

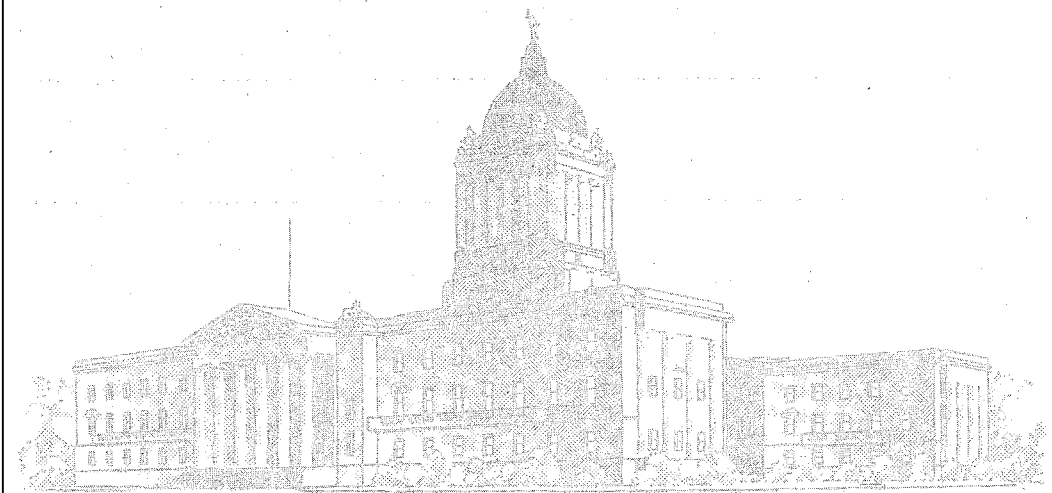


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Volume IV No. 26

February 23, 1960

2nd Session, 26th Legislature

DAILY INDEX

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THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Tuesday, February 23, 1960.

Opening prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

Reading and Receiving Petitions.

Presenting Reports of Standing and Select Committees

Notice of Motion

Introduction of Bills.

The Honourable Member for Morris.

Mr. R. O. Lissaman (Brandon) in the absence of the Member for Morris introduced Bill No. 95, an Act to Validate By-Law 4225 of the Rural Municipality of Fort Garry.

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

MR. SPEAKER: Orders of the Day.

MR. R. PAULLEY (Leader of the CCF) (Radisson): Mr. Speaker, before the Orders of the Day, I'd like to direct a question to the Honourable the Minister of Labour. I'm sorry I wasn't able to get in touch with him to ask him--warn him of the question. Three or four weeks ago I asked a question in respect of when the Minimum Wage Board may be making its report. If I recall correctly the answer at that time was, very soon. My question is, how soon is soon and when will we be receiving the report of the Board?

HON. J. B. CARROLL (Minister of Public Utilities) (The Pas): I regret that I can't inform the Honourable Leader of the CCF how soon, soon is. However I had hoped the report would be with us before this. I understand that they have been meeting regularly, that it's the wish of the Chairman that it be a unanimous report and that we should expect a report very soon.

MR. PAULLEY: Mr. Speaker, a supplementary question to the Honourable Minister of Labour. Does he not think that if it cannot be a majority report that that report should be forthcoming sooner than soon because we were promised by the former Minister at the last session of this Legislature that it was anticipated that some change would be made seven months ago.

MR. E. PREFONTAINE (Carillon): May I direct a question to the Honourable the Minister of Education, and it's with respect to an order of the House seeking information with respect to the number of children divided as between rural and urban attending the high schools in the Province of Manitoba. And this is over two weeks now and I haven't had a report yet.

HON. STEWART E. McLEAN (Minister of Education) (Dauphin): Mr. Speaker, the honourable member asked rather a difficult question. We're working on it; we will produce it as soon as it's ready.

MR. SPEAKER: Orders of the Day.

MR. D. ORLIKOW (St. Johns): Before the Orders of the Day I'd like to direct the attention of the House to the gallery to the right of you. A class from the Luxton School which happens to be in my constituency. They are here with their teacher Mr. McKinnon and I am sure that the House will join with me in hoping that they get a good deal from these deliberations while they are here.

MR. SPEAKER: Orders of the Day.

HON. STERLING R. LYON (Attorney-General) (Fort Garry): Mr. Speaker, before the Orders of the Day I should like to lay on the table of the House a return to the order of the House number 14 on the motion of the Honourable Member from Selkirk and the return to an order of the House No. 12, on the motion of the Honourable Member from St. Boniface.

MR. SPEAKER: Orders of the Day.

MR. O. F. BJORNSON (Lac Du Bonnet): Before the Orders of the Day I would like to direct a question to the First Minister as to whether he has seen the announcement in this morning's Tribune about Premier Frost of Ontario where he proposes to ask the Government of Canada to establish the new nuclear research centre in Elliott Lake rather than Manitoba. And if he has seen this, does he propose to take action to support the decision that has already been made to locate this in the Lac Du Bonnet area?

HON. DUFF. ROBLIN (Premier) (Wolseley): Mr. Speaker I thank my honourable friend for raising this important matter and tell him that I am now looking at the report that appeared in this morning's paper on this matter. I am very reluctant to assume a critical attitude with respect to what takes place in another provincial legislature and I am sure we have every sympathy for the problems which are developing at Elliot Lake. But I do think it to be a fact that the selection of Manitoba for the site of the new atomic research centre has been based on the broad national interest. I can tell the House Sir, that negotiations with respect to this matter were opened some months ago, certainly before I was aware of any difficulty at Elliot Lake, and it was represented to us by the Atomic Energy of Canada Limited that they thought it in the national interest that this plant should be located in Manitoba. There were a number of reasons for that which I can't deal with them all but certainly it was because it was considered advisable to make sure that institutions of this sort were situated with reference to the broad national scene rather than concentrated in one area, and also because we had a very suitable premises for the operation of such a plan. The negotiations with respect to establishing it, I can say, are well advanced though I am not yet in a position to make any announcement with respect to it. I would just like to say that I doubt whether the removal of this institution to Elliot Lake would solve Elliot Lake's problems. It seems to me that the problem of employment is one which is not peculiar to that area although it's particularly severe. There are other Uranium mining towns which are affected I am sure. I know that we have some unemployment problems here ourselves. And it seems to me that the difficulties in that industry were implicit from the beginning in 1952 as I think was made clear at the time by the Rt. Hon. C. D. Howe who was in charge of those things. And I don't think that it would be right to expect that the interests of Manitoba should suffer in this particular instance because of the difficulties that are being experienced at Elliot Lake--with which we have full sympathy. I can tell my honourable friend that we have had no indication that there's going to be any change in this decision and we are making it clear to those in authority that we fully were looking forward to co-operating with the Atomic Energy of Canada in making sure that this establishment goes ahead in the province.

MR. D. L. CAMPBELL (Leader of the Opposition) (Lakeside): Mr. Speaker, if I could be helpful in a situation of this kind I would be delighted to do so. I don't know that my advice would carry as much weight with those who are in authority at Ottawa as would the advice of the Honourable the First Minister. It seemed to me that as long as this was a contest between the Honourable the Leader of the Opposition at Ottawa and my honourable friend the First Minister of this province that there wasn't much doubt who would win. But if Premier Frost of Ontario is going to get into the act as well that sort of evens it up again a little more, I would think. And I would only offer this word of advice to the Prime Minister of Canada and to the Minister in charge and that is that they shouldn't pay too much attention to the Leader of the Opposition at Ottawa or in Manitoba, or the Premier of the Province of Manitoba or the Prime Minister of Ontario. but they just should decide what is in the best interest of the country as a whole with regard to the establishment of this nuclear station and then go ahead and do the right thing.

MR. ROBLIN: I am sure my honourable friend could help me if he would convey that very fine thought to the Honourable the Leader of the Opposition in Ottawa. He's the man that started this thing going and I think if my honourable friend could stop him it would be helpful.

MR. CAMPBELL: Well I think the difficulty is that when a thing like that starts where my honourable friend in Manitoba here comes out into the open on it, likely he was in on it before the Leader of the Opposition at Ottawa ever said anything at all.

MR. ROBLIN: But I have no influence with him and I am sure my honourable friend has.

MR. CAMPBELL: I think maybe my honourable friend has a little influence with somebody that's in a better position at Ottawa to do something than the Leader of the Opposition.

MR. ROBLIN: I'd like my honourable friend to follow up on his offer to help. This is a very practical way in which he can do so.

MR. CAMPBELL: I'd be very glad if my honourable friend would get in touch with his counterpart in the Province of Ontario and tell him to just keep out of this. Let them do what's right.

MR. ROBLIN: I'll be glad to do that if my honourable friend will take the same attitude with respect to the Leader of the Opposition in Ottawa.

MR. CAMPBELL: As a matter of fact I'll be willing to get in touch with both of them,

(Mr. Campbell, cont'd).....Mr. Speaker.

MR. BJORNSON: Mr. Speaker, speaking for Lac du Bonnet I'll appreciate help from both sides of the House. (Hear, Hear)

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

MR. N. SHOEMAKER (Gladstone): Mr. Speaker, I move seconded by the Honourable Member for Turtle Mountain that an order of the House do issue for a Return showing (1) whether or not a license has been granted by the Board of Broadcast Governors to the Yorkton television station CKOS to erect a relay tower on Mount Baldy north of Grandview, Manitoba. (2) whether any lease or agreement has been entered into between the Government of Manitoba and the said Yorkton station giving the latter permission to erect any tower and/or other equipment for the aforesaid purpose on provincial lands. (3) if the answer to (2) is in the affirmative, the terms and conditions of said lease or agreement and some approximate idea as to when the people in the area of said Mount Baldy may expect to obtain television reception. And (4) if the answer to (2) is in the negative, what, if anything, has transpired between said government and said station respecting the foregoing?

Mr. Speaker put the question.

MR. ROBLIN: Mr. Speaker, before the question is put, I believe that we should ask the honourable member if he would consider a suggested change in the question before us. I think the matter is under negotiation and I think what we ought to undertake to do is to file the agreement when it is made as our answer to this return. If he would be happy to accept that change I think that my honourable colleague the Minister of Mines would agree to that.

MR. SPEAKER: Is the proposed change agreeable to the Honourable Member from Gladstone?

MR. SHOEMAKER: Agreed. Well Mr. Chairman, has the agreement been executed?

MR. ROBLIN: No.

MR. SHOEMAKER: Well, what stage are the negotiations in at the moment?

MR. ROBLIN: I'm afraid I'm not entitled to speak again.

MR. SPEAKER: I didn't hear what the honourable member said.

MR. SHOEMAKER: Oh I'm sorry. What stage are the negotiations in at the present time?

MR. ROBLIN: Mr. Speaker, I don't believe I am entitled to speak again on this matter. My suggestion (Interjection)... Well I was just following my honourable friend's example. He is so keen on having the last word that one has to watch him. I said Mr. Speaker, if I might repeat myself, that the agreement has not been signed yet; it's under negotiation. And I think the best way for us to answer the question is to agree to file the agreement when it's completed which we expect will be soon.

MR. PAULLEY: Mr. Chairman, just apropos of that, although this resolution doesn't stand in the name of any member of our party. We've had an answer from the Honourable the Minister of Public Utilities as to how long soon is; we've had a repetition to some degree from the Honourable the First Minister; and I would suggest that notwithstanding whether there is an agreement pending or under negotiation if it takes as long to have a reply under the term "soon" as it's taking to get a report apropos of the Minimum Wage Board --(Interjection)-- that I would suggest, Mr. Speaker, that the Order for Return be accepted and subsequently a copy of the agreement be tabled for the information of the House.

