

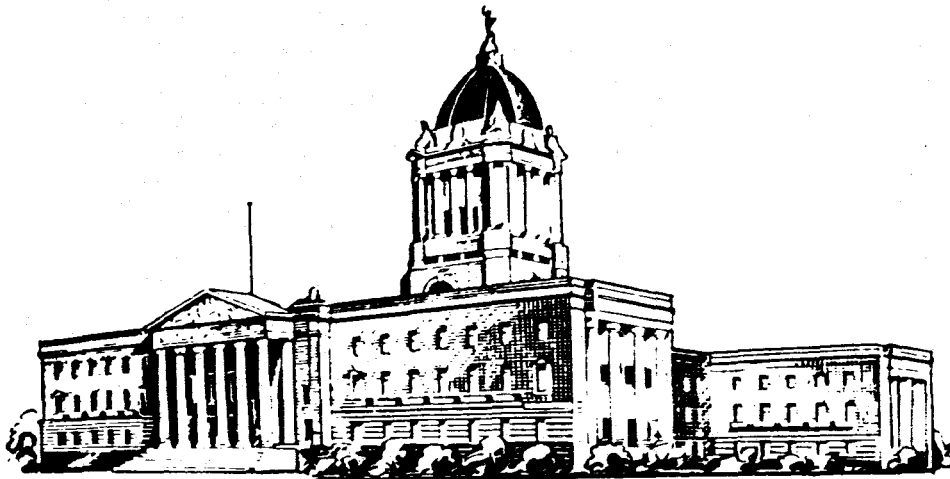


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Ben Hanuschak



Vol. XVII No. 33 10:00 a.m., Friday, April 10th, 1970. Second Session, 29th Legislature.

| ELECTORAL DIVISION | NAME | ADDRESS |
|--------------------|---------------------------|---|
| ARTHUR | J. Douglas Watt | Reston, Manitoba |
| ASSINIBOIA | Steve Patrick | 10 Red Robin Place, Winnipeg 12 |
| BIRTLE-RUSSELL | Harry E. Graham | Binscarth, Manitoba |
| BRANDON EAST | Hon. Leonard S. Evans | Legislative Bldg., Winnipeg 1 |
| BRANDON WEST | Edward McGill | 2228 Princess Ave., Brandon, Man. |
| BURROWS | Hon. Ben Hanuschak | 11 Aster Ave., Winnipeg 17 |
| CHARLESWOOD | Arthur Moug | 29 Willow Ridge Rd., Winnipeg 20 |
| CHURCHILL | Gordon Wilbert Beard | 103 Copper Rd., Thompson, Man. |
| CRESCENTWOOD | Cy Gonick | 115 Kingsway, Winnipeg 9 |
| DAUPHIN | Hon. Peter Burtniak | Legislative Bldg., Winnipeg 1 |
| ELMWOOD | Russell J. Doern | 104 Roberta Ave., Winnipeg 15 |
| EMERSON | Gabriel Girard | 25 Lomond Blvd., St. Boniface 6 |
| FLIN FLON | Thomas Barrow | Cranberry Portage, Manitoba |
| FORT GARRY | L. R. (Bud) Sherman | 86 Niagara St., Winnipeg 9 |
| FORT ROUGE | Mrs. Inez Trueman | 179 Oxford St., Winnipeg 9 |
| GIMLI | John C. Gottfried | 44 - 3rd Ave., Gimli, Man. |
| GLADSTONE | James Robert Ferguson | Gladstone, Manitoba |
| INKSTER | Hon. Sidney Green, Q.C. | Legislative Bldg., Winnipeg 1 |
| KILDONAN | Peter Fox | 627 Prince Rupert Ave., Winnipeg 15 |
| LAC DU BONNET | Hon. Sam Uskiw | Legislative Bldg., Winnipeg 1 |
| LAKESIDE | Harry J. Enns | Woodlands, Manitoba |
| LA VERENDRYE | Leonard A. Barkman | Box 130, Steinbach, Man. |
| LOGAN | William Jenkins | 1287 Alexander Ave., Winnipeg 3 |
| MINNEDOSA | Walter Weir | Room 250, Legislative Bldg., Winnipeg 1 |
| MORRIS | Warner H. Jorgenson | Box 185, Morris, Man. |
| OSBORNE | Ian Turnbull | 284 Wildwood Park, Winnipeg 19 |
| PEMBINA | George Henderson | Manitou, Manitoba |
| POINT DOUGLAS | Donald Malinowski | 361 Burrows Ave., Winnipeg 4 |
| PORTAGE LA PRAIRIE | Gordon E. Johnston | Room 248, Legislative Bldg., Winnipeg 1 |
| RADISSON | Harry Shafransky | 4 Maplehurst Rd., St. Boniface 6 |
| RHINELAND | Jacob M. Froese | Box 40, Winkler, Manitoba |
| RIEL | Donald W. Craik | 2 River Lane, Winnipeg 8 |
| RIVER HEIGHTS | Sidney Spivak, Q.C. | 1516 Mathers Bay, West, Winnipeg 9 |
| ROBLIN | J. Wally McKenzie | Inglis, Manitoba |
| ROCK LAKE | Henry J. Einarson | Glenboro, Manitoba |
| ROSSMERE | Hon. Ed. Schreyer | Legislative Bldg., Winnipeg 1 |
| RUPERTSLAND | Jean Allard | 119 Provencher Ave., St. Boniface 6 |
| ST. BONIFACE | Laurent L. Desjardins | 357 Des Meurons St., St. Boniface 6 |
| ST. GEORGE | William Uruski | Box 629, Arborg, Manitoba |
| ST. JAMES | Hon. A. H. Mackling, Q.C. | Legislative Bldg., Winnipeg 1 |
| ST. JOHNS | Hon. Saul Cherniack, Q.C. | Legislative Bldg., Winnipeg 1 |
| ST. MATTHEWS | Wally Johannson | 15 - 500 Burnell St., Winnipeg 10 |
| ST. VITAL | J. A. Hardy | 11 Glenlawn Ave., Winnipeg 8 |
| STE. ROSE | Gildas Molgat | 463 Kingston Crescent, Winnipeg 8 |
| SELKIRK | Hon. Howard Pawley | Legislative Bldg., Winnipeg 1 |
| SEVEN OAKS | Hon. Saul A. Miller | Legislative Bldg., Winnipeg 1 |
| SOURIS-KILLARNEY | Earl McKellar | Nesbitt, Manitoba |
| SPRINGFIELD | Hon. Rene E. Toupin | Legislative Bldg., Winnipeg 1 |
| STURGEON CREEK | Frank Johnston | 310 Overdale St., Winnipeg 12 |
| SWAN RIVER | James H. Bilton | Swan River, Manitoba |
| THE PAS | Ron McBryde | 56 Paul Ave., The Pas, Manitoba |
| THOMPSON | Hon. Joseph P. Borowski | Legislative Bldg., Winnipeg 1 |
| TRANSCONA | Hon. Russell Paultley | Legislative Bldg., Winnipeg 1 |
| VIRDEN | Morris McGregor | Kenton, Manitoba |
| WELLINGTON | Hon. Philip Petursson | Legislative Bldg., Winnipeg 1 |
| WINNIPEG CENTRE | J. R. (Bud) Boyce | 777 Winnipeg Ave., Winnipeg 3 |
| WOLSELEY | Leonard H. Claydon | 116½ Sherbrook St., Winnipeg 1 |

