agriculture and decide what we are going to do," this would have been an appropriate time. We are somewhat crying in the wilderness today when we are trying to approach the government of the day in Ottawa as it is today, but I know my honourable First Minister recognizes that surely our Prime Minister in Ottawa doesn't take him seriously when he talks about let's have a farm conference. I think we are playing politics with problems in agriculture; this is what we are doing.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): What's the NDP policy?

MR. USKIW: It would appear, Mr. Chairman, that at that particular time we didn't have farm problems for the lack of initiative on the part of governments in developing farm policy. It would appear that way, because I repeat, there was no call for farm conferences at that time. I think we were sort of in a state of intoxication, if you might put it that way, by the huge majority piled up on the side of the government.

The agricultural problem of today simply wasn't created because we had a new administration in Ottawa, and I am sure that you will all agree that things don't change overnight; things develop over a long period of time. So now my friends on the Government side of the House say, "Well we tried to do something with that government in Ottawa but they won't talk to us." I'm afraid that the advent of the Liberal government in Ottawa didn't automatically create an agricultural program in Manitoba and Canada, it is a problem that has developed over the years. The truth of the matter is that the problem has developed over the Liberal governments and the Conservative governments alike and that they never did actually come to grips with the problems related to agriculture.

My honourable friend the First Minister a year ago talked about a need for a farm conference, and I wonder if I might just quote what he said to the Farm Outlook Conference. I believe it was in Brandon, but this is a clipping out of the Country Guide. "Why not a national farm policy?" Where was our Premier prior to last year? Did he not recognize that we had an agricultural problem prior to a year ago? Did he only recognize it in the light of the politics

(MR. USKIW cont'd). . . . of today? I say why not a farm conference, why not a national farm policy. I agree with him but these might just be empty slogans, so I say again, where was our Premier when he had the opportunity? He was following John, and of course John had no policy. Charity was the policy of the Conservative government of that day and I was one of those that although in receipt of that charity was not happy with it. The Premier will not get away with passing the buck -- Yes, that's right, you can laugh, but charity is not a substitute for agricultural policy. It never was and it never will be, especially if its coincidental with the election at the time.

MR. CHAIRMAN: If I may interrupt the honourable member for a moment, we have spent considerable time discussing the political arrangement in this committee and the Province of Manitoba and outside of the province during the past estimates and I think probably we should try and stick as closely as possible.

MR. USKIW: I am indeed challenging the Minister, the First Minister, that he should have acted. I don't think I am out of the jurisdiction of this debate. The Premier will not get away with passing the buck. This is what I am telling this group here today. The game has been played too long and for too many times. Let's examine the comments of our First Minister at the Farm Outlook Conference of last year, let's just examine what he had to say about agriculture. Speaking at a Farm Outlook Conference in Manitoba recently, Premier Duff Roblin of that province asked a question that deserved the attention of every farmer and farm leader in the country. He asked, "What is our goal and farm policy?" He still didn't know. What is the goal of our national agricultural policy? What are we trying to do? And then he goes on to say we must also have a clear idea of where we are trying to go, and he suggested that a single national policy goal would provide the standards against which we would measure the policies we have and the policies we propose. We would then co-ordinate national policies and provincial policies from coast to coast. He suggested that the goal of agricultural policy should be a minimum value of gross production on individual farms of not less than \$5,000 per year immediately, with a long term goal by 1975 of not less than \$10,000 a year. "We must adopt these goals," he said, "because we must eliminate the inefficient use of or the under-employment of resources that we find on many farms."

I want to ask the backbenchers, the farm backbenchers of the government side, where were they when their Leader was making these comments? Imagine, a year ago our First Minister suggested that his goal was that a farmer should have a gross income of \$5,000 a year. That was his goal. A gross income of \$5,000 a year isn't any income at all, and he suggests that by 1975 that that gross income should be \$10,000. Have the government backbenchers not advised their Leader that a gross income of \$5,000 is not only below the poverty line but is in fact a state of rural bankruptcy. Surely they recognize this, and here we have our First Minister telling us a year ago that we should be happy if we reached an average gross income of \$5,000 for our farmers. Terrible! I don't blame our First Minister for not knowing the facts, after all he's from the City of Winnipeg, but where are those backbenchers? Have the backbenchers not advised their First Minister that a farm income of \$10,000 in gross value is inadequate in this day and age? Where's your return on investment? The average investment on a farm ties up huge sums of money - \$50,000, \$100,000 - where is the return on investment? There is nothing. We had to invest \$50,000 or \$75,000 or \$100,000 just to eke out a living. This is the position of agriculture in Manitoba and indeed in Canada.