MR. SPEAKER: I might say that I will put the motion subject to the reservations made by the First Minister.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Turtle Mountain, and the proposed motion and amendment thereto by the Honourable the Leader of the CCF party, and motion in further amendment thereto by the Honourable Member for Selkirk. The Honourable Member for Birtle-Russell.

MR. R. G. SMELLIE (Birtle-Russell): Mr. Speaker, I would like to raise the point of order as to whether or not this House is in order in discussing this resolution at this time. I would refer you Sir, to the resolution which was passed by this House on the 3rd of August, 1959. That resolution read as follows in its amended form: "Resolved that this House request

(Mr. Smellie, cont'd) the Minister of Education to study the construction grants schedule applicable to secondary schools in school divisions with a view to recommending to the House such changes therein as may appear practical and advisable in the interests of students attending secondary schools within Manitoba." Now Sir, I do know that the Honourable Minister has given attention to this matter. He has made a study of the question and it is my understanding that he will report to this House in due course. Now if we proceed to debate this resolution and the question is put, we are in effect telling the Honourable Minister what his report to the House should be, and I question as to whether or not we are proper in debating the resolution at this time until the Honourable Minister's report is received.

MR. ORLIKOW: Mr. Speaker, I want to take exception to the suggestion of the honourable member. The honourable member may have some private information and he may have some very good information that the Minister will be reporting on this matter shortly. On the other hand it is quite conceivable that the Minister may find this a very complicated and a difficult question to settle

MR. SPEAKER: Order. Is the honourable member speaking to a point of order? He has already spoken on this.

MR. ORLIKOW: Yes, Mr. Chairman, I don't think the point of order is well taken. It seems to me that if this position is taken this matter could be delayed not for just this session but for two, three or four years, and I don't think that this is in order.

MR. PAULLEY: Mr. Speaker, speaking to the point of order, may I respectfully suggest to you that the only thing that was out of order was the contribution of the honourable member to the amendment to the amendment which deals with the setting up of a board of reference in connection with the resolution which has been amended once before. The point of order, if there was one, which I doubt, should have been taken at the time of the introduction of the main resolution. It was accepted; there was no challenging of it. So I repeat Mr. Speaker, that the only one or only point which is out of order was the honourable member who raised the point of order and should have been speaking to the amendment to the amendment.

MR. SPEAKER: Is there any other member who wishes to speak to the point of order on this motion? If not I'll take it under advisement and bring it in at a later date -- the decision on this matter.

MR. PAULLEY: Mr. Speaker, may I ask you, you are going to take what under advisement? Are you going to take the question of the amendment to the amendment, which is the question before the House, as to whether or not it is in order, because of the fact that both the main motion and the amendment has already been accepted and spoken on without a point of order being raised? If you take under advisement the question of the amendment to the amendment, I think on a point of order being raised that, in all due respect to you, I think that that is the only point which you can take under consideration at this particular time.

MR. SPEAKER: I think there is quite a lot of weight in what the Honourable Leader of the CCF says. Adjourned debate on the proposed resolution of the Honourable Member for Inkster. The Honourable Member for Rhineland.

MR. J. M. FRÖESE (Rhineland): Mr. Speaker, according to our present set up under the pension scheme and as far as I know, those aged people over 70 receive \$55.00 per month which is being contributed by the Federal Government. Then those that are between the ages of 65 to 70, the provincial government is participating on this pension, and if I am right, it is on a 50-50 basis. Now coming to the point, I feel that the need for higher pensions today in the province are very evident. First of all the rise in prices in the things that we need -- our daily needs -- have risen over the years to a point where today not all the needs can be met with the present pension that is being paid. The cost of services too have risen because the people employed and so on require higher salaries and, therefore, the cost of services in room and also in rental value have increased. We know that the people that put up the capital for private homes and so on, do so in the interests that they will also receive a return on their investment. And, therefore, the squeeze is on and a higher pension is needed in order that these people can get by.

We also have a very good example in the homes for the aged that are being constructed throughout the province and are operated by societies who are working in the interests of society and who do not take any reward for themselves. They require certain charges and I

(Mr. Froese, cont'd). know for the one that is situated at Winkler in which I'm more informed, that they have a set rate of \$60.00 per month per individual. That is for those people that do not need any assistance in the way of helping them around and probably that are on the sick list. Those that are on the sick list naturally are staying at a higher price and they have to pay -- put up \$100.00 a month. Now in order to cover these services and also the capital cost and the maintenance of these people at a decent standard, that they will receive the necessary food, the variance in the food that is desired, these senior people need and require more money in the way of pensions. And I think it's only fair and just that we do give them a better pension to be able to enjoy their retirement in the latter part of their life.

These figures that I mention do not include anything for clothing or spending money or for any recreation that they desire. I know that the people in the local home for the aged receive \$5.00 a month for clothing which seems to me is a very low figure, and a like amount for spending money. So that if we added these two and added them to the \$60.00 per month that they are paying at the present time, a pension of \$70.00 would be required which is, I think, as low as it possibly could be.

Then we also have a good number of aged people who are not in the care of these homes who are living probably in separate homes or living with friends, and they too find it hard to get by with present increases in the commodities that they have to buy and even to heat their homes and pay rentals and all that.

Further to that I think another thing should be brought to attention and that is that these elderly people who probably in their younger days saved money and bought annuities and so on, and today they find that these pensions and annuities have shrunken because of the inflation and devaluation of the dollar, and therefore find that these funds are running out much more rapidly than they had originally anticipated.

Further, if the pensions were increased I think it would also create a very desirable effect in that this money would be circulated locally and would add to the prosperity of the locals throughout the country. We know that at the present time many of these big contracts and monies that are being expended are expended away from the locals and probably in bigger centres so that the local centres do not receive any effect in any way of the money that is being expended for other projects. So that it would not only require money for the pensions in the way that it would be an expenditure but at the same time it would help local business people and the local community as a whole.

However, I'm not in accord completely with the resolution as it stands. I personally do not feel that we should dictate to the government as to the amount that is needed; I feel that the authority in power probably has better facts and figures to base their decisions on than we have and probably are in a better state to determine what can be done for pensioners without going further into debt. But on the other hand, I feel it is our duty and also our responsibility to bring this matter to the attention of the Federal authorities, and the resolution will do that.

So, Mr. Speaker, I would like to move an amendment, and I move, seconded by the Honourable Member for St. George that the words, "from \$55.00 to \$75.00 per month" in the last line be deleted.

MR. SPEAKER: Are you ready for the question?

MR. MORRIS A. GRAY (Inkster): is it possible for any one in order to get out from behind to make a motion which takes out all the -- everything from the original? Is it fair? Is it constitutional? Is it in order?

MR. SPEAKER: I don't believe that that motion when I first glance at it does exactly that "This House request the Government to petition Federal Government for an increase for all old aged and blind pensioners in the province", and it would terminate there. It asks for an increase in the old age pension, but deletes the amount that is specified.

MR. GRAY: Mr. Speaker, I move, seconded by the Honourable Member for Fisher that the debate be adjourned.

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

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): I wonder if I could have the unanimous approval of the House to make an announcement with respect to crop insurance?

MR. SPEAKER: Has the Honourable Minister the consent of the House -- the unanimous

(Mr. Speaker, cont'd).....consent of the House to make an announcement?

MEMBERS: Aye, aye.

MR. ROBLIN:.....phrase revert to Orders of the Day. I'm not clear on that point but that might -- either one.

MR. HUTTON: Mr. Speaker, after continuous study and research by the Crop Insurance Agency Boards they recommend that some changes, some amendments be made to the Crop Insurance Act in order that two things can be done: 1. That we can offer crop insurance to the farmers who are interested in covering their flax crop. The second is to allow a farmer to insure part of his crop. As you know, at the present time for a farmer to qualify in the test areas for crop insurance he must undertake to insure all of his acreage seeded to wheat, oats and barley. Under the proposed amendments he will be permitted to insure either his entire acreage seeded to wheat; or, his entire acreage seeded to wheat and oats; or, his entire acreage seeded to wheat and barley; or his entire acreage seeded to wheat, oats, barley and flax. The rate and level of coverage for wheat, oats and barley is unchanged under these conditions. The premium rate for flax will be the same as for other insurable crops in the respective townships, and the level of coverage will be as follows: in the south central area - 5 bushels per acre of flax; in the northwestern areas - 5 1/2 bushels per acre of flax; and in the southwest area - 4 1/2 bushels per acre of flax.

Now I think that it was found by the Crop Insurance Agency that many farmers wished to participate in the program but they felt that they would rather do so on the same basis that many of our farmers in the past have purchased hail insurance. It is not an uncommon practice amongst the farmers to insure their wheat and their wheat only, or to insure their wheat and barley or wheat and oats only. And so in order to meet the need and the request of the farmers in this particular condition, they have made the following recommendations to me and amendments will be introduced in the Legislature to the Crop Insurance Test Areas Act to enable us to offer this coverage. Thank you very much.

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Fisher and the proposed motion in amendment thereto by the Honourable Member for Hamiota. The Honourable Member for Dufferin.

MR. WM. HOMER HAMILTON (Dufferin): Mr. Speaker, it's BEEN quite interesting to me to have listened to the various debates regarding deficiency payments both in the last session and so far in this one. Having been engaged in the grain business practically all my life both as a buyer and a seller I'm naturally vitally concerned when there's any sort of a payment to be made regarding -- or on wheat, oats or barley. But I cannot see where deficiency payments such as have been advocated by the various farm groups and some political parties whether it would be fair to all farmers. As an example, I might have been fortunate in harvesting a good group while my neighbour across the road suffered hail loss, flood damage or any one of a number of catastrophes that can happen to a crop, and he would receive little or nothing although every bit as good an operator as myself. Similarly the farmer who acted on the advice of government officials and has been feeding his surplus grain to livestock during the past few years would not receive anything although in my estimation every bit as entitled to receive deficiency payments as myself. In other words, he would be penalized for doing his best to alleviate the surplus grain situation. Deficiency payments would I believe, create an incentive for farmers to increase wheat acreage plus adding to the surplus already in existence. The United States subsidy program has not proved successful and I think we should profit from their experience.

I've always been a believer in free trade and I still stick to my belief that the law of supply and demand has ruled the world markets from the days of the Egyptian traders and that will come to pass again. One reason I became a grain farmer was the fact that I was an independent and free individual operating my own business. But in 1943 I was made an employee of this Wheat Board and forced to deliver my grain to them and the right to sell my grain on the open market, hence my grain sales on the grain exchange was taken from me. Then along came the first bulk wheat sales agreement with Great Britain in '46 -- a so-called big deal by Messrs. Gardiner and Howe and the Liberals. This deal which cost the western grain grower \$600 million was the greatest catastrophe in my estimation ever to hit Canada. And not one farmer was asked whether he was in favour of selling his grain for a fair price or not while

(Mr. Hamilton, cont'd).....everything he had to buy was let sky rocket to the moon.

When Canada was offered \$2.00 by Britain in one of the later wheat agreements the Federal Government in my estimation didn't have sense enough to take it but held out for 5 cents more and look what happend -- wheat dropped 30 cents in a short time. If any deficiency payments are due the farmer, Mr. Speaker, I believe the former governme nt should have made them instead of blowing \$200 million into an obsolete aircraft like the Arrow. Bulk commodity agreements such as we've experienced in the grain trade have never proved successful. Even Sir Winston Churchill and Mr. Strachey said so in the British House of Commons when discussing the Canadian wheat agreements. Now the fiasco of these agreements and the frantic efforts of Mr. Gardiner to salvage the remnants of a bad deal are past history, and are painfully all too familiar to the western farmers. And I don't think we need any more discussion on this but I do believe the present government is doing its best to aid the farmer as the Honourable Member from Hamiota said on February 8th.