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, April 10, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

INTRODUCTION OF GUESTS

At this point I should like to introduce our guests in the gallery, and I wish to direct your attention to the Speaker's Gallery where we have with us this morning Chief and Mrs. Gordon Lathlin of The Pas Reserve, in the constituency of the Honourable Member for The Pas.

We also have with us 13 students of Grade 11 standing of the Joseph Wolinsky Collegiate. These students are under the direction of Mr. Shilkowsky. This school is located in the constituency of the Honourable Minister of Mines and Natural Resources and Commissioner of Northern Affairs.

We also have 80 students of Grade 11 standing of the Windsor Park School. These students are under the direction of Mr. Goeghegan. This school is located in the constituency of the Honourable Member for Radisson. On behalf of all the honourable members of the Legislative Assembly, I welcome you here this morning.

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Adjourned debates. On the proposed motion of the Honourable Member for Osborne, The Honourable Member for La Verendrye.

MR. GORDON JOHNSTON (Portage La Prairie): Mr. Speaker, in his absence, could we have this matter stand? (Agreed.)

MR. SPEAKER: On the proposed motion of the Honourable Member for The Pas. The Honourable Member for Swan River. Stand? (Agreed.)

Notices of Motion; Introduction of Bills.

INTRODUCTION OF BILLS

HON. SIDNEY GREEN Q. C. (Minister of Mines and Natural Resources) (Inkster): introduced Bill No. 17, The Manitoba Natural Resources Development Act. (Recommended by His Honour, the Lieutenant-Governor.)

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, I'd like to have this matter stand.

MATTERS OF URGENCY

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

MR. IAN TURNBULL (Osborne): Mr. Speaker, I beg leave that the House do now adjourn to discuss a definite matter of urgent public importance, namely, the contamination of Manitoba waters by mercury, the threat to life that this imposes, and the loss of livelihood that may result from this pollution. And my seconder for this motion, Mr. Speaker, is the Member for St. George.

MR. SPEAKER: . . . informed the honourable member, but I cannot accept a motion at that time. I'm sure the honourable member is aware that it does not comply with our rules.

MR. TURNBULL: My interpretation of Rule 26, Mr. Speaker, and I must qualify what I say because I am a new member, and I'll read Section 26 (1): "Subject to sub-rule 5, leave to make a motion for the adjournment of the House may be asked only after the ordinary daily routine business, to which reference is made in Rule 19, has been concluded, and before the Orders of the Day are entered upon." And I gather from the Orders of the Day which I have before me for April 10th, that we have now concluded the routine proceedings and that we are just before Orders of the Day, and I would think that on that basis, Sir, the motion is in order.

MR. G. JOHNSTON: Mr. Speaker, on a point of order, I believe it's in our rules that there must be one hour's notice given to yourself, Sir, but if it would be of any help to you and it could be done by leave, we in this Party would be willing to grant leave for the debate to take place.

MR. GREEN: Mr. Speaker, I think the honourable member should be aware that the rule requires that, I believe it's one hour's notice be given to the Speaker so that he could examine as to whether such a motion is or is not in order, and we think that it would be a very bad practice to depart from the rule.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I personally would have no objection of having the honourable member debate the question.

HON. ED. SCHREYER (Premier) (Rossmere): . . . problem, Mr. Speaker, if I could speak to the point under consideration. That is, that if the rule requires that the subject matter of the motion be brought to your attention, Sir, and if we depart from that today, and it happens to be a member on this side of the House, it could then be used as a precedent and as an argument by honourable members opposite at some future date, and if we were not inclined to give leave at some future date to dispense with the one hour notice, we could be accused of partisanship of the worst kind; so that being so, I'm inclined to think, Sir, that the point raised by the Honourable the House Leader should be abided by.

MR. WALTER WEIR (Minnedosa): Mr. Speaker, if I may speak to the point of order, I agree fully that it should be abided with, and if the Order Paper follows the way it does or there's an opportunity to speak on the motion going into Supply that the Member for Osborne can speak on, and there are other opportunities of having the discussion if he wishes. I just don't think that we should abandon the principles of our rules that broadly.

MR. SPEAKER: I wish to thank the honourable members for their comments on the point of order. In reading our Rule 26, (2) and (3), (2) which calls for one hour's notice, and 26 subsection rule (3), which places a certain onus on the Speaker, it calls upon him to determine whether the motion is in order and is of urgent public importance, although the Chair well appreciates that the House is master of its rules, but this certainly does not give the Speaker an opportunity to do that which our rules indicate that he must do, and therefore I regret to inform the honourable member that I must rule his motion out of order.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Speaker, my question is addressed to the First Minister. Yesterday in dealing with the estimates, the Minister of Agriculture indicated that Mr. Lorne Dyke who has resigned as Deputy Minister of Industry and Commerce, either did not execute or interfered with the execution of government policy.