My personal experience, and I'm one of those lucky ones incidentally according to our Premier that is in that small group of farmers that has an income between \$12,000 and \$20,000 - that's gross income I'm talking about - I'm one of those in that upper bracket, but I don't see myself with any huge bank accounts and I don't think I'm a foolish spender. I think things are tough in agriculture and I think my Honourable Minister of Agriculture recognizes that they are tough. Surely he must have a similar experience on his farm. So I say it's high time that those rural backbenchers on the government side should start advising their Leader as to the position of agriculture.

Just recently our Premier addressed another meeting, I believe it was the Canadian Federation of Agriculture annual meeting in Winnipeg, and let's examine his remarks at this particular meeting a week or two ago. I think I have the clippings on that one somewhere. "Farm income has to be a Federal Government responsibility because only the Federal Government has the resources to pay subsidies to farmers." Well I think he has a good set of valid points here. It is a federal responsibility but it's also a provincial responsibility to keep reminding our senior government of their responsibility, and there are areas where we can take action

(MR. USKIW cont'd) in so doing. He suggested that a national conference embracing farm organizations, representatives of all provincial governments and the Federal Government could make a significant step towards finding this answer. If we do not face the problem and find better answers than we have today, we shall fail to maximize agriculture to the nation and to the hungry world. He said almost 60 percent of Canada's farmers have a gross annual income of less than \$5,000. I agree this is so, and out of 6,000 farmers out of 40,000 in Manitoba gross more than \$10,000 a year, a very small percentage of our total farm population.

He states that if the government at Ottawa accepts this proposal, the government of Manitoba pledges full support on its part to make the conference meaningful, fruitful and effective to the farmers and citizens of the nation. Where was our government when farm organizations wanted to meet with them to discuss the problems in agriculture? Today, our Premier says, "Let's talk to farm organizations, let's talk to the government in Ottawa, let's do something." When I asked him whether he's going to take the initiative to call a conference in agriculture, he says, "No, he's hopeful that the Federal Government will recognize his plea and that the Federal Government will call the conference." I think this is irresponsible.

We all recognize the problems in agriculture, and in fact even our Minister of Agriculture in Ottawa recognizes the problem, and here's a quote - he spoke to the same group in Winnipeg as our Honourable First Minister did last week, or on the 25th of January I believe it was - "Canada, with the most productive and efficient farmers in the world, is suited to giving leadership in remedying world hunger." Here is the Minister of Agriculture of Ottawa, of the Government of Canada, telling us that Canada has the most productive and the most efficient farmers in the world, but he forgot to say that they're the poorest also, or one of the poorest. So it's recognized at the federal level, it's recognized at the provincial levels of government that we have an agricultural problem, but what hasn't been recognized is the need for swift action to do something about it. Here we talk about being the most efficient producers in the world, the most productive farmers in the world, and yet we have an income problem. This is the irony of the whole situation.

What's wrong in the government of Manitoba calling a conference, either a prairie conference or a national conference. What's wrong with Manitoba taking the lead? Why not get together with farm organizations, divided as they are, why not get together with them and why not have a conference on agriculture, and why not recognize farm organizations in Manitoba and in Canada as bargaining agents representing agriculture. Let's give the matter recognition; it's time they've had it.

We have an interesting document, the Third Annual Report of the Manitoba Economic Consultative Board. I'm sure a lot of you are aware of what's in it, but I would like to quote a couple of paragraphs, if I may, dealing with agriculture. "Agriculture in all advanced countries is a prime example of technological displacement. Increases in productivity brought about by mechanization have been more rapid here than in other industries. Accordingly, in the case of Manitoba for example, the size of the agricultural labour force has declined not only relatively but in absolute terms."