The Honourable Member from Brokenhead was quoted in the press as saying that the farmers are low class and being discrimated against by certain segments of society. I do not believe that he meant this as it appeared in the press and I certainly do not agree with it.

The \$40 million handed out by the Conservative Government was not charity in my estimation. If deficiency payments are to be made I believe the acreage payments are the fairest way any government can alleviate the present shortage of cash among the western farmers and I am sure due consideration will be given to this matter by the Federal Government.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, if I may, the member is correct. I was slightly misquoted in the paper as it was reported that I had said that farmers were low class. I didn't say it that way -- it appeared that way. And I thank the honourable member for making the correction for me.

MR. SPEAKER: Are you ready for the question?

MR. PREFONTAINE: Mr. Speaker, I would like to say just a few words to this motion and bring an amendment to it. This is to my mind one of the most important motions or matters that is coming before this House at the present time. I'm sure that we all agree that the situation of the farmers at the present time is very very bad. We are losing good young farmers by the hundreds every month that goes by; and the farmers are finding difficulty in meeting their obligations. The cost of living has gone up. This high cost economy that we live under is detrimental to the farmers of our province. I would like to say, Mr. Chairman, that it is a serious situation that the farmers of Manitoba are facing now -- this high cost economy that we are living under. I would like to compliment the member for Fisher for having brought this resolution before the House. I think it's a good resolution and he presented it well. If I might use ordinary language I might say that I believe the honourable member has his head well screwed on; he's got good sense and he puts it well. I compliment him for having brought this matter before the House. The Honourable Member for Hamiota moved an amendment to the resolution, meaning not very much. He watered down quite a bit, the preamble and then the operative parts even much more so. The onus of his debate was to say that after all the Federal Government had done well -- paid \$40 million and so on. Well, Mr. Speaker, when we realize that farmers of Western Canada especially have to pay hundreds of millions of dollars more for everything that they buy because of the trade policies, tariff policies, increases under the Customs Act which cause the high cost of living, the \$40 million doesn't mean very much. The economy under which we are living is detrimental to the farmers of Western Canada. It's getting from bad to worse and I say that it is only charity that we are receiving, it's not parity that has been promised. And I say that something should be done. Mr. Speaker, the Premier of this House read to us a statement on March 16th, 1959, which to me is a very good statement. I quoted parts of it already and I think it is worth repeating at this time. This statement was read by the First Minister; he was talking about the Federal-Provincial Conference and the need for a re-convening of that conference as soon as possible. And he had this to say after mentioning the fiscal arrangements, "At the head of the list I place the situation in respect to our agriculture economy, at the head of the list of other problems that should be taken up. Governments have been attempting both at the federal and provincial level to provide a measure of security for the farming community. In its efforts to adjust to an ever-changing situation, agriculture has been called upon to bear a burden, often in excess of the burdens

(Mr. Prefontaine, cont'd).....borne by other sectors of the economy. Uncertainty of income, a risk of great or even total loss are the perpetual partners of the prairie farmer. The government of Manitoba feels the prime responsibility to speak strongly on behalf of Manitoba agriculture." I might skip a few sentences which are not important to the text itself, "the factors bearing on the cost-price squeeze in our agricultural economy may well require protracted investigation and debate if they are to be clearly identified and properly eliminated. But the effects of the cost-price squeeze on the farmers' well-being crystallized as they are in declining net farm income cannot be left to protracted discussion. While doing what we can as a province, we believe it is our responsibility also to request a place among the top priorities for discussion and decisions respecting outstanding agricultural questions at the full Dominion-Provincial Conference level. A greater measure of equality between agriculture and other sectors of the economy is our constant goal."

This is the statement, meaning that the First Minister of this province wanted to have this question taken up as a main matter of importance at the coming Federal-Provincial Conference. I suggested in my first speech in this House that a conference should be called possibly to discuss this matter. It is very important; more important than it seems to appear to the Honourable Member for Hamiota, and I would like to say that I agree with the speech made by the Honourable Member for Brokenhead in rebuttal to the speech made by the Member for Hamiota. It was a good address, well documented, and I say that members of this House should take into consideration, the statements made by the member from Brokenhead. I'll go a little further and suggest that there should be a joint appeal by the three western provinces to the Government at Ottawa to do something and do something quick and now; there should be a joint representation made by the three western provinces. We should follow the example of the farm organizations of Western Canada; they joined together to make representations to organize a march on Ottawa, to organize a recent, not so recent -- a couple of months ago, I believe they went to Ottawa again to demand action. They have no answer yet apparently, but they did organize and make joint representations and I believe that the three governments of the prairie provinces should make joint representations on Ottawa. And I believe further that there should be a get-together at the highest level of the three western governments in order to try and pool the brains and abilities of the western people to solve this most important problem. In doing so, we would do exactly what has been recommended by none other than the Premier of this province.

I have a statement here from the Winnipeg Tribune of November 15th, 1958; the headline: "Roblin Proposes Group to Help Prairies Grow", and I'm quoting, "Premier Duff Roblin Friday night proposed a joint economic council to co-ordinate the development efforts of the prairie provinces. He described the scheme as a Maritimes idea and suggested it be modelled on the Atlantic provinces economic council formed four years ago to improve living conditions and economic health in the Maritimes." Quoting again: "Speaking to the annual banquet of the Canadian Tax Foundation, he said the council without infringing on provincial initiative would promote a pooling of the brains and resources of Manitoba, Saskatchewan and Alberta to solve their common problems. It could open up unlimited possibilities for economic development in the prairie provinces, he said. 'Together we could attack such problems as freight rates, the St. Lawrence Seaway and the unhappy conditions of agriculture'".

This was a splendid suggestion; I agreed with it 100% when I read it. I do not know whether much action has been taken but the example shown by the Atlantic provinces is a good one - we should follow their example. I have with me here the Atlantic province brochure published in the Maritime provinces. I have the report of the last Atlantic Conference here. I might read you the first paragraph and this brochure is dated October, 1959: "The Atlantic Conference was a success this year as never before. This September saw Fredericton the focus of meetings and debates. The halls were filled and the hotels and motels were bursting at their seams; distinguished men and women jostled one another in the streets. For a brief spell Fredericton became a world centre; events and speeches were internationally reported; the Atlantic provinces were an entity in the conscious appraisal of the nation." And we all know that they have achieved success by uniting together and presenting a united front to Ottawa. This conference - economic council - was started four years ago at the suggestion of the Premier at that time -- the Prime Minister of that time, Mr. St. Laurent. It was

(Mr. Prefontaine, cont'd).....called first by Mr. Fleming. Mr. St. Laurent had suggested that they get together and present their common problems to the Federal Government. They adopted the idea. There were four Premiers at this latest conference and they have achieved something worthwhile. We all know that they've achieved about \$25 million in a special deal from the last Federal-Provincial Conference and I say that we should imitate the example. The Premier of this province has suggested that we should, and I recommend to this House, that we should now do something about it, and in view of this, Mr. Speaker, I would like to move, seconded by the Honourable Member for Gladstone, that the amendment be amended by deleting all the words after Manitoba in the eighth line thereof and substituting therefor the following: "should as soon as possible" meaning the Government of Manitoba should, "as soon as possible approach the governments of Saskatchewan and Alberta and seek their co-operation with respect to two objectives: (a) an immediate objective, namely the making of joint representations upon the Government of Canada in order to impress upon that government the urgent need for immediate cash payments to western farmers; (b) a long term objective, namely, the setting up of a prairie provinces' executive council in order to pool the brains and resources of the three provinces in an effort to solve their most pressing problem, namely, the unfavourable position of the western farmers in our national economy."

MR. SPEAKER:appears to be in order.

Mr. Speaker presented the motion.

MR. SPEAKER: There might be a question here of money involved in the (b) clause "a long term objective namely the setting up of a prairie province executive council in order to pool the brains --- if there was any payment from the province, it wouldn't be in order, but I believe maybe we should let it go through. Are you ready for the question?"

MR. HUTTON: Mr. Speaker, I beg to move, seconded by the Minister of Municipal Affairs that this debate be adjourned.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Turtle Mountain. The Honourable Member for La Verendrye.

MR. STAN ROBERTS (La Verendrye): Mr. Speaker, I think it was a week ago today that I adjourned this debate. The Honourable Member for St. Boniface was unavoidably absent at the time and so I adjourned it so that he might speak on it today.

MR. SPEAKER: Order stand. (Interjection) Beg your pardon?

MR. L. DESJARDINS (St. Boniface): Mr. Speaker, although many of the members of the government made it clear that they were not in favour of the system presently used to determine the construction on grants for schools, it seems that the government does not intend to do anything about this at this time. That is the reason why my colleague, the Honourable Member from Turtle Mountain brought in this motion. We had no ulterior motive; we felt that until this system was scrapped for a better one, we should not -- it should not be permitted that we should discriminate against the school boards of Greater Winnipeg, Brandon and other large centres, because we are sure that this is exactly what is being done at this time. The Minister always told us that the plans and the policies of the Department of Education were based on complete trust in the school trustees of this province. Apparently, Mr. Speaker, this trust does no longer exist. The honourable members sitting across from us have changed their minds. The Honourable Minister of Education warns us that by raising the limits of grants we are automatically increasing the cost of school building. Mr. Speaker, how can the honourable minister make such a statement? Especially when we all know that he himself must approve every grant before it is passed, and he has already told us that in many cases the maximum has not been reached. I think that he should have a little more faith in the school trustees of our province because if he hasn't any confidence in them this system will never work. We need those people. There's no doubt, even the members from River Heights, St. James and Brandon have agreed that the system is a poor one, that it should be changed. They told us that it wasn't fair and they were forced to agree with us that at the present we were discriminating against the school systems of the larger areas such as Greater Winnipeg, Brandon and even maybe Dauphin. Where a few years ago the school board could purchase an acre of land for approximately \$1,000, now it costs \$5,000 and more for an acre, and for a twelve-room

(Mr. Desjardins, cont'd)....school, you know that we would need -- and this would not be very generous -- we would need at least 4 acres. The last school built in St. Boniface by the school board, was a school for 50 rooms and the cost, this was the cost for construction and equipment only, was for \$750,000 or \$15,000 per room. But this did not include the cost of the land. Is it fair that some of these -- certain schools should pay more for the land and should get the same consideration from the government? And I'm sure that normally the same schools, the same school board that would have to purchase the land at a higher price would probably have to spend more money for construction.

Now, Mr. Speaker, I would like to make an amendment to this motion. We are not changing our minds but we've more or less been advised that maybe some of the members of the government would back us if we made it clear -- well, it was very clear for us, but for those members, and to show you that we have no ulterior motive, we will divorce the grant, divorce the grant of construction and equipment from the grant of purchase of land and we figure that by doing this, this will stop this, and I'm sure that the government does not intend to discriminate against these larger groups, and until they are ready to change, we understand that this cannot be done in a day, we're not complaining that the department did this purposely, but the only thing that we deplore is the fact that they do not seem to have the same trust in the school trustees. That is something that we don't like at all. Therefore, Mr. Speaker, I would like to move the following amendment, seconded by the Honourable Member for La Verendrye on the proposed resolution of the Honourable Member for Turtle Mountain, that the resolution be amended as follows: by adding after the word 'for' in the third line, the following words: 'purchase of land, equipment and' and by deleting the words "\$20,000 per room" in the eighth line and substituting the following: "\$15,000 per room for construction and equipment only, and an additional \$5,000 maximum grant for each room for the purchase of land only".

Mr. Speaker presented the motion.

MR. SCHREYER: Mr. Speaker, I beg to move, seconded by the Member for St. John's that the debate be adjourned.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for La Verendrye and the proposed motion in amendment thereto of the Honourable Member for Roblin. The Honourable Member for Fisher.