MR. SPEAKER: Has the honourable member a question?

MR. SPIVAK: Yes, my question to the First Minister: Is that correct?

MR. SCHREYER: Well, Mr. Speaker, I think that what the Minister of Agriculture was referring to was a situation which I am satisfied existed in the previous administration as well.

MR. SPIVAK: Mr. Speaker, my question to the Minister, to the First Minister, is that the Minister of Agriculture implied that the Deputy Minister did not execute government policy and interfered with the execution of government policy. Now my question to him is a very simple one: Is that statement correct or not?

MR. SPEAKER: I believe the honourable member put his question to the First Minister and the First Minister provided a reply.

The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac Du Bonnet): Mr. Speaker, I just wonder whether it would be advisable for me to again repeat for the House the position on the wheat inventory program before I get questions on Orders of the Day what Manitoba's position is.

MR. SPEAKER: I believe it would be very unwise for a Minister to anticipate questions that are likely to arise before Orders of the Day. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question then is to the First Minister: Can he tell me, as Premier of this province, whether on any occasion he discussed with the Deputy Minister his procedures and operation so that there was any question of any interference with government policy? Was there any directive or discussion with him?

MR. SPEAKER: . . . the honourable member is inquiring with respect to a matter related to government policy?

MR. SPIVAK: Mr. Speaker, on a point of privilege, the Deputy Minister's reputation, his reputation has been tarnished in this House by the Minister of Agriculture, and there is a responsibility on the part of the First Minister to act decisively in this matter once and for all. Now, the First Minister is either going to have to say that the statement is correct or not, because the Deputy Minister's reputation has in fact been challenged in this House.

MR. SCHREYER: Mr. Speaker, I think it's hardly necessary for me to rise on a point of order. Clearly the demonstration of my honourable friend the Member for River Heights for the past minute or two is clearly out of order.

MR. SPEAKER: The Honourable Minister of Health and Social Services.

HON. RENE E. TOUPIN (Minister of Health and Social Services) (Springfield): Mr. Speaker, I'd like to take this opportunity to table the information asked in an Order for Return by the Honourable Member for Morris; this is dated April 7, 1970.

MR. SPEAKER: Orders of the Day. The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I'd like to direct a question to the First Minister. On the trip north this weekend, does he intend to accept what I understand is a request from the people of Snow Lake to come there and hear their side of the story regarding the routing of the new road?

MR. SCHREYER: Mr. Speaker, I will be in the communities of Lynn Lake, South Indian Lake, Thompson, and The Pas, and I'll be happy to hear the views of people of each of these communities.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, my question is for the Minister of Mines and Natural Resources. Has any definite evidence been uncovered by your officials to the effect that there is mercury pollution in the Assiniboine River?

MR. GREEN: Well, Mr. Speaker, I don't want to encroach on territory that is occupied by the Minister of Health and Social Services.

MR. G. JOHNSTON: Well, I redirect the question to my friend the Minister of Health. Is there any evidence of mercury pollution in the Assiniboine River?

MR. TOUPIN: Mr. Speaker, I can't make a statement at this time. I hope to have the information within hours.

MR. SPEAKER: The Honourable the Attorney-General.

HON. AL. MACKLING Q. C. (Attorney-General) (St. James): Mr. Speaker, I rise to give fuller answers to questions that were posed in the last several days. One question dealt with the unfortunate death of a lady in the Fort Rouge area wherein a juvenile had been involved. My information is that I may disclose some particulars but certainly not such as would clearly indicate the name or the identity of the young juvenile involved. My information corroborates what I gave to the House in information the other day as to an application having been made for transfer to adult court. That application having been not accepted by the Juvenile Court judge, trial proceeded, the juvenile was found to be delinquent and was placed in custody for a period of three years with a period of two years' probation to follow.

In respect to a question from the Honourable Member from Rhineland in respect to the costs to the Crown of the prosecution to date of the accused persons involved in the fatality of Constable Shakespeare, it has to be kind of an estimate because of the fact that Crown counsel are paid annually and you have to work out a time evaluation of their salary and so on, but the costs estimated by my department to date in connection with that matter, approximates \$11,000. However, this doesn't include overhead costs of the court's services, that is the court space and so.

I also had a query in respect to the cancellation of a liquor licence in the city of St. James-Assiniboia, and the information I have confirms that the cancellation resulted from a failure of this operation to meet the requirements laid down by the Liquor Control Board. I understand that the people, however, are making application for a review by the Ombudsman.

MR. G. JOHNSTON: A supplementary question with respect to what the Minister calls "a cancellation" of a liquor licence. Is it a cancellation or a suspension?

April 10, 1970.

MR. MACKLING: I'm not sure whether the terminology is "cancellation" or "suspension". It takes away the right to sell liquor and I would assume that it's "cancellation".

MR. BUD SHERMAN (Fort Garry): A supplementary question, Mr. Speaker, to the Honourable the Attorney-General. I would like to thank him for his information on the first matter dealt with in his remarks a moment ago, and ask him if he can advise the Chamber as to the date when the three-year period of detention for the juvenile in question began.

MR. MACKLING: I'm not sure. I'll see whether my notes indicate a specific date and I'll give it to my learned friend. Did you wish this given to the House or would you be satisfied if I gave it to you separately?

MR. SHERMAN: No, I'd be satisfied if I got it privately, Mr. Speaker.

MR. GREEN: Mr. Speaker, I'd like to lay on the table a Return to an Order of the House No. 1 on motion of the Honourable Member for Roblin.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Second reading. Bill No. 15. The Honourable the Attorney-General.

MR. MACKLING: With leave of the House, I would like this matter to stand. (Agreed.)

MR. GREEN: Mr. Speaker, would you call Bills No. 27 and 28 - adjourned debates on second readings.

MR. SPEAKER: Adjourned debates on second readings. Bill No. 27. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, may I have this matter stand? (Agreed.)