Another section on the same topic, "The Importance of Agriculture to the Manitoba Economy," Page 50 of your report, "It has been recognized for some time that in relative terms Canada's agriculture is a declining industry. This is a common phenomena of the advance in industrial nations. However, this should in no way obscure the immense importance of the agricultural industry to the nation's economy. As an earner of foreign exchange it is a stimulus to the manufacturing sector as the provider of abundant low cost food stuffs for the consumer. It is recognized that agriculture in Canada and Manitoba is providing low cost food to the consumers. It is making a significant contribution which is not measurable in direct terms. In Manitoba's economy, agriculture can claim even greater importance, approximately one-quarter of total commodity production in Manitoba results directly from agriculture as compared to one-tenth in Canada. Nearly 20 percent of the people in Manitoba are engaged directly in farming as compared with 12 percent in all of Canada. While agriculture is an important industry in itself, its significance widens when it is examined in relation to all farm related industry and trades. The growth of modern agriculture has been accompanied on the one hand by development of the manufacturing and distribution of farm supplies, such as machinery and equipment, feeds and fertilizers; on the other hand, we have developed a very complex system of storage, processing and distribution of food products. The term agribusiness has been used to describe these inter-related functions of agriculture and business. Manufacturing of farm supplies and processing of agricultural products account for

(MR. USKIW cont'd).... approximately one-third of all manufacturing in Manitoba. Viewed in these terms, the present significance of agriculture in the total provincial economy and its potential impact in the future can be more fully appreciated." These are very interesting remarks made by our Manitoba Economic Consultative Board.

On page 56 there are a few paragraphs of interest to us here, and I quote. "It appears evident that if Manitoba agriculture is to maintain a competitive position in the future, encouragement must be given to a continued and orderly expansion of the land and capital resource base of farm operators. The implications of this requirement are far-reaching and must be recognized by all concerned. If institutions and policies do not continue to adjust to meet the changing needs of agriculture, they will hinder rather than help the creation and maintenance of an efficient and competitive industry. On the other hand, there is need for helping low income farmers and their families adjust to new economic opportunities which in many cases will be outside farming. Unless the problem of low income farms is solved, the agricultural industry will fail to make its full contribution to the economic growth." These are very important factors in the agricultural industry of Manitoba.

So let's examine our position in the light of the facts. The Chairman of the Manitoba Economic Consultative Board, Baldur H. Kristjanson, had a very interesting article in the Star Weekly - I believe it was the last issue - in which he talks about a need for an incentive incomes program to encourage the full development of our agricultural industry in Manitoba, and indeed in Canada for that matter. And I'm wondering - I think I have enough time - I wouldn't mind to quote a couple of paragraphs from that article. "The time is clearly at hand for a thorough review of our food industry in all its aspects. The challenge at the moment, it seems to me, is to use the spotlight on the food situation to enunciate a clear national food policy. Food has been plentiful and cheap in Canada because we have invested heavily and wisely in research and extension education for farmers and because we have had an abundant supply of human resources committed to farming. To many, it seems that technology has advanced faster than has the withdrawal of people from the industry. Human resources have in a sense been stranded, and this backing up of human resources in farming has been used to explain the so-called farm problem. But who is leaving the farms?" This is a point here that is important. "Is it the under-educated, inefficient or low income farmer, or is it the man that can get out, the man who has a good education and a good farm to sell. The answer is both types are leaving."

And this is significant. Some people argue, well we have to have depopulation of the rural areas because there are many inefficient operators that just have to go, but this report tells us that there are also the efficient that are not happy with the situation, they are not getting a fair return on their investment and they are leaving as well. "No matter how you slice it, the efficient family farmer is an asset to the nation, meriting our full respect and attention. We cannot afford to leave them to face the world alone, unaided. We protect our manufacturing industries, doctors, teachers and many other groups in society, surely the producer of the food on our table merits the same concern. If we do not adjust our sights on this point I believe we may well be paying more for our food by the turn of the century, food produced by the giant corporations whose primary concern and necessary concern is to maximize profits. The idea of setting this standard of efficiency are" -- some part of this contribution, but I'm going to cite an example where he suggests that we should have income incentive - or what does he call it - incentive incomes, this is what he is referring to. He's talking about the idea of direct subsidies to efficient farm operators of up to \$2,000 per farm.

Now I don't know, Mr. Chairman, whether this is the exact answer to it but I do know that some answer has to be found and I do know that this is very well worth looking at. So I say to my friends in this House, let's do something about agriculture; let's not play politics with agriculture as has been the case for a number of years.