MR. PETER WAGNER (Fisher): Mr. Speaker, in my opinion, this resolution doesn't need to have a lot of talk or discussion. It's a very simple resolution; it's very easy to analyze, and I believe some of the members want to make out of this resolution a mountain, and to my estimation it's just a molehill. As far as I'm concerned, the Honourable Member for Roblin states that we have to have a blanket policy for all truckers in Manitoba and also that his woodcutters or truckers are hauling from Roblin and Grandview to Pine Falls and they have to compete with the closer haul. Well, Mr. Speaker, in my estimation, if I understand wood a little bit at least, those truckers, if they have to haul further, they don't go on their own cost. They charge somebody else. And who is the somebody else? It's the man that's cutting that pulpwood. And just for a little illustration, Mr. Speaker, for example, if a truck is carrying ten cords of wood at \$5.00 a cord, he has \$50.00 for gross hauling. But if that same truck would be allowed to haul 15 cords, at \$4.00 a cord, he would have a gross of \$60.00. That's already a saving of a dollar to the woodcutter and he would have \$10.00 extra for his men to unload that additional five cords.

Now, who are these woodcutters? These woodcutters are our own farmers, trying to subsidize their own living. They're working on a narrow margin; farming in summer to the best of their ability; in winter they go out into the bush. Also our Reserve people, and it does not require a two-province transportation, it just takes out from the bush, 20 miles, 30, 40 or 60 miles. I have a very good experience down in Fisher area where the truckers are hauling 60 miles to the nearest railway point. Half of that mileage, half of that travelling is bush road. Then they get onto the highway, -- what we want to call a highway; it's just a gravel road, and it's frozen solid and these truckers are coming in to the nearest point of railway to get their loads off. So why penalize? When you're penalizing a trucker that he cannot overload, you're penalizing the farmer; you're penalizing the Reserve man that is cutting that cordwood and so on. And as far as going into licensing, higher license on a

(Mr. Wagner, cont'd.) . . blanket scale in the province--if you're going to license this cordwood trucker, naturally it's not going to be to an advantage to the trucker because he will have to pay the higher fee and in turn, he is going to charge the man that cuts that wood, and it won't be any advantage to the cutter.

Now, referring to the roads; to my estimation, when the road is frozen, she's solid. And we have a good department in Public Works, at least in my opinion, and they can advise the honourable members that the truck won't hurt the road while he's coming from the bush to the first railway point. And I would leave that to the Public Works engineering department, that they would say when the trucks should be stopped of hauling or overloading this cordwood. Furthermore, he refers himself, that all truckers should come under the same overloading position because due to the fact that the woodcutters have that privilege, just subsidizing their living which they are doing hauling the gravel in summer and in winter these cords--Do you mean to tell me you're going to lay a blanket from coast to coast--as he stated that even a reciprocal agreement has to be made? I believe you ought to ask any trucking contractor or association whether he is going to go and haul trucks. He wouldn't want to be bothered with it because he hasn't got the truck for it, and he's got big trucks, not just a farm truck. As far as I'm concerned, Mr. Speaker, I understood during the election campaigns, two election campaigns, that that group on the other side of the House, they are going to be the champions of farmers; they're going to help everybody humanly possible. All that's requested in this resolution, is to get the poor farmer, these poor Indians that are trying to subsidize their living, the forest ranger in the area; that's all that the department has to instruct the forest ranger, and tell him, "look, from this certain point, the trucks are going to be overloading to a certain extent and you don't tackle them--do not scale them until you're going to get from the Public Works, that the roads cannot bear it". That's all that's necessary. But if you're going to start licensing these truckers; if you're going to start to come into an agreement whether that trucking association will want to come in; whether they want to haul the cordwood, that is--as I said from the beginning--is a mountain out of a molehill. And, Mr. Speaker, I am surprised that such a little item--such an issue--generally some of the honourable members feel or they do express their opinion that I do not understand. They say--as the press quoted me, "I have an astounding facility of misunderstanding the ministerial explanations". Well, by George, if the Honourable Member from Roblin--if he hasn't got that astounding facility, I don't know who has over such an item.

MR. BJORNSON: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield that the debate be now adjourned.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Emerson. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would request that the matter stand unless there is anyone that wishes to speak on it.

MR. SPEAKER: Order stand.

MR. SCHREYER: Mr. Speaker, if the member is wishing that this stand, I would ask the indulgence to be allowed to speak on this resolution.

MR. SPEAKER: The Honourable Member for Brokenhead.

MR. SCHREYER: The resolution here is in a sense, associated with the problem which has come before us on other occasions, namely the problem of financing education in those areas where the people did not see fit to accept the division organization of education. And in the other circumstances as regards the financing of education, we did stand behind the Minister to the extent that we said--we said that there should be the maximum grant paid only in most cases where special conditions, such as geography or population warranted the maximum grant to be paid. Now we still have that stand of course. But in this regard--in this resolution put forward by the Honourable Member for Emerson, the problem is just a little different. We do not see why the areas where the division set-up does not apply--we do not see why these areas should be put in the position where they can hardly compete for good teachers. It's quite obvious that at present these areas have to raise much more money by way of local taxation to be in a position to pay salaries competitive with the salaries paid within divisions. While we recognize the need for standing on principle, we do not see why there is any need to be punitive here because teachers who are teaching in these areas--I know some of them--they are just as

(Mr. Schreyer, cont'd.) . . conscientious --they are just as confident, and in some cases, even more so than some of the teachers in the division areas. They are doing a job and consequently they should be entitled to the same kind of salary scale that is being paid in other parts of the province. We are dealing here with people; more specifically they are teachers. The fact remains they have this right. I do not see how anyone can dispute it. They have this right to a certain standard of salary. It follows that the area is not able to pay them the salary that they would get if they were teaching within a division so the provincial grants for teachers should be brought up to a level which is the same throughout the province. And I think in doing that we are not--we are not in any way sacrificing any part of the stand that we took on the other aspect of the problem of divisions and non-divisional areas. I for one will be quite interested to see what the Honourable Minister has to say when he rises or one of his associates rises to give a rebuttal to this resolution, because I feel that it is going to be very difficult for them to justify provincial grants for teachers' salaries being lower in an area simply because the people of that area did not wish to join the division or to accept a division. The teachers, after all, didn't have very much to do with it, did they? And because they did not have very much to do with the success or failure of the division within an area they should not be penalized for that. I think that this is a point which the Minister should consider, and consider for some considerable period of time, 'till he is satisfied within himself that he is doing the right thing.

MR. McLEAN: May I ask the honourable member a question? Do I take it then that he would have no objection to penalizing the children in the matter of transportation or penalizing the school janitors in the matter of their salaries? Or penalizing some of the others in various other aspects of the grants schedule?

MR. SCHREYER: Well, Mr. Speaker, the question is rather an interesting one, but I feel that the parallel which the Minister is trying to draw is not a very valid one because the janitors are residents of the area. Teachers could go to any part of the province and teach, couldn't they? They could go to any part of the province and they are doing a good job. Why should they be put in that position where they have to render their services for a salary less than what is paid in the other part of the province?

MR. SPEAKER: Any other member wish to speak on this motion? Is it agreeable?

MR. PAULLEY: I just want to say one or two things in connection with this. I use a well-hackneyed phrase--I did not intend to speak had it not been for the comments on the other side of the House apropos the remarks of my honourable colleague, the member for Brokenhead. May I suggest to the Honourable the Minister of Education and also to the First Minister, that if they have any comments to make of the remarks of my honourable colleague in connection with this matter, it is their duty; it is their responsibility to stand up and say them, without the subterfuge of attempting to lead any other person down the garden path. It is one of those characteristics that I have come, particularly in this session, to associate with the First Minister of the Province of Manitoba. All too often in debates, rather than dealing with the subject under consideration, criticisms without entry into the formal debate, are forthcoming from my honourable friend opposite, and I think that it is time that he start fulfilling his rightful responsibility in this House, of answering criticisms of the nature

Now then, as my colleague has pointed out, we of this group rejected in debate, the proposal of the Liberal Party, respecting a change in the grants of school construction. In that, we supported the government because we felt that the people themselves within the area had an opportunity and they alone had the opportunity of accepting or rejecting the proposition in respect of the whole school division, but more particularly in our opinion, in respect of construction grants. They had no option; no one had any option; there were no alternatives in the plan on the schools division laid down. There was no choice to any school district to say that we are prepared or will accept part of it. It was a package deal, and it had to be accepted holus bolus or rejected. And now as the plan of the schools division and the plan of education becomes more firmly established in the Province of Manitoba, more and more evident inequities of the plan are being revealed. One of the greatest inequities is the fact that through the legislation on the schools division, we have set up in effect, two classes of teachers insofar as their salaries are concerned. And as my colleague has pointed out that in many non-division areas, because of the difference in grants, some teachers are not receiving the same return for their

(Mr. Paulley, cont'd.) .. endeavours and for their qualifications that others are in the division areas. I recall on many occasions in past debates in this Legislature when the Conservative Party were a tremendous voice on this side of the House for equality. Where's that voice today? Members of the Conservative Party have stood up in this House and asked for equality of privileges between man and woman. They were pleased as we all indeed were in this Legislature at the election of a lady member to this Legislature, because they were able to prove and to show to the people of Manitoba, we have equality of the sexes, and yet--oh, yes my friend--that's one thing there isn't equality in this House in its education. And that's becoming very evident. But apart from that, Mr. Speaker, while all of the external virtues of equality have been exhibited by tongue, all that we have heard from the other side when through a resolution of this nature, somebody suggests that there should be equality of teacher grants in the division and in the non-division grants. What do we get but a kibits and I say to you--I say to you, Mr. Speaker, and to this House, that this is a very serious matter, and not withstanding the fact that we in this corner in this House have said that we will go along with the government of no change in construction grants, because of the fact that the voters in that particular area had that choice without any other choice to accept or reject it, we consider that in the respect of teachers' salaries and teacher grants; there is a vastly different principle; and that the division areas and the new changes in our educational act have now been enforced long enough that even a Conservative government should be able to recognize the inequities in this, and that they should be telling us in this House; they should be telling us in no uncertain manner whether they believe that our teachers in Manitoba should be treated equally or they should not. And that, Mr. Speaker, to me is the pertinent question, and that is the answer that I want to hear from the other side of the House, and in particular from either the Leader of the Party or from the Minister of Education.

MR. McLEAN: Mr. Speaker, as so many famous people have said in this Chamber, I did not intend to speak on this resolution, but I am moved by the comments that have been made by the Leader of the CCF Party. Now, may I say this; that his head of steam is quite unnecessary--quite unwarranted--(interjection)--and that's a very serious consequence to lie on your head, and shows that he either doesn't understand the system of school grants which we have, or that he is preaching for some support from the body of teachers in the Province of Manitoba, and using his argument to curry favour with that group. Now, Mr. Speaker--

MR. PAULLEY: motives, Mr. Speaker.

MR. McLEAN: if he's interested in equality that's a good subject--equality of opportunity. There is nothing to prevent a teacher in every part of the Province of Manitoba, whether within a division or without a division, to receive a salary equal to any other teacher. We have always said, and it's quite clear and quite fundamental, in this whole scheme that salaries are established by school boards, not by the Province of Manitoba, and not by this government, and that the grant system is not--does not set or establish the salaries that teachers receive. So that as far as equality of salaries are concerned, that matter is not in our hands.

MR. PAULLEY: Mr. Speaker, I wonder if the Honourable Minister would allow a question.

MR. McLEAN: Yes.

MR. PAULLEY: Is it not an incentive, the difference in grants, to the level at which teacher salaries will be paid within school districts?