MR. SPEAKER: Bill No. 28. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I've had an opportunity to examine the Bill and, as the Minister has explained, this is merely to amend the district covered by The Mining and Metallurgy Compensation Act. I believe it is quite in order and we'd be prepared to support this Bill.

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

HON. SAUL CHERNIACK Q. C. (Minister of Finance) (St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Osborne.

MATTER OF URGENCY

MR. TURNBULL: Mr. Speaker, there are some matters which I think are a matter of conscience, of deep and profound personal conscience, which any member of a Legislative Assembly should speak on regardless of Party affiliation, regardless of his position in the Legislature, and the matter that I would like to speak about today, Mr. Speaker, is one of life and death. It is one which is a threat to the life of many individuals; it is one which is a threat to the livelihood of hundreds.

I think, Mr. Speaker, that in the past we have been amply warned of the problems of pollution, and we have today in Manitoba, because of the physiology of the province, we have a problem which threatens to pollute practically the whole watershed of Manitoba. We have pollution coming from Ontario apparently, apparently coming from Saskatchewan and apparently coming from the United States. And the type of pollution I am referring to, Mr. Speaker, is that of mercury pollution.

Now I don't think that the previous administration nor the administration now in power can be faulted for their action or lack of action on the matter of pollution, but we have all been amply warned on public affairs programs, in the newspapers practically every day, in scientific journals, in other learned journals published in the English language - material which we all have access to. But we don't need to go to these rather exotic sources of learned journals to find the kinds of information that would make the issue that I raise today one of the great concern to all legislators. We need only go to that article which the Member from Lakeside brought to our attention the other day and which I'm sure we all read on April 8th. It was an

(MR. TURNBULL Cont'd) . . . editorial in the Winnipeg Free Press called "Mercury in the Water," and to indicate to those of you that may not think pollution is a serious problem, I would like to read a few excerpts from that article. "Between 1956 and 1960" the article says, "43 residents of Minamata, Japan were killed and 68 others were hideously crippled by mercury poisoning." That in itself, Mr. Speaker, should be ample warning to legislators in all states, in all provinces, in all countries. And the article continues: "In 1966, the Swedish government banned the use of mercury fungicides after discovering high contamination levels in soil, water and fish." The article continues, Mr. Speaker, with other points which I hope to raise a little later.

Now I would have preferred, of course, to leave this matter to the opposition to raise, but what I have found, Mr. Speaker, is not an opposition which seems to be concerned with this kind of problem. We have an opposition - the member for Lakeside for example - who in his usual casual and flippant way raised the issue of pollution the other day by quoting this article from the Winnipeg Free Press.

MR. HARRY ENNS (Lakeside): We may just also be worried about the state of the fishing industry and a couple of thousand people who are dependent on . . .

MR. TURNBULL: That's right; that's what I'm raising.

MR. ENNS: And I'm prepared to let the Minister take a responsible course. . .

MR. TURNBULL: . . . if you'd like to raise this point then you can raise it. Okay.

MR. LAURENT DESJARDINS (St. Boniface): In the meantime, just sit down.

MR. TURNBULL: I must point out to you, Mr. Speaker, that this matter of pollution is, as I said, a matter not only of urgent public importance, but a matter of deep personal conscience, not only for me but I would hope for everybody in this House. And the opposition I gather, Mr. Speaker, is not prepared to raise it in the manner that it should. It would prefer to catcall, it would prefer to be flippant, it would prefer to be pompous, and it would prefer most of all, Mr. Speaker, to be indifferent.

Now I gather, Mr. Speaker, that the level of mercury pollution in our waters is regulated by Federal standards. According to our own Minister of Mines and Natural Resources, the Federal health authority does not permit the sale of fish which contains more than .5 parts per million of mercury. Now the World Health Organization has a slightly different standard. The standard of the World Health Organization has been set at .05 parts per million. That is the level that that organization considers safe for human consumption. Now there may be some reconciliation between these two standards, but it would seem to me that that of the World Health Organization is perhaps the one that we should adopt in this province, particularly because of our geographic location and particularly because of the fact that the waters from other areas drain into the Manitoba watershed.

The problem of mercury pollution is one which creates severe problems for those individuals living in the North, and I would have thought that the matter would have been raised on their behalf by members that represent those people, because we've heard here in the House that the eating of more than one meal per week of this kind of contaminated fish may constitute a health hazard. Now it's been some years since I've lived in the North, but I would understand that there are many individuals in the North that eat more than one meal of fish per week. As a matter of fact, I would think that their level of fish consumption would be one meal per day or more. And these individuals, Mr. Speaker, may not be made aware of the new problem created by the increase in mercury pollution, may not be made aware of the statement made in this House by the Minister of Mines and Natural Resources.

The Clean Environment Commission in Manitoba is the agency which normally controls and regulates industries which may pollute. As far as I can ascertain, Mr. Speaker, this Commission under its present legislation does not have power to act with the decisiveness that may be necessary to counteract lethal pollutants going into our water, our land and our air. As I understand the operation of that Commission, under the Act of 1968, there was a possibility of two time lags. The first comes after the pollutant is discovered, and it takes some time apparently before the Commission may decide to investigate. That's the first time lag. Then, after the Commission investigates, and I'm not sure that it has all the kinds of scientific techniques available to it, after the Commission investigates, they may issue an order, and then on receipt of the order, if the industry concerned does not desist from polluting, then the industry may be taken before a magistrate, and we have another time lag.

Now if the pollution is low level, that kind of procedure I suppose is adequate to protect

(MR. TURNBULL Cont'd) . . . the interests of all concerned, but if the level of pollution is high and if the pollution is lethal, that procedure is just ludicrous because we might have, as happened in Japan, we might have deaths, we might have hideous crippling as a result of this kind of pollutant from industry. Now, Mr. Speaker, it would seem to me that that legislation regulating the operation of the Commission, that the regulations of the Commission should be changed in some way to allow it to act much more quickly, not only to detect but to prevent pollution from occurring.