Let's review the position or our position in light of the facts. The Minister of Agriculture, the Government of Canada say that farmers are the most efficient and productive in the world. Tremendous! I didn't know that this was the situation but I'm glad that it is. We have the most efficient and productive farmers in the world. This is a bouquet for us. And then of course you can pick up the Country Guide, and I have a clipping here from September last and here's what you read. "For 1966 should hit a new peak in farm income. However, continued uptrends in wages, equipment prices and other costs will leave little if any improvement in the net position for farmers." There's the irony of the whole thing. The most efficient, the most productive, and yet we're not going to get any more for it. This is really what we're

(MR. USKIW cont'd).... being told here.

Then we have our friend the First Minister talking about \$5,000 as being a goal in gross income - a terrible situation in my opinion. And then we have our Minister of Agriculture speaking to the Outlook Conference in Brandon on the 23rd of January talking about how much and how well the agricultural industry in Manitoba is doing. In 1966 - I'm going to quote one line. "In 1966, for the first time in history, the value of agricultural production in Manitoba went beyond the half billion dollar mark. The estimated --(Interjection)-- That's right, you did. "The estimated value of production for 1966 is \$507 million." Very encouraging, very interesting; but where is the profit on it? Why do we have a farm income problem? We're doing so well. And then I'm going to quote the Throne Speech. We're doing so well on one hand; on the other hand the Premier says we have a farm problem; and the Throne Speech has one line in reference to agriculture. "Agriculture, our basic industry, is at present realizing the highest returns of any year in our history." So therefore we needn't say any more. We're finished with it. We're minimizing the situation. How inconsistent can we be?

So I say to the government, let's take the lead in Manitoba; let's call a conference on agriculture; let's invite the Premiers of all the provinces to this conference and let's invite the farm organizations to this conference - all of them, be they are divided, this is unimportant to us - let's get them together.

MR. RUSSELL DOERN (Elmwood): Let's invite the Conservative MLAs also.

MR. USKIW: I dare any government to refuse to come to a conference on agriculture if you so called it. I think this is a legitimate proposition and it's long overdue.

And just to end my remarks I'm going to quote you some figures out of - this is out of an ARDA publication but it's figures on farm income and it talks about the fact that only seven and a half percent of our farmers in Manitoba are in the \$10,000 or better bracket insofar as gross incomes are concerned; 32 percent of our farmers are between \$3,700 and \$10,000 dollars; and 42 percent are between \$250.00 and \$3,700. Just appreciate these figures and so forth. Don't you think there's a need for a farm conference? Don't wait for the Federal Government to call one; take the lead in Manitoba. Thank you.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I haven't got too much time left but I thought I'd make a few comments at this time and continue my remarks at a future date. The estimates that are before us are quite interesting. After all, when you consider that agriculture is our basic industry in Manitoba - and we just heard the Minister proudly saying that agricultural production in Manitoba went over half a million -- yes, \$507 million this last year of 1966, and then we take a look at the estimates, what we are spending on the department, we find that we're just spending a little better than one percent on the sale of production in connection with this particular department. This is a piddly amount in my opinion and certainly we can do better in this province than what we are doing.

Let's take a look at what happened in the past years when we were discussing estimates. In the estimates ending March 31st, 1966, we had a total allocation of \$26.8 million. The following year, estimates for the year March 31st ending in 1967, \$21.3 million; and the estimates that are before us now are \$6.3 million, a drastic reduction and an unwarranted one. I have on past occasions when we've discussed the agricultural estimates always said that it wasn't realistic because we had included in those estimates monies that were spent on the floodway which had nothing to do with farming or agriculture at all, and yet when we read the headlines we were spending 26 and 21 million for agriculture. We were misleading the people of this province in stating these figures. Certainly we now have a more realistic estimate before us even though it is very badly deflated or emasculated, whatever you classify it, and I certainly have a number of things that I want to touch on, and in the course of discussing the estimates I certainly intend to bring out these various facts.

In my opinion we are not applying our energies in the right direction in this department at all. I think this is borne out by the resolutions that appear on the Order Paper every year, year after year, and on which nothing is done in the department. I'm referring to the resolutions that we have on prices of wheat, oats and barley, on our cereal grains, and for which we are asking increase, and I think we deserve an increase and we should have higher prices. We have the other matter of cost of farm machinery, and certainly our department is doing nothing about that. What about gasoline taxes, another important matter that is very uppermost in the minds of farmers and contributes to the cost of agriculture.