MR. McLEAN: It may or may not be. I have no bigger knowledge of that, but may I just suggest to the honourable member that he obviously hasn't checked to determine the scale of salaries that are being paid in the non-division school districts to determine whether or not they are the same as or equivalent to, salaries paid elsewhere. But, Mr. Speaker, the whole problem is this, that the difference between the grants received and the expenditures made, whether for teacher salaries or for school buildings or transportation or any other aspect of school administration is concerned, the difference is made up by the local taxpayers, and what he in effect is asking for is equality for the taxpayers, not equality for the teachers and all that the proposal which he has made, and the others in this particular resolution is designed to do is to put more money in the pockets of the local taxpayers and relieve them of certain costs which they now have to bear. And the principle is quite clear. And if he says we're not asking that the extra grants for school construction, the obvious reason which he advances is that the

(Mr. Pauley, cont'd.) . . taxpayer is not entitled to benefit if he voted against the plan. Of course the very same argument holds so far as teachers' salaries are concerned. And the matter is as simple as that, in my opinion, and there is no distinction--none whatsoever to be made between a grant toward the salary of a teacher, and a grant toward the construction of a school building, because the difference lies only in the extent to which the local taxpayer is asked to make up the difference, and this proposal would be simply providing grants to districts--portions of Manitoba which did not accept the responsibilities associated with the division plan.

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert Plains): Mr. Speaker, I am somewhat surprised that the Honourable the Minister came out with so weak a defense on the stand of the government. He generally meets any of these criticisms head-on, and doesn't go beating around the bush in order to get away from a responsibility that is so evident to everyone else. After all is said and done, Mr. Speaker, this government started out with telling the people of this province that they are primarily concerned with the education of our children; that they were going to do everything within their power to give equality of opportunity. Now I say to you, Mr. Speaker, after what the Honourable Minister has told us here this afternoon, that evidently that is not the case. If the people of the province are willing to go along with the Minister of Education, they will get certain concessions and certain inducements and certain grants; but once they fail to agree with him and whatever he has to propose, then they're left out in the cold. Now why should the children of this province in any section of it be penalized because their parents did not see eye to eye with the Minister?

MR. McLEAN: with the Legislature.

MR. HRYHORCZUK: I say with the Minister.

MR. McLean: with the Legislature.

MR. HRYHORCZUK: That's quite all right. I've heard that statement so often, Mr. Speaker, it's just a little bit different from when, "Why didn't you do it when?" It absolutely doesn't make--(interjection)--it absolutely doesn't make any sense whatsoever.--(interjection)-- I wonder if this government is ever going to take the responsibility that it should, or is it at all times--or is it at all times going to say--

MR. SPEAKER: Order.

MR. HRYHORCZUK: Or is it at all times going to say this: "We didn't put this piece of legislation in here; you're--the opposition are the ones that put it in there. Although we sponsored it and it was our legislation and everything else, but if there's something there that we don't like, or somebody doesn't like, blame the opposition, because they supported it."

MR. ROBLIN: That's right.

SOME MEMBERS: Hear! Hear!

MR. HRYHORCZUK: We've heard that argument several times during this session, and that it hardly behooves men that responsible in the full sense of the word to use that argument. Now what is going to happen in these divisions, or these areas, that didn't enter into the division? --(interjection)--They're not only going to have smaller grants, but the effect of that is that the better teachers in those areas are going to move into divisions. This is already on the move. Are we to conclude that the Honourable Minister and the government are going to hold tight until they force these other areas of the province that are not in divisions to come into the divisions, in spite of their very conscientious objection to that particular type of a school system? What is the difference between compulsion in the full sense of the word and this type of attitude that the Honourable Minister has taken this afternoon, or the government has taken in regard to this particular question? Now the Honourable Minister mentioned that the Honourable the Leader of the CCF Party was currying favour from the teachers. Well may I say, Mr. Speaker, that had this vote gone the other way, and we had only a half a dozen or so divisions established in this province, I am quite sure in my own mind what the Honourable Minister's reaction would have been. Her certainly wouldn't have treated the rest of the province different from the half dozen that would have been established. His tune today would have been entirely different and it wouldn't be because he was currying the favour of the teachers. I'm quite sure he wouldn't because he did try once, and it didn't turn out so well. But where is the logic? Where is the logic of responsible government toward the citizens of this province? We've got to divide it up into several different types of school areas, and what I can't get through my mind, I mentioned this once before, is how can we justify giving Dauphin-Ochre the same treatment as we do the other divisions

(Mr. Hryhorczuk, cont'd.) .. when the Dauphin-Ochre is not a division? But we can turn around --we can turn around and tell--(interjection)--

MR. McLEAN: Boy, these lawyers.

MR. HRYHORCZUK: We can turn around and do that to some of the less fortunate areas that did not think it was right and proper for them to vote themselves into a division.

MR. McLEAN: Do you think they'd prefer to become an area?

MR. HRYHORCZUK: Pardon?

MR. McLEAN: Do you think they'd prefer to become an area?

MR. HRYHORCZUK: I wouldn't be a bit surprised. I think if the Honourable Minister had used as much energy and time in convincing the rest of the province that the area was the thing, like he tried to convince Dauphin during--prior to the vote they had, I think he'd have been fairly successful.

MR. McLEAN: Would you give me another chance?

MR. HRYHORCZUK: We certainly will. But in the meantime--we'll give you another chance, but in the meantime, let's do the right thing, and let's give the children of this province in spite of what their parents may have done, rightly or wrongly, let's give them the kind of treatment that we feel, a way down deep inside of us, they deserve. Why should we penalize the innocent children; put them in a position where they won't get the education of other children in the province, simply because their parents did not agree with what we thought was the best for them.

A MEMBER: Hear! Hear!

MR. FROESE: Mr. Speaker, would I be permitted to ask the Minister of Education a question?

MR. SPEAKER: I can't hear what you say.

MR. FROESE: If the non-division areas would vote themselves in the secondary school areas?

MR. SPEAKER: Order.

MR. FROESE: Well, that was part of my question.--(interjection)--

MR. SPEAKER: member that wishes to speak on this debate?

MR. FROESE: I was going to ask you a question, that's all. I will take another time.

.....(continued next page.)

MR. SPEAKER: Is it agreeable to the House that the Honourable Member for Rhineland takes the adjournment of the debate? Adjourned debate on the proposed resolution of the Honourable Member for Brokenhead. The Honourable Member for Winnipeg Centre.

MR. JAMES COWAN (Winnipeg Centre): As set out in this resolution the question of physical fitness is a matter of great importance to present and future generations. It has been pointed out by no less authority than Prince Philip and by other leaders in the physical recreation field. It is too bad that the previous government stopped the provincial recreation program in 1955 and that now there is not a very full program. Other provinces and other countries have programs that have developed their young men and young women to a greater extent than has taken place in Manitoba. Canada itself is well known throughout the world in many fields but athletics and physical fitness, excepting perhaps in the direction of hockey, is not one field in which Canada excels. In speaking to this motion I would like to express my support and appreciation for the hundreds of men and women in this province who give voluntarily of their time to promote physical education and physical fitness throughout this province and I would like to particularly tell this House of a new scheme for physical fitness which should be supported by the members of this House and that is the Canadian Legion Sports Training Program. The committee in charge recently achieved one of its objectives in having an indoor track constructed for the Winnipeg Arena. This track, this indoor track is the best on the continent. It is the only one in Western Canada and as a matter of fact there is only one other indoor track in Canada and very few centres in the United States are fortunate enough to have an indoor track. As a matter of fact recently the indoor track at Milwaukee was shipped all the way to Los Angeles on loan so that it could be used in that city for an indoor track meet there. Three weeks ago on Saturday I had the good fortune to attend this -- the first indoor track meet -- track and field meet in the Winnipeg Arena. It was a good show and it was of -- and everyone that was there went away feeling that something new had been accomplished in Winnipeg and something very worthwhile to help forward the physical fitness and sports programs in this province. At that track meet they had the top athletes from this continent. They had men from the North Dakota University, Minnesota University, Wisconsin University, Kansas State Teachers' College, Arkansas University, the University of Chicago and one chap from Oxford University in England, and another from Sheffield in England, as well as athletes from many parts of Western Canada. And at that meet there were four Canadian records broken and two Canadian records equalled. That particular night one of the men from Calgary ran three miles in 13 minutes and 53 seconds and I think we all know that it is a world record -- world records were created when the 4-minute mile was broken so you can well imagine how fast that man travelled in the three miles. As a matter of fact the same evening there was an indoor track meet in New York and the best time there was six minutes slower than the record set by the man from Calgary and the young man, 16-year old student from Winnipeg equalled the Canadian record for the 60-yard dash. His name was Bob Fisher Smith.

MR. DESJARDINS: Excuse me, Mr. Speaker, Mr. Speaker, may I ask a question. Is it six minutes or six seconds for this three miles, a difference of six minutes or --

MR. COWAN: Six seconds.

MR. DESJARDINS: Thank you.

MR. COWAN: The winner in New York was six seconds slower than the winner in Winnipeg. During that day some 96 high school and junior high relay teams took part in the various events. Many of the events had eliminations run off earlier in the day and the finals were held in the evening and as a result some 700 young men and young women of this province took part in the events that day. And track and field is a particularly good event for young people to take part in because expensive equipment is not required and because every healthy young man and woman, every healthy boy and girl can take part in track and field events.

And on March 19th another event is being held in this City which should be supported by everyone of us. On March 19th the Canadian Indoor Track and Field Championships are being held in the Winnipeg Arena and they will have not 96 relay teams from all parts of Manitoba taking part, but they will have many more. Applications are invited from all parts of the province and application forms can be obtained from the local Legion branches. We hope perhaps through this program in Manitoba to find some first class men and women who will be able to take part and perhaps achieve fame for Canada at the Olympic Games which take place in

(Mr. Cowan, cont'd.) ... Rome this summer and perhaps through this program too we will achieve greater interest and develop winners for the Pan-American Games which Winnipeg hopes to be the host for in 1967, Canada's Centenary. It is an event that we should work towards fulfillment. We are indebted to two young men principally for this work -- many, many volunteers but without the leadership of these two young men we would not have this program. These are Mr. Phil Nutter and Mr. Jim Daly. The Canadian Legion Sports Training Program hopes to achieve the following: This summer to have two travelling clinics to visit every accessible town in Manitoba during the summer months and working out from Brandon and Dauphin. They will provide coaching and training for the young people in most of the centres in Manitoba. The plan will provide for part-time employment for trained physical education personnel. They will sponsor local district, provincial and dominion track and field meets, sponsor a physical fitness program and hold coaching clinics at such places as teachers' colleges and the University. And they will make available necessary equipment at reasonable cost. There will be sponsorship of indoor track and field meets to continue the conditioning of our athletes during the winter months and there will be the establishment of a library with books and pamphlets and films.

The report on physical education and recreation in Manitoba is very extensive. There are some 84 recommendations. Thirteen of these recommendations recommend that financial assistance be provided by the provincial government in various ways. It could be quite an expensive program. Since this report we have had a report from the Royal Commission on Education and it deals with curriculum to a great extent. It is conflict to some extent in that it recommends for grades seven and eight that 5% of the time be devoted to physical education and health whereas the present curriculum requires that 10% of the time be devoted to physical education. The Minister of Education and his chief assistant, as you will know, have been kept fully occupied in connection with the new school division plan and more study is needed for both of these reports by the top men in this department. We must also be careful and take a close look at our finances. We have already in the field of education increased the education budget from some 17 million dollars two years ago, to about 31 million dollars this year. And we should look at our finances carefully before we go into a heavy spending program. And we should do what we can to support the new Canadian Legion program and perhaps through that program we will be able to benefit our people a great deal without the expenditure of too much money. The Canadian Legion, perhaps, is a good organization to ahead with such a program because it has branches in almost every centre in the province.