I would also wonder, Mr. Speaker, just what kind of scientific capability the Commission might have. There are a number of methods apparently, according to the article in the Free Press, a number of methods which are useful in detecting this type of pollution which I'm discussing primarily, mercury pollution, and perhaps we could in the future hear just what the capabilities of the provincial department are in this regard.

The article says that there are three methods for detecting mercury in fish. There's nuclear activation, atomic absorption, spectrometry and color spectrometry. Now, of these three methods, the first is the most adequate - it also takes the longest apparently - and the last is the less accurate of the three. The second method apparently is used at the Fisheries Research Board of Winnipeg. But, as the article points out, that agency is federal and these were provincially caught fish.

And then at this point, Mr. Speaker, I think we come to the point raised by the Member for Lakeside who wanted to know what the state of cooperation was between provincial and federal agency. And as an indication, I think, Mr. Speaker, of the attitude, of the casual, callous attitude taken by members of the Legislature towards this problem of pollution, when the member from Lakeside raised that point about cooperation between federal and provincial agencies, someone - and I was unable to detect who - suggested a love-in. Somehow this was connected to cooperation between federal and provincial agencies. Now, Mr. Speaker, the problem I think is not only one of federal-provincial cooperation, but it's a problem of attitude, and I only raise this point, Mr. Speaker, to bring home to the members as well as I am able, the potential danger involved here, the seriousness of the problem of pollution, and the need for a changed attitude. Because, Mr. Speaker, if the members here are representative and therefore informed, from watching public affairs programs, they will know that the main problem in dealing with pollution is that we tend to think in fragmented sections. We tend to think of industrial development, as the member from River Heights, or we tend to think of the problem of social development of particular people, or we tend to think of certain technological advances. We don't think of the total mega-problem, and I don't really know how individuals can be brought to realize just how serious pollution is. It would appear that all the articles in the newspapers, all the articles in the learned journals, and all the newscasts on radio and TV, all the public affairs programs, have no effect, because members here and members in other assemblies continue on their peaceful and callous way, while people may be deprived of livelihood and may be deprived of life.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. WEIR: Mr. Speaker, would the honourable member permit a question? Would the member permit a question? Is the honourable member dissatisfied with the steps that were being taken as announced by the Minister of Mines and Natural Resources in the House earlier this week?

MR. TURNBULL: I'm dissatisfied with the attitude of the members of the Assembly.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, would the last speaker permit another question? Would he not think that we should take steps to protect the school children of Manitoba against the belligerence, the arrogance and the ineptness which he has displayed in this House today?

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: I wonder if the honourable member would permit a question. Could he inform the House whether in his capacity as an Executive Assistant to the Premier or as a Parliamentary Assistant . . .

MR. TURNBULL: I'd like to correct that. I'm not an Executive Assistant.

MR. SPIVAK: Well, no, you're not paid a political . . . Anyway, in his capacity in government he's had an opportunity to discuss some question of pollution with a member of the Department of Industry and Commerce who sits on the Clean Environment Commission.

MR. TURNBULL: Mr. Speaker, the opportunity has arisen, and I have not taken advantage of it. My remarks again, Mr. Speaker, were based on my attendance at the National Convention on Pollution, I think in the Fall of 1967.

MR. SPIVAK: Mr. Speaker, my question to the honourable member. Would it not have been wise for you to at least discuss this with him before any challenges were made to the Opposition, or even to the government, in connection with this?

MR. TURNBULL: Mr. Speaker, I think that the Member from River Heights has proved my point. I am concerned not with the whys, I'm concerned with preserving life and preserving jobs for individuals.

MR. WEIR: Mr. Speaker, would the member permit another question? I'd be interested to know how a matter of urgent public importance could arrive on a matter that he has been jelling in his mind since 1967.

MR. TURNBULL: I was only recently elected.

MR. G. JOHNSTON: Would the member permit another question? Has he read recommendation No. 3 of the Northern Task Force?

MR. TURNBULL: I'm aware of that, Sir.

MR. G. JOHNSTON: Well then, you must look to the action people . . .

MR. SPEAKER put the question and after a voice vote declared the motion carried, and the House resolved into Committee of Supply with the Honourable Member for Elmwood in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: We are now dealing with the Department of Agriculture. The Member for River Heights. I'm sorry, the Minister, I suppose is still . . .

MR. SPIVAK: I'm sorry, I believe that the Chairman did recognize me and I believe I have the floor.

MR. CHAIRMAN: Well, perhaps I'll stick with my earlier -- I'm sorry.

MR. USKIW: Mr. Chairman I did not complete my remarks last night and I want to continue.

MR. SPIVAK: I'm sure, Mr. Chairman, that the Honourable Minister of Agriculture would like to go for the remaining 50 hours and use up all the time and therefore protect all the other ministers who are waiting patiently to be able to present their estimates, particularly the Minister of Transportation.

MR. USKIW: On a point of order, Mr. Chairman . . .

MR. CHAIRMAN: Order please.

MR. USKIW: I was interrupted by the clock when I was speaking . . .

MR. SPIVAK: Well that may be, Mr. Chairman. This happens to be a committee meeting; you've recognized me and I'd like to have the opportunity to continue.

MR. CHAIRMAN: I must apologize to the Minister but I did recognize the member and I think we'll allow him a few moments.

MR. SPIVAK: Thank you, Mr. Chairman, --(Interjection)-- Arrogance? Arrogance is there. Well, Mr. Chairman, I just have a few remarks to the Honourable Minister and in the long dissertation that I expect will be forthcoming from him, I would like some additional clarification. I've already indicated that I think it's rather unfortunate that the Deputy Minister of Industry and Commerce, who is resigning from the service, has been brought into the debate on the Agriculture estimates. I think, as well, that the Minister of Agriculture owes an apology to him and owes an apology to this House. Now, you say sit down, I'm not going to sit down nor are you going to hear the end of this if you keep talking this way, because you implied in your statements that if he doesn't carry out your directions that he should leave. Now -- oh yes you did: oh yes you did. Well I think -- let me continue, Mr. Chairman.

MR. USKIW: Mr. Chairman, I didn't say that at all. I said that if it was uncomfortable for him to comply with policy, then the choice was his.