So these are items that are very important and are to a large degree uppermost in the

(MR. FROESE cont'd)..... farmer's mind. The price of wheat and the prices of grain have already been mentioned by the former speaker. This has to do with our trade, our markets, and is in the hands of the Federal Government, but only because we as the government in Manitoba allowed this to happen or concurred in this matter, and because we did so, we have a responsibility to our farmers so that they do get proper prices for their grains. In my opinion as far as subsidies are concerned, while farmers are accepting them, I'm opposed to the principle of it and we should have proper prices and not be dependent on hand-outs as far as farmers are concerned.

Now what is being done as far as improving the prices of grain for the farmers of this province. Repeatedly we have asked by resolution for better prices. We never get any report as to what happens to these resolutions and whether these matters are being placed before the Federal Government and what are the answers to it, and yet this Canadian Wheat Board, which is a Crown agency of the Federal Government, controls to such a large degree the economy of our western provinces. I personally cannot endorse this or even condone the way things are being run. We as a province should have a greater voice in the prices being paid to our farmers and we should make this known to the federal authorities in no uncertain terms. Certainly there should be some way of dealing with this in providing a better return, because what we see happen is that too many of our farmers are going bankrupt, or just before they go bankrupt they sell out; they have to sell out.

As a result, we are losing many farmers each year, farmers that we will be needing in the matter probably of a few years, because I think we're getting to the point where this loss is so drastic that we will need experienced people in the farming industry to carry out the farming industry in Manitoba and that in a matter of years we will be crying for these people. We will be needing these very people to carry on that business and we should make it our business and our duty to see that these people are properly rewarded for their initiative and that they are able to get a reward for the capital involved and invested in their businesses.

HON. STERLING R. LYON, Q. C. (Attorney-General) (Fort Garry): suggest that the Committee rise. The Provincial --

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

Mr. Speaker, the Committee of Supply has adopted certain resolutions, directed me to report the same and asks leave to sit again.

IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the Report be received.

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

MR. EVANS: The clock has not quite reached 12:30. If it would be convenient for me to distribute the supplementary estimates.

Mr. Speaker, I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: His Honour the Lieutenant-Governor. The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of further sums required for the services of the province for the fiscal year ending the 31st day of March, 1967, and recommends these estimates to the Legislative Assembly.

MR. EVANS: Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that the message of His Honour The Lieutenant-Governor, together with the estimates accompanying the same, be referred to the Committee of Supply.

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

MR. ROBLIN: Mr. Speaker, I wonder if I might say a word about the order of business with respect to the supplementary estimates. The Treasurer has asked me to inform the House that after the Budget Speech is delivered Monday night - it will take about an hour or an hour and a quarter - the government would propose to then take the supplementary estimates under consideration and put them through as many stages as the House would be disposed to allow at that time. The members can look at them over the weekend and thus be prepared to deal with them, and if it were considered appropriate we would put them through all stages, but naturally that would have to be by leave, but I should like to let the House know that it would be our intention to deal with these after the Budget Speech Monday night.

MR. CAMPBELL: Mr. Speaker, I appreciate the notice that the Honourable the First Minister gave us regarding the time that these supplementary estimates will be taken up. I would think that as far as we are concerned that there would be no objection to proceeding with

(MR. CAMPBELL cont'd).... them at that time, but inasmuch as we are quite a long way from the end of March, I would wonder that there was any hurry about the various stages of the Supply bill itself, and I would want to reserve the decision on whether we would be prepared to give consent to them going through the various stages at that time.

MR. EVANS: If I may, I would just like to offer a comment that there is some urgency about spending authority with regard to certain matters and that I would appreciate it if it could be put forward as expeditiously as possible.

MR. CAMPBELL: Mr. Speaker, if I may then, speak a second time with regard to what the Honourable the Provincial Treasurer has just said, if it develops that there is some urgency and the matter of urgency is communicated to the committee, I am sure that we would be inclined to be co-operative.

MR. PAULLEY: I might say, Mr. Speaker, I think that would be the position that we would take if just a superficial glance at the supplemental estimates indicates that the point raised by the Honourable the Provincial Treasurer may relate to education and education grants - and I don't think we would have any objection as we have promised our co-operation in the House in this new approach to education - to proceeding at least with those items that might be reflected as a result of the debate on education in the House.

MR. EVANS: thank my honourable friends, Mr. Speaker.

MR. SPEAKER: It now being 12:30, I am leaving the Chair to return at 2:30 this afternoon.