New patterns will develop through our new school divisions. We will have new buildings which will make for a different set up in our proposed physical training program.

Therefore, I would like to move, Mr. Speaker, an amendment to the motion seconded by the Honourable Member for St. Vital, that the resolution be amended by striking out all the words after the word "and" at the end of the second paragraph and by substituting the following: "Whereas the school and the community have an important part to play in the provision of a balanced program of physical education and physical fitness; and whereas a study of the needs in the field of physical education and recreation in Manitoba was made pursuant to a resolution of this Legislature; and whereas care is required to insure that programs are developed in coordination with the school curriculum and community requirements; therefore be it resolved that this House request the Minister of Education to take under consideration the recommendations made by the report of the Committee on Physical Education and Recreation, in conjunction with the recommendations made by the Manitoba Royal Commission on Education, with a view to determining what action should be taken in furthering the public welfare in the field of physical education and recreation in Manitoba.

Mr. Speaker presented the motion.

MR. DESJARDINS: I beg to move.

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

MR. DESJARDINS: I beg to move, seconded by the Honourable Member from Selkirk that the debate be adjourned.

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

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Turtle Mountain. The Honourable Member for La Verendrye. I'm on the wrong page here.

(Mr. Speaker, cont'd.) . . . Adjourned debate on the proposed resolution of the Honourable Member for Elmwood. The Honourable Member for St. Vital.

MR. FRED GROVES (St. Vital): Mr. Speaker, I beg the indulgence of the House to have this matter stand unless there is some other member wishing to speak.

MR. SPEAKER: Order. Do you wish to speak?

MR. RICHARD SEABORN (Wellington): Yes, please Sir.

MR. SPEAKER: The Honourable Member for Wellington.

MR. SEABORN: Mr. Speaker, I must say that I was particularly interested in the arguments presented by the Honourable Member from Elmwood in support of his resolution. And before engaging on my main thoughts on this subject I would like to comment briefly on the statistics given to us by this CCF member.

What particularly fascinated me were the comparisons given in regard to the relative earnings of the labour forces among the various nations in the endeavour to prove that labour costs in Canada were actually lower than elsewhere, when one compared the productivity of the various countries. I became rather curious about this; in fact I went to a great deal of trouble to obtain information along this line and I finally came across a copy of the International Year Book on Labour for 1959 which is published in Geneva and is an approved source of information for the United Nations.

It didn't take me very long to learn, Mr. Speaker, that when you start comparing the general wage levels of one Nation with another you are on a very complex and difficult study. The statisticians who compiled this volume warned that it was not possible to make any comparisons of this kind without first considering all the influences that enter into the picture. In France, for example, which was one country the honourable member referred to, the earnings include family allowances paid directly by the employers and the actual earnings apparently, are not obtainable without a great deal of difficulty.

In Japan, too, I found that the accurate figures regarding the general level of wages by a substantial amount of unpaid labour. The practice of "cottage industries" is apparently still quite widespread in that country, and the remuneration of female labour, particularly, is not reflected in any table of statistics. I must confess I am at a loss to know how anyone was able to arrive at a figure representing the productivity of a Japanese workman, for it became clear from the information at my disposal, at any rate, that when we endeavoured to ascertain the general level of wages in Japan we were handicapped by the fact that the wage given to a labourer in that country could well be for the contribution that his entire family made to the economic life of Japan.

The Honourable Member from Elmwood quite rightly considered the cost of living index in relation to the standard of wages received in this country, but I would point out that this is an extremely important factor in other countries as well, when we start making comparisons of this nature. However, I have done some calculations of my own, and if we will just lay aside all the complex and difficult influences that should be taken into consideration, I would like to give you the general level of wages in various countries compared to our own. I might state that my reference is the 1959 Year Book of Labour Statistics issued by the International Labour Organization, a specialized agency of the United Nations. I should mention also that this book presented the statistics of each country in the currency of that particular country, and I translated these figures into our own decimal system with the aid of a copy of the rate of exchange on foreign currency that can be obtained in any bank. I do not pretend that there is any great degree of accuracy, for the United Nations statisticians themselves admit that the general level of wages in any given country does not reflect the amount of overtime, absenteeism, the various degrees of fringe benefits and the other things that could reflect themselves in these figures. But at least we will be able to make some comparison of the relative earnings of the labour forces in various countries and reach some conclusion whether our labour costs are lower or not. I will give the approximate amount of monthly earnings in the currency of the country referred to, then I will give the Canadian equivalent. Argentina 4,217 pesos, \$52.00 per month; Ceylon, 728.08 rupees, \$140.00 per month; Japan 27,180 yen, \$73.00 per month; Belgium 5,736 francs, \$114.00 per month; Germany 499.88 marks, \$114.00 per month; Holland, 295.68 florin, \$74.96 per month; Philippines, 154 pesos, \$73.00 per month; Sweden, and this should make the CCF members happy, 1,002.91 krona, \$180.00 per month; United Kingdom 1,136

(Mr. Seaborn, cont'd.) ... shillings, \$143.64 per month; Australia, 1,413 shillings, \$143.00 per month; New Zealand, 1,079 shillings, \$137.00 per month and finally Canada \$319.44 per month. -- (Interjection) -- \$319.44 per month. -- (Interjection) -- Beg your pardon?

MR. ORLIKOW: I'd like to ask the honourable member, Mr. Chairman, what does this money buy in these countries? It doesn't mean much unless you know what the purchasing -- what the value of a dollar in these countries.

MR. SEABORN: I have already mentioned that.

MR. ORLIKOW: No you haven't. Mr. Speaker, the honourable member hasn't translated the dollars into what the commodities can be purchased for.

MR. SEABORN: In the speech given by the Honourable Member from Elmwood the other day the comparison was made on the basic levels of wages and the comparison was not made at that time either. And I have said that if we exclude these things that I would give the relative earnings of labour in the different countries which I have done. -- (Interjection)

Well I have not included the United States for we know that wages are somewhat higher in that country than in Canada, but with the figures before us it is interesting to note that the general level of wages in Canada is twice as much nearly, as the next in our comparative list, namely Sweden, six times as much as Argentina; five times as much as Japan, Holland and the Philippines and over twice as much over the rest of the countries. Now, I leave this information without further comment, Mr. Speaker, for I wish to make some observations of my own, and actually I presented these comparisons only as a matter of interest to the members who may be able to draw some conclusions from the information I have obtained.

Now, Sir, there is a basic economic principle that a famous economist by the name of W. A. Morton often refers to. It is this; that if labour's wage-gains outrun the increase in labour productivity, the result is inflation and there are some impeccable sources who confirm this principle, Mr. Speaker. For example, Professor Sumner Slichter of Harvard says that "Unions are far more likely to force up wages faster than the engineers and managers raise output per man-hour -- perhaps 2% or 3% a year faster, even more. The difference between the rise in money wages and the rise in output per man-hour will have to be compensated by an advance in prices. For an example, if output rises by 3% a year and the wages by 5% a year, prices will need to rise by about 2% a year. Otherwise, there will be a creeping increase in unemployment." End of quotation.

Supporting this, Professor Haberler in the same university says quote: "The powerful trade unions are now in the habit of demanding wage increases of 10% or more per year. Since labour productivity cannot possibly rise at that rate, it follows that prices must rise or unemployment appear. In the long run union policy will probably be the main obstacle to maintaining a high level of employment for any length of time without a rapidly rising price level."

Now, Mr. Speaker, if we can believe these outstanding authorities, and I can see no valid reason why we should doubt their word, it seems to be their opinion that the persistent demands for wage increases inevitably lead to an ever-rising cost of living, a fact that I am sure the Honourable Member from Elmwood would also deplore.

A Union man myself, I must confess that I feel that many leaders have been apparently oblivious to the necessity for maintaining the delicate balance between wages that reflect productivity and wages that produce inflation. These leaders have as their prime goal higher and higher wages and not the control of inflation, which to me was quite clearly revealed in the answer given by Phil Murray to the argument that higher steel wages would force up the price of steel in the United States. It was simple and quite direct. Mr. Murray merely replied, "Steelworkers do not use steel."

Now, Mr. Speaker, no one makes any bones about the fact that wage-lifting is wealth redistribution. The philosophy which is on the lips of every labour leader and which seems to have been invoked tirelessly time and time again in labour disputes, is that such a policy leads to enduring prosperity because it builds up a mass purchasing power. This, I believe was the reasoning of Mr. Stanley Knowles who maintained that during a recession labour should fight for higher wages to increase the purchasing power and since this "purchasing power theory" is cited consistently as gospel on behalf of higher wages, it is highly important to see whether it stands up under examination.

With an ever increasing population because of the phenomenal birth rate, increasing

(Mr. Seaborn, cont'd.) . . . life-span and heavy immigration into this country, can there be any valid fears of a diminishing demand for goods? In an economy beset with a threat of chronic inflation, additional spending potential serves only to aggravate the disease. What is actually required say all the economists, is less spending and more investment.

In commenting on this, -- (Interjection) -- Jules Ables . . . I will. I'm commenting on this, Jules Ables, one of American's outstanding specialists in economic research, says: "The consequent expansion of productive facilities could well counter the inflation demands by bringing supply into better equilibrium with demand."

Now if it is true that wage lifting leads to enduring prosperity because it builds up mass purchasing power, will the honourable gentlemen across the way explain why depressions always occur when purchasing power is at its alltime peak, as it was in 1929? On the other hand, recovery always begins when purchasing power is at its lowest ebb. For example, the United States Committee on Investment of the Joint Congressional Committee on the Economic Report revealed that gross investment in that country rose by 1.8 billion from 1921-1922, when recovery was in progress, while consumption fell by 700 million dollars. In the recovery of the 1930's, investment started rising by \$700 million from 1932-1933 while consumption was still falling by 1.8 billion.

This purchasing power argument ignores the fact that profits are actually purchasing power too. One prominent labour leader referred to corporate profits as "lying dormant in corporate coffers", and actually, money in corporate treasuries is in constant circulation for operating purposes. There is so much pressure to disburse the excess funds in the form of dividends that only the most imperative requirements divert it from the hands of the stockholders. Capital is constantly needed, and if the demand were not so urgent there would be no necessity for these corporations to load themselves up with long-term loans on top of retained earnings.

It was the Steel Fact-Finding hearings in the United States in 1949, and here the mass purchasing power argument was given great emphasis by the union. The chairman of the Board, Professor Carroll Dougherty, made short shrift of it. "Wage increases", he said, "may or may not increase consumer spending. Wage rates per hour may rise, but total pay envelopes may drop should the employer curtail the output because of pessimistic expectations." In other words it is the psychological attitude of business towards the future that decides the total amount of spending income. And again I might say, if householders get a pessimistic about the future they may hoard their money and consequently a greater wage income will not be spent.

And I think, Mr. Speaker, that one of the most significant facts we must face is that unionization is strongest in the field of capital goods -- steel, electrical equipment, automobiles and the like, and union wage increases are merely added to the cost of capital goods. What happens, in effect, is that the whole consuming population is taxed for the benefit of a small segment of the working population. And the economists have warned us time and time again that prohibitively high and inflationary prices of capital goods have been responsible for the cessation of business spending which has started us on the road to depression. And it is highly desirable, if we wish to keep a booming economy, that capital spending should be encouraged. It is obvious, however, that if wage increases are added onto the cost-bill of industries already plagued, in many cases, with break-even points, then the environment becomes unfavourable for higher spending because the industry becomes increasingly apprehensive that the ice will give way under the load.