MR. SPIVAK: Mr. Chairman, I am going to suggest that the Hansard will show that he said that "if I can't rely on a civil servant to follow my directions that I provide for him, then we have to part company." Now, Mr. Chairman, this is very important. The Minister of Agriculture is not responsible nor is he over the Deputy Minister of Industry and Commerce. And the Minister of Agriculture is not the Premier of this province. Now, Mr. Chairman --

April 10, 1970.

(MR. SPIVAK Cont'd) . . . I'm sorry, I'd like the Minister of Agriculture to sit down for a few moments. He'll have plenty of opportunity to reply. That was an uncalled statement. It's not his responsibility and it would seem to me that in the interests of clarifying this matter, because a civil servant who has given years of service, years of good service to this province, has had his reputation tarnished by the Minister of Agriculture who holds no responsibility for his years of service and who is not in any way directly responsible for the carrying out or the execution of government policies by that Deputy Minister. This was introduced by the Minister of Agriculture, it was not introduced by the opposition, and I think that this has to be clarified. I think as well that many of the statements that the Minister has made with respect to the suppression of the Department of Agriculture, in which he sort of glibly makes the statement and then starts to tie it in with some general statements that he made while in opposition, and he may very well make among some groups in the farm community, have to be clarified once and for all, because if it's not the intention of the Minister to do it now before the estimates, there will be ample opportunity on the hustings for him to do it because his time has come, and I suggest to the Minister that the time has come for the Minister of Agriculture to become much more mature and more responsible in his capacity as Minister and not to try and cloud over the very real problems in connection with the farm situation, and particularly with the sale of wheat, and to try and in any way suggest that either the former Deputy Minister or the former government in any way, in carrying out their functions, suppressed the development of agriculture in this province, because that is far from true. And he has no proof of this. And I suggest, Mr. Chairman, that there's an obligation, and I will wait because there is an opportunity for him to do this, to now, you know in an explicit manner, indicate the following: First, the Deputy Minister of Industry and Commerce was not his responsibility. --(Interjection)-- You said. You said, and I suggest to you that Hansard will show that you said, "If I can't rely on a civil servant to follow a directive that I provide for him:" well I'm going to suggest to you that you don't provide any directive to the Deputy Minister of Industry and Commerce.

MR. USKIW: Who said I did?

MR. SPIVAK: Well you did.

MR. USKIW: No, I never.

MR. SPIVAK: You said -- yes you did.

MR. USKIW: No.

MR. SPIVAK: Look, Mr. Chairman, when Hansard comes out and we may have an opportunity, we may or may not be on the estimates of the Department of Agriculture, but I want you to say -- there's one thing. There have been many occasions in which many members of the opposite side have continually said, "Well, the press reported me incorrectly. I didn't say it. What I really meant to say was something else," and then we have all the qualifications and all the variables that go into it to try and back away from some of the statements that have been made which are unworthy of him. And I'm suggesting again that the statement that I've repeated will, in the main, in the substance, be in Hansard and I am suggesting --(Interjection) --Well we'll see, and if it is then I want an undertaking that it will be withdrawn by the Minister of Agriculture, and if it will not then I suggest that in handling himself here in a rather unusual way he has, as I suggested, tarnished the reputation of the Deputy Minister.

Now I've had an opportunity to try and check whether there is a precedent here in this Legislature or even in the House of Commons with respect to the functions of another Deputy Minister, and I've to try and find out whether a Minister has ever in any way imputed the motives of a Deputy Minister of another department. And I must say that I have only had a brief time to cover this but I do not believe that there is a precedent in this Legislature and I do not believe that there is a precedent in the House of Commons, and I'm suggesting that he has breached in a very real way his responsibility as a Minister of the Crown in connection with the activities. If the Premier has anything to say, let him stand up and say it, and if the Premier believes it then let him say it, but for him and for the Premier to be silent at this point, and he was silent when the questions were asked before and I suggest he'll be silent now, for him not to in any way refute the statements of the Minister of Agriculture, is in fact a rather unusual and a sad state for the running of our departments. Now no one quarrels with the right . . .

MR. CHAIRMAN: . . . the member before he continues at too great length, that he is certainly in order to I suppose shed new light on the matter, but I would remind him that this debate did take place yesterday and that there is a question, I think, of repetition, and I would

April 10, 1970.

785

(MR. CHAIRMAN Cont'd) . . . simply urge him not to repeat all the arguments that were carried on both sides of the Chamber last night. So I would ask him to continue but I would ask him not to simply belabour the point.

MR. SPIVAK: Well, Mr. Chairman, I again suggest that the question of the Deputy Minister of Industry and Commerce's involvement in the Department of Agriculture and the remarks that were made in connection with him and the manner in which his reputation has been brought into this discussion, came entirely from the Minister of Agriculture and not from this side. He took it upon himself during his estimates to make a statement. It was irresponsible; it was unnecessary; it was unwise; and I think it would take a great deal of courage on his part to stand up and say that he made an error, but I think it would be far better for him to do that or it would be far better for the Premier of this province to do that, so that the civil servant who have given so many years of service to this province can leave without his reputation being tarnished by a rather ridiculous performance by an immature irresponsible Minister of Agriculture, who can in fact not back up his statements and who now suggests that he didn't make it and I challenge him, when the Hansards come forward, to say that the Hansards are incorrect. And if they represent what I suggest, then I think an apology is due to the Deputy Minister.

MR. CHAIRMAN: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable the Member for River Heights who farms, apparently, farms out of River Heights or Tuxedo somewhere, has entered into debate on the estimates of the Department of Agriculture and I suppose it would be in order for me to say a few words about the question which has been raised, that is the relationship, the long-standing relationship that exists as between the senior civil service and Ministers of the Crown. And it's an important question.

Let me begin by saying that the Member for River Heights doesn't have to try to fool anyone. It is common knowledge that there has not been a smooth and easy relationship over the years between the Department of Agriculture and the Department of Industry and Commerce. And that shouldn't surprise anyone in particular. I don't think anyone here really believes that government, which has to cope with a multitude of issues and problems, that those who make up the government are in complete accord and agreement on each and every facet of policy formation. And sometimes and from time to time, Ministers disagree on issues and on detail, and it's ultimately resolved. And from time to time deputy ministers disagree, and before any public pronouncements are made on policy these disagreements have to be resolved.

Now, with respect to the question that is being debated now as to whether or not there was any disagreement between the Departments of Agriculture and Industry and Commerce, I say quite frankly that there has been disagreement, particularly on one issue, and that is whether or not any department of the Provincial government should be encouraging corporate entry into agriculture. Now maybe other governments would have a different policy position on this, but this government has a very clear position and that is a position of simply not encouraging corporate entry into agriculture, and we have advised all departments concerned that we do not want any department of this government, directly or indirectly aiding and abetting corporate entry into agriculture. And I don't mind telling the world that this is our firm policy position. Now I believe that this was a burning issue in the previous administration between those two departments, Agriculture and Industry and Commerce, and the Member for River Heights who is a former Minister of Industry and Commerce cannot tell me, because I won't believe him, if he tries to imply that there was harmony between himself and the Minister of Agriculture or between the Deputy of his department and the Deputy of the other department.

Anyway, I do concede this much, that whatever differences of opinion and view there are should be resolved within the executive branch and not made much of in the Assembly or by way of public statements. In the short time that I was Minister of Industry and Commerce, I did take pains to lay out as clearly as I could the policy position of this government with respect to corporate entry into agriculture and I said that the Department of Industry, or any other department of this government, was not to encourage it, in fact was to discourage it. And there seemed to be some difficulty in understanding exactly what the policy position of this government was --(Interjection)-- I explained it very clearly, but the habits of years are hard to overcome in a few months.

MR. SPIVAK: . . . he did not execute that policy?

MR. SCHREYER: Well, I'm not going to get involved in a . . .

April 10, 1970.

MR. SPIVAK: No, you won't answer that. It's either yes or no - he either executed it or he didn't. If he didn't execute it, then that's fine. If he did execute it that statement and your statement isn't justified.

MR. SCHREYER: All right. The Member for River Heights asks whether or not, once this policy was enunciated by this government whether or not it was abided by, in effect, --(Interjection)--Right. And I must say that I was given to understand that it would be abided by and I felt that it was, by and large, but on one or two incidents - and I'm not faulting anyone because these things can happen - on one or two incidents there was a statement made by someone in the department which could have been interpreted as one of encouragement for corporate entry into agriculture, and this did not coincide at all with our policy, and the hackles of the Minister of Agriculture were raised.

A MEMBER: We raised more . . . than the Minister of Agriculture.

MR. SCHREYER: No, but there is a very crucial issue here, Mr. Chairman, and that is, what is the right policy for a provincial government to follow with respect to agriculture? --(Interjection)--Well of course yes, but that's another issue and I want to deal with one at a time because I want it clearly understood, I believe it is now clearly understood, that there is to be no, absolutely no encouragement by any department of this government for corporate entry into agriculture. In fact, if it were simple and easy to do, I suggest that we should be following the practice that has been followed in the State of North Dakota and that is that by law, by law there is a complete prohibition on corporate entry into agricultural production. I believe this is the way it should be.

There is no serious problem at the present time, Mr. Chairman, in that the departments of this government know clearly that this is our policy and they are abiding by it, and should any problem arise it would be only because the Member for River Heights insists on raising the matter time and again. It's a problem that he encountered when he was Minister of Industry, but I think he was less successful, he was less successful than the incumbent in making it clear that the Government of Manitoba was not to use any of its money or any of its energies or talents of its civil service to promote corporate agriculture. We're certainly not going to promote corporate agriculture because it is not only inimical but directly contrary to the interests of Manitoba farmers.

MR. SPIVAK: I wonder if the Honourable Premier would permit a question then. I wonder if he'd indicate to the House whether it was the government's intention, in view of the statement, had Mr. Dyke not resigned, to fire him.

MR. SCHREYER: Would the member repeat the question because . . .

MR. SPIVAK: Yes, I'll repeat the question. Based on the statements that he's made, I would ask the First Minister to indicate to the House whether, if Mr. Dyke had not resigned, it was their intention to fire him.

MR. SCHREYER: Well, Mr. Chairman, in recent weeks, recent months I've had no reason to think that the gentleman in question was not prepared to follow this general policy of direction. I had no reason to think so or to believe that, although to give as much information as possible to honourable members, I must say that there were one or two minor incidents in which statements were made from the department which seemed to be at cross purposes with our major policy position and we checked them out. I'm sure this could have been resolved. But that kind of problem or difficulty of having two departments appear to be working at cross purposes is nothing new; it's existed ever since civil government has existed, and I'm wondering why the Member for River Heights is trying to make so much of it.

MR. SPIVAK: It's a very unusual position, Mr. Chairman, with the Premier's remarks, for this reason. First of all he has indicated that he accepts the position that the Deputy Minister, as other civil servants, are professionals, and their responsibility is to carry out and execute the policy as determined by the government. No one quarrels with that. We understand that. He's indicated as well that there were some differences of opinion between the Deputy Minister and between himself as Minister of Industry and Commerce with respect to a particular policy. But he also indicated that the Deputy Minister did carry out the policy, and I see nothing wrong with that. Now on that basis, the Deputy Minister now having resigned, why has it been necessary for the Minister of Agriculture to refer at least on five separate occasions in the debate to the manner in which the Deputy Minister carried out his functions, to the fact that "if I can't rely on a civil servant to follow directives that I provide for him we have to part company," suggesting that the parting of company was going to come in any case,

(MR. SPIVAK Cont'd) . . . and there's another statement and I don't have the details of it in front of me - he's shaking his head in agreement - why has it been necessary for this to happen because it becomes fairly obvious that when we were in government or whether you are in government now, there will be differences of opinion in the formation of policy, but I can say this about Mr. Dyke, and I can say this about the other members of the Department of Industry and Commerce, because those are the ones I know, there was never any failure on their part, because they were professionals, to execute the policy as determined by the government whether they agreed with it or not, and this is how the Civil Service functions. And I regret very much that, instead of dealing with this in a forthright manner, that we have had to have the debate in the manner that has taken place.