But most labour men hammer away at the dollar size of corporate profits putting a great deal of stock in the argument of a company's "ability to pay". In the last few years the profits have zoomed upwards, as they have done in any inflationary period. Yet I think to establish higher wages on the basis of higher profits is a rather treacherous thing. Wages are more or less rigid, while the profits of industry are highly volatile -- they accelerate during a period of boom and decelerate during a period of low business activity. In Canada, during 1931, 1932 and 1933, most Canadian corporations were showing a loss, but I am sure no one would have accepted this as a basis of wage-cutting. Moreover during a period of rising prices a large part of these profits consist of so-called "inventory profits" -- that is, when a business man raises his price he gets on his inventory what he accumulates on the basis of his previous price. But as you can see this is an illusory profit for he will have to replace his inventory at a higher price.

(Mr. Seaborn, cont'd.) . . .

Now, Mr. Speaker, our friends across the way will argue that their higher-wage drive is actually on the basis of the higher cost of living -- an argument ably expounded by the Honourable Member from Elmwood -- and we must admit that it is by far the most popular issue and certainly the most intelligible issue to the average working man. While prices were jumping during the first inflationary phase after the war, the labour leaders hammered away on this point. Yet it could be shown that the increase in hourly pay has actually outstripped the increase in the cost of living every year since 1939. Year after year the union's case has been based upon the deflation of the weekly pay envelope which resulted when overtime disappeared soon after the war. But now we find that the cause of the weekly pay envelope is dropped, and labour now rests its case on the average hourly pay. I think the reason for this is relatively simple. In many industries overtime work was heavy and the weekly pay was filling up.

Now I can't help thinking, Mr. Speaker, of the criticism levelled at my colleague from St. James when he pointed out there was a distinct possibility that we could price ourselves out of the world markets. And just a few minutes ago I mentioned the basic economic principle behind all this, and for the benefit of our CCF friends across the way I would like to give it again. It is this: "That if labour's wage gains outrun the increase in labour productivity, the result is inflation". This principle has been dubbed the "Lewis' Law", in tribute to John L. Lewis, and I think it is actually fitting for Mr. Lewis to receive this academic distinction, for the process by which higher wages for miners in advance of technological improvement jacked up the price of coal, outpricing it as a competitive fuel, is the most striking illustration of the operation of the Lewis' Law.

Now we know Sir, that a coal miner has a very hazardous job to do, and we would all agree that he should receive the highest wages that are possible, but when these demands continue to the point where the very commodity he depends upon for his livelihood is priced right out of the market I cannot see what actual benefit he has gained. The resulting inflationary prices of coal has produced a serious situation where the worker himself is affected; and this because their leaders did not attempt to maintain wages that reflect productivity but upset that particular industry by gaining wages that caused inflation. Again I say that I am in complete accord that workers should receive proper remuneration for their labours, and perhaps I can best explain my feelings by quoting Professor Lindblom. In his book that I read recently entitled "Unions and Capitalism" he said: "Unions will renew their wage demands to win again the real wage increases which the rise in prices snatched away. A round of wage increases is followed by a round of price increases, and wage-induced price increases and price-induced wage increases pursue each other in a vicious circle."

And this is the thing that I actually fear, a climbing spiral of inflation that seems to be beyond our control and which could have very disastrous results particularly to the man who depends upon his skill or mind or body to make his daily living. There actually has been less pressure from the rank and file of union member than we realize in these wage disputes. There has developed, I believe, a rivalry between labour leaders to obtain the greatest increase for purposes of prestige, and this, to me is rather unfortunate. This is something the Chairman of the American War Labour Board noted also in his own country for he stated: "The principal non-economic consideration in wage determination in these postwar years is not so much a struggle between the employer and union for the loyalty of workmen, but an intense competition between labour organizations based upon the size of immediate wage increases."

Now, Mr. Speaker, I do not want to take up any more of your time on this matter. I have just wanted to present my views and I think I have made it clear that I deem it right that a man get properly paid for his labour. What is the scripture for this? "The workman is worthy of his hire". But I cannot agree that we should strive in the direction of higher and higher wages and endanger our economy. The critical fact is, Mr. Speaker, is that higher profits are needed by the industry if it is to expand -- and expansion is most important in our growing economy. Risk capital has been chronically short since the war, and if the corporations want to expand they must do so out of retained earnings. If profits are used to pay increasingly higher wages, then the cause of our expanding economy is imperilled.

Well, Mr. Speaker, as I sit down I know that there will be many who do not agree with what I have said but that is to be expected. Leon Trotsky once said: "Anyone desiring a quiet

(Mr. Seaborn, cont'd.) ... life has done very badly to be born in the Twentieth Century", and unfortunately I am a child of that era. Thank you very much.

MR. PAULLEY: Mr. Speaker, in taking part in this debate may I first of all assure my honourable friend that I recognize as he does the principle of not being able -- we may not agree with him but I most assuredly recognize his rights to say his opinions in this House. And I would suggest that others may take an example from his closing remarks apropos of that. And I want to thank the honourable member for the manner in which he made his presentation this afternoon. I have had the opportunity as is well known to listen to other contributions of my honourable friend that I received in a different manner than which I received this. And I want to compliment him on his remarks this afternoon. And I appreciate very much the thought and the study that the Honourable Member for Wellington has given to this subject. I might say incidentally, Mr. Speaker, I doubt very much whether the honourable member touched on the operative part of the resolution itself to any great degree but it was rather a discourse on wages and productivity, etc., which is somewhat apart from the point raised in the resolution itself, namely, the question of -- in cooperation with the House at Ottawa to establish a minimum wage rate for the whole of the Dominion of Canada. And it's obvious, Mr. Speaker, why that is being done. It's being done to sort of go along to some degree with the argument of the Honourable Member for Wellington, because of the factor that there may be advantages in some jurisdictions where there is a difference in wage rates. But what appears to me that the honourable member hasn't recognized by his comparisons throughout the other countries in the world, and he did, to be fair to him, suggest that these are not too valid comparisons because of not a firm knowledge of what is tied in with the wage rates there, and I appreciate very much the point that it is hard to compare. But there is, however, the well known fact I believe, that in many of these low-wage areas other compensations which are tied into the wage rates. I would even go so far on those to say this: notwithstanding the fact that -- just to use them as an example -- that in Japan the owner or the lord of the manor figuratively speaking, may have a group of workmen to whom he pays \$73.00. He may have and the wage rate as such may be \$73.00, and he may provide for them in a compound or something of that nature. But notwithstanding that, I think it has been established that on the basis of productivity by comparison with wage rates here in Canada, when we deal with productivity in connection with wages that we could get into great difficulties again even in that, with attempting to compare. And there's one other point, I think, that many who take part in arguments and discussions of this nature often fall into the trap, as indeed I believe my honourable friend did this afternoon, of trying to correlate wages with cost of living. Now it appears to me that in many areas and many nations in the globe that the prime return to the worker is based on cost of living. And by virtue of that and because of that, the standard of living is very low. And I would suggest that the prime consideration, or more interest, more emphasis should be made on the question of standards of living rather than on cost of living. One of the reasons that we have here in the Province of Manitoba at the present time such a low minimum wage is because of the fact that the Act itself is set up in such a way that while to some degree it ties in to a standard of living it doesn't recognize a reasonably high standard of living that is enjoyed by the majority of the people in Canada. And any time to my knowledge that consideration is given and I hope the Board who are considering any adjustments are not attempting to change the basis of the minimum wage in Manitoba by virtue of a relationship between what the cost of living is now as compared to the time that the rate was set some years ago. Because I think that would be manifestly unfair because it would only be an extension of the denial of the rights of individuals to just continue the standard of living that they had at the last time that the rates were set. There are others I know, Mr. Speaker, that will agree that that is all the return to labour should be. There are altogether too many who don't consider that the rights of the fruits of labour should be an increasing standard of living as well. Many battles with organized labour have been fought on this very basis. And while many condemn our union leaders and many call them racketeers and gangsters, I suggest that they have accomplished a very, very good job on behalf of all of the workers, irrespective of whether they're unionized or not because through their efforts and the members of their respective organizations they have shown to industry and to government the worthwhileness of basing the return to labour on a standard of living rather than on a cost of living. I appreciate and I agree and make no hesitation -- have no hesitation in saying that in the ranks of organized labour in some jurisdictions there have been individuals

(Mr. Paulley, cont'd.) . . . who may not have conducted themselves in office as we would have desired them. I would, however, suggest, Mr. Speaker, that as far as we are concerned here in Canada to my knowledge neither government nor management can point a finger at the integrity of any of the labour leaders in the Dominion of Canada.

Now then my honourable friend mentioned the question of the great depression of 1929 and '30. And he attempted as I understood his remarks to try and associate at least to some degree, the collapse in 1930 to a result of labour receiving a high return for its efforts.

MR. SEABORN: Just on a point. I was just mentioning that it was not -- I hadn't labour in mind at that time. It was just that when the collapse came in 1929 the purchasing power right across the country was the highest in its history.

MR. PAULLEY: Fine. I accept the honourable member's explanation on that although that wasn't qualified, he'll agree with me, I think, at the time he was speaking.

But let us presume, Mr. Speaker, that he is perfectly correct that it was a high level of purchasing power. I'll agree that it was. Will he agree with me that those in general who are responsible for high level of producer buying, are those who toiled to produce the commodities, namely labour. So no matter which aspect we look at it I think I could tie it down. The facts as suggested by my friend that because we had high purchasing power in those times, it reflected back on labour or the activity of labour in our economic markets of the day. And I suggest, Mr. Speaker, that he's entirely wrong. I suggest that the reason we had the depression of the thirties had no connection with the purchasing power of labour but rather by the manipulation of stocks and bonds and a highly inflated value on those stocks and bonds at that time; false appraisals of the assets of industry at that time, which eventually caught up with our economic system in 1929. I'll go even further and bring it down today that in my opinion and I think I can receive support for this opinion by some economists that due to government policy today in Canada and in Manitoba we're following the same path that can lead to the same condition that prevailed in 1930. I suggest, getting back to 1929 that the trouble then was as the trouble is today. If we then as now had no planned economy at all and that until such time as we have a planned economy we'll have the fluctuations up and down in our economy. And the first, Mr. Speaker, the very first group or class although I don't like that word too much 'class' that is affected by this are the producers of those articles which we require and need for a full living.

My honourable friend made reference to the question of the coal industry and John L. Lewis. And unless I'm mistaken, sort of associated the depression in the coal industry to wage rates. I suggest, Mr. Speaker, that he take a look at the coal industry in Canada today. Would he suggest that the depression that they have in the coal industry in Canada today is as a result of the wage rates that are paid in that industry or would he not recognize that the coal industry here and in the United States is undergoing and indeed it was in the States a few years ago, undergoing a change in the light of new methods of application of energy that we have. I suggest, Mr. Speaker, that the changes that we saw and have seen in the coal industry could not be a tribute to wages.

My honourable friend mentions the fact, if I heard him right and I was attempting to listen to him very intently, that ever increasing labour wage rates has an adverse effect on capital expansion. He may not have put it exactly in those words but it seemed to me that that was his point. I'll say to him this: if your argument is valid, if it can be substantiated and I want to come back here to Canada, why is it that in the two provinces which have the highest average wage rates in the Dominion of Canada it is in those two provinces that have the highest expansion of industry and all kindred capital expansions, namely in Ontario and in the Province of British Columbia. That's at home. It's right here.

I say, Mr. Speaker, that insofar as labour is concerned it is not pricing itself out of any market. It has been suggested that wage rates have a reflection on our markets. I refer my honourable friends to the President of the Canada Pulp and Paper Industry in his last speech. I'm sorry, Mr. Speaker, I haven't it with me, I did not intend to take part in this debate this afternoon but I would suggest to the honourable members to take a little bit of a look at it -- it's quite interesting. Here is one of the leaders of one of the greatest industries in Canada saying to spokesmen such as my honourable friends: "Think again of the relationship between labour and management and get down to earth".