I fully understand the explanation of the Premier and it's very interesting to hear him refer to the question of corporate development in the field of agriculture. I really wonder whether, under a close scrutiny, under a clear light, if an analysis was made of the way in which the Department of Industry and Commerce was forced to operate by some of the directors of government, whether in fact there may not have been a very real violation rather than the carrying out of the basic format in which way the Civil Service should have been run, and whether in fact there have not been some things that will not necessarily stand under a clear light of examination. And I suggest this because it seems to me that if we really wanted to get into this and we really wanted to understand how the Minister has functioned within the department and the way in which he's handled himself, we'll find that the Minister has in fact violated some of the basic traditions of parliamentary responsibility and government responsibility in the handling of the Civil Service and in carrying out the functions of his department.

MR. SCHREYER: Be more specific.

MR. SPIVAK: Well, I am going to be as specific as the Minister of Agriculture has been in his charge, and if we want to get down to an examination of this, clearly I'm prepared to come forward and I'm prepared to produce evidence and I'm prepared--(interjection)--Well, I'll do this one. You're prepared to in fact have this kind of examination. I didn't make the issue; the issue was made by the Minister of Agriculture. He's the one who made the issue, not me. Now I say once and for all, having said this, it was an unwise comment on the part of the Minister of Agriculture. The Premier's statement only clarified this to a certain extent. It would have been far better and far wiser for the matter not to have been brought up in the way it has, because there are obviously going to be others who are going to leave the government service in the months to come, possibly some much quicker than many members realize, and many of them are going to leave to a large extent because they are not wanted by the government, because in effect there will be attempts through one way or another to get rid of them, and that there will be a course of action conducted by some of the Ministers, not so much because of the fact that these people are not executing policy, because they will execute policy, but the fact of the matter is that fundamentally there's some disagreement philosophically, and in the fuzzy way in which you are trying to deal with the basic issue before you and in the confusion that exists both within your Cabinet and caucus as to taking responsibility on issues, you're going to have this come up again and again, and it would be far wiser, Mr. Chairman, for the incidents that have occurred in the past few days not to occur again, and it would be far wiser in the interest of the people who have been working so hard for Manitoba, to allow them to go in peace. And it would be far wiser, and of course a much better decision, for the government to make a decision instead of allowing and pressuring and through other means to try and force some of them whom they do not like because they do not agree but they nevertheless have still executed the policy of the government, to at least allow them the freedom to be able to leave without this pressure and without having their reputation tarnished.

MR. SCHREYER: Mr. Chairman, the fuzziness and confusion which the honourable member refers to exists, but it exists in his own mind; that's where it exists, because the policy of this government is quite clear, and certainly it's clear on this specific question under discussion. The policy of this government with respect to agriculture and whether or not corporations, non-farm corporations should be encouraged to penetrate even more into agricultural production, the policy is very clear and all departmental staffs have been advised, and save for one or two incidents, admittedly minor, there has been adherence to it so that there is no basic complaint that I have to voice in that regard.

My honourable friend the Member for River Heights surely should want to be frank and candid enough to admit that the kind of problem, difference of attitude as between the Department of Agriculture and the Department of Industry and Commerce on this specific question,

(MR. SCHREYER Cont'd) . . .

has existed for years. It has existed for years and I am completely satisfied that in the previous administration there was something less than harmony between the Minister of Industry and Commerce, the previous Ministers of Agriculture and their deputies on this specific question, except it never happened to be debated or discussed in this Assembly and --(Interjection)--perhaps it was. I don't know I wasn't here in the past three or four years. So it existed, and I don't think it's the particular fault of the past administration. No one, as I said, no one expects there to be complete unanimity of view and approach within an administration that consists of 13 or 14 Ministers, an equal number of deputies, and many hundreds of other senior civil service personnel. We encountered that difference of attitude between certain officials of the two departments in question. I think we resolved it but we resolved it only after a few months of protracted discussion on it and memoranda back and forth; and we finally got resolution on the matter. I can't say that anyone has refused to operate within the guidelines of the policy set forth by the government but, you know, some adhered to it with more enthusiasm and others with less. Now is that so terrible? I think that's to be expected. If someone really doesn't believe in a particular policy position, he can't work within that policy framework with enthusiasm; all he can do is muster up his professionalism and do the best he can. Now there's nothing serious about that either.

I want to dispel from my honourable friend's mind any notion about relations being so impossible that we were actually wishing that person to leave. Certainly that would be incorrect; incorrect because I happen to have been Minister for that Department and I was satisfied that we could have carried on for many months and years.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Chairman, I don't want to get deeply involved in this debate but I just want to say, Mr. Chairman, that I do take exception to the remarks of the First Minister when he infers that a conflict existed between myself and the Former Minister of Industry and Commerce. This is not correct. No conflict ever existed between myself and the honourable member who has just spoken, or any other Cabinet Minister. Insofar as the Department of Agriculture is concerned, we proceeded to do what we felt was right in the interest of the people of the Province of Manitoba and particularly the agricultural industry, and if my honourable friend would proceed in the same direction and try to bring the same harmony as I did when I was Minister between the agra people and the producers in this province, there would be no problem at all whatsoever in it now, and I say to my honourable friend that if we were still the government of that side that the Deputy Minister of Industry and Commerce, Lorne Dyke, would still be in his office, and I want to point out to him that insofar as the Department of Agriculture is concerned - and I said it a moment ago - we proceeded in what direction we saw fit to and what was right, and I refer to the establishment of marketing boards in the case of the turkey industry, in the case of the broiler industry. I don't say that it was in line exactly with the thinking of some areas of . . .

MR. SCHREYER: . . . have the same view on marketing boards . . .

MR. WATT: I want to tell my honourable friend that we resolved the problem between us, and if he wants to talk about conflict within a Cabinet, he better take a look around that clutter that he's got over there. Well, Mr. Chairman, I'm sorry