And I suggest in my closing remarks this: It is true that through the efforts of union

(Mr. Pauley, cont'd.) ... leaders and organized labour that a better standard of living has prevailed to us all, including all those who are not generally considered in the labouring class. I would suggest that even our doctors, our lawyers; the only exception possibly would be our farming industry at the present time. But I would suggest that as a result of the efforts of labour to receive a fairer share of the national income, to receive a fairer share of their products that we all have benefited. I suggest that the reason that the standard of living is higher on the North America Continent than elsewhere is because of that very, very factor. If perchance the industrialist of both here and south of us is losing markets in many of the underdeveloped countries, I suggest that it's not because we at home here are pricing ourselves out of the market but because at long last, and I agree with them, these countries are starting to produce for themselves. And I'm glad that I as a taxpayer in Canada am helping them to do that through the Colombo plan and the likes of that. I was very interested here just a month or so ago to watch the construction of a huge dam in Pakistan, to assist that country in the production of agricultural products, to assist them in the development of electrical energy. For what purpose, to produce for themselves and to assist them in bringing up the standard of living for the peoples of those countries to ours. And I agree with it most heartily, but I would suggest to industry and to capital that when they're looking at falling markets, don't lay the blame on labour. It has its share of responsibility to high prices, there's no question of doubt, but it's not the only aspect, but to me it's the most vociferous one from industry. Now having said all of this, I suggest this: That this amendment or this resolution is well worthy of the support of all of us because it will only give to those individuals who have no organized spokesman an opportunity at least to come upwards to a fairer share of the products of our country and to receive as remuneration a wage rate which will allow them to at least enjoy some of the comforts that are the privilege of every woman and man in this chamber.

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

MR. PAULLEY: Surely.

MR. GROVES: In your remarks you dealt with what the president of the Pulp and Paper Association had said in a recent speech of his. I was wondering if you would care to comment on some of the speeches that Harold Winch, the CCF member from British Columbia has made after his return from a trip covering a number of the countries that you dealt with in your remarks.

MR. PAULLEY: May I have your permission and the permission of the House to do that Mr. Speaker? Because I would be glad to.

MR. SPEAKER: Agreed.

MR. PAULLEY: You know that to me is one of the most interesting questions. I have been hoping that it would be asked. -- (Interjection) -- Because basically Mr. Winch said what I have said this afternoon. Except, yes in different words, except for this point. I said in my closing remarks -- and I'm addressing this to the press gallery -- I said if I recall correctly, in my closing remarks, apropos of world markets that labour accepts its share of the responsibility. That's what I said and that Mr. Speaker is what Harold Winch said. And that is something that industry has failed to recognize insofar as the ranks of labour are concerned and they've played it up. The simple answer of what Mr. Winch said is what I have given in this House. We recognize our responsibility, we recognize that insofar as our world markets are concerned that they are going down, we recognize that capital and profits and labour have a responsibility in this, and the forces of capital have been belabouring us at any and all occasions in an endeavour to place the responsibility of the high price of those commodities that we export, and all that Mr. Winch said was what I said here this afternoon and nothing else. We accept our responsibilities and we do not hedge nor flinch from them, and further to that as I mentioned to the smiling faces of my friends opposite, and to my friends to the right, that until such time as we have the sense to plan our economy then we will be in jackpots like we are. That is the basic of trouble of industry and capital in this hemisphere, this western hemisphere. They don't know where they're going, they don't know how they're going, they only go on a wing and a prayer.

MR. SCHREYER: Mr. Speaker if I might just enter into this debate for a few moments, the main reason why I do so is because of the question asked by the Member from St. Vital. I know he didn't ask me but I would like to give him an answer in any case, it's in a sense supplementary to the answer given by my Leader. I did not get in touch with Harold Winch directly but

(Mr. Schreyer, cont'd.) . . . through a third person because I was very interested to find out just why he had made this statement which everyone seems so fond of repeating and the fact of the matter is that he did make the statement but he made the statement in conjunction with several other statements, the meat of which was that all the segments of the economy have their responsibility, labour, capital and government. Surprisingly enough -- perhaps not so surprisingly Mr. Speaker the other two segments of the economy which he mentioned were not repeated. However, newspapers and other media of communication took great delight in repeating the fact that he had said that labour did have its responsibility with regard to international trade keeping up the level of the economy and so on. So I would point out that there was more to Mr. Winch's statement than what everyone seems to like to repeat. Now then I do not represent a labour constituency but the people whom I represent I feel know a great deal about the problems that face labour and the fight that labour has carried on in the last twenty years for an improvement in the standards of living for the labouring class as it were. And I see no reason why this resolution cannot be accepted, perhaps with modification, but I see no reason why even in its whole form it is so reprehensible to members opposite. Because the fact of the matter is that Canadian labour is not the main factor in this country -- at least some people are of the opinion that we're pricing ourselves out of the world markets. The first question is, "Are we really pricing ourselves out of the world market?" We haven't had any definite information to think that; we still seem to do fairly well in international trade, we're doing fairly well! Naturally we can do better. Other countries are having their problems, in getting markets too, even though their wage standards might be lower. Now then the Honourable Member for Wellington was quoting some statistics and figures from a publication, I take it it was the United Nations Publication, in any case I have one here, too. I just happened to have it on my desk as he was speaking because I have to do a paper for a class at the university and it's very interesting to make comparison of wages, hours of work per week, cost of living, housing accommodation and all these myriad of factors that enter into it. And I would not, at this time, try to go into any long detail here as to whether or not my friend was right or wrong. I think that he was right to a very large degree but then again he failed to mention two very important things here. First of all, the relation of wages to the cost of living index in the various countries; he did not really explain that. And this is really basic to the problem.

Then too I would just like to digress for a moment and back up my Leader when he made his point that one of the reasons why we are finding it increasingly difficult to export certain commodities to certain places is because of the fact that some of the countries that used to be under-developed are now developing and are fairly well developed. Naturally we can expect greater competition. Let us not make labour, however, the scape-goat for this increased competition we must face because we're going to have more of it. I would like to also point out to honourable members that if they care to go to the library and get some United Nations statistics, world labour organization, industrial statistics and so on, they will find that there is quite a bit of statistics in these publications which make comparisons, comparisons between various countries. And I was particularly interested to find that a comparison was made on the basis of profits of companies in Canada, Australia and various other countries and the rate of profit in Canada was increasing at a greater degree -- to a greater degree than in the other countries. I just jotted down a few particular points here. In Canada for example, and this I think, it does apply very, very properly to the resolution if you want to consider the whole picture, in Canada in 1959, the average corporation profits were up 25% over 1958. Now, don't anybody try and say that shares -- the number of shares increased that much. The point of the matter is this, that per unit share the profit was 25%, slightly less, higher than 1958. And more specifically if you want specific examples, the Ford Motor Company of Canada, profits 50% up over 1958; Hudson Bay Mining and Smelting, 61% increase over 1958.

MR. J. A. CHRISTIANSON (Portage la Prairie): Would you give us the figures to substantiate those percentages, please or do you have them there?

MR. SCHREYER: Well, how do you mean figures?

MR. CHRISTIANSON: Well, the 50% is a very, if I may be permitted to make this observation, is a very meaningless statement unless we know what it is 50% of.

MR. SCHREYER: It's the profit of 1959 over 1958.

MR. CHRISTIANSON: Mr. Speaker the question was, what was the profit in '58?

MR. SCHREYER: Oh, I -- if that's the question, Mr. Speaker, I consider that question to be nonsensical, quite frankly. -- (Interjection) -- I do, I do! And I can explain why. However, I don't think I should burden the House with that. The fact remains the net profit after taxes, 1958 were at such a level, 1959 50% higher. Now what more concrete information do you want?

A MEMBER: How many million?

MR. SCHREYER: Yes, in any case, Mr. Speaker I can get this information. I did not consider putting it down here; the main point that I wished to make was that these profits were going up. In the pulpwood industry as a whole, considering all the different companies engaged in the pulpwood industry, the profits were 128% up. Now as I say I promise to get the actual profits in dollars and cents. However, I don't see the point for him wanting it. In the pipeline business, the profits in one year, '58 to '59 increased 45%; steel industry as a whole, 92% increase. Now after having read out all this, Mr. Speaker, I would make a concession of a sort and say that this need not mean very much but it does mean this, that all those who keep harping at labour for the increase in wages over the last three years, had better keep quiet because the increase, Mr. Speaker, in wages is certainly -- the industries of this country are not letting themselves be outdone because their profits are rising just as proportionately if not more. Now all those who would like to see a stop put to increases in wages would probably I think, would probably like to see wages be cut back. I don't know but I bet you that some honourable gentlemen would like to see wages cut back. Not because of course -- I'll be fair, not because they want to see labour suffer but because they feel, I suppose, they feel that if wages are cut back that this will be an important step towards bringing greater balance back to the economy, and the same old argument.

Now then, surely most of the people in this Chamber are old enough to remember the 1930's. I don't remember them, of course, but I'm a keen student of history, at least I like to think I am, and it's because I'm a keen student of history that I could not ever become a Conservative -- that's why. Well, in any case, Mr. Speaker, in any case I come from a Liberal family, I come from a Liberal family that saw the need for policies such as the CCF has, and so now I'm happy to say, the family is CCF. However, -- but those who are old enough to remember the 1930's, Mr. Speaker, that's the point, surely they recall that labour then was working for very low wages and I ask them was the farmer any better off when labour was making 20 cents an hour? And conversely was the worker any better off when the farmer was selling his wheat for 30 cents a bushel? Was the farmer any better off that the working man could only afford to eat bread with lard on it instead of butter? -- (Interjection: no margarine in those days) -- And conversely was the labourer any better off because the farmer couldn't get up enough purchasing power to buy any industrial goods? Now I fail to see the logic of the argument that high wages are necessarily harmful. They can be but when one considers all the aspects in the economy, one cannot escape the conclusion that governments have very serious responsibilities and if I am a socialist, perhaps here is another reason why I am. Governments have serious responsibilities. In 1948, I don't think there was much dissent then between labour and management as there is now, mainly because there was a form of controls on our prices and so on. And if wages had a fair relationship to cost of living, and if the profits had a fair relationship to investment, and if this fair relationship were maintained through a system of controls, then I think that this economy would be in a much better shape. Now then, when someone here on this side was speaking about the need for planning, I couldn't help but hear someone from over there saying, who's going to do the planning? Well, now you needn't necessarily have a socialist government, Mr. Speaker to have adequate planning because -- (Interjection) -- That's true you don't but in this country we don't have a socialist government and we don't have adequate planning either.

A MEMBER: Hear! Hear!

MR. SCHREYER: Who recognizes this? Not just the CCF but Lester Pearson, the Leader of the Liberal Party, seems to think so too. And then in some countries like Japan where they seem to be doing quite well, industrial economy-wise, they have a National Planning Commission; in Australia they have a planning commission. We don't have anything quite as comprehensive in this country and maybe it would be a good thing if we did. And let this planning commission look after the relationship of prices, wages, profits and investments.

(Mr. Schreyer, cont'd.) ... Meantime, however, let it suffice to say that there is a need for some people who labour for their living to have higher wages, not necessarily unionized people, they're getting the higher wages over \$1.25 but goodness knows, I know a lot of people -- adults, men who support families working for a mere pittance and how they do it, I don't know but they're doing it and I think we do have a responsibility to see that they can earn enough to at least live like men should live -- you can't live by bread alone. And so what is so terribly wrong with this resolution? I fail to see anything in it that cannot be accepted by everyone here.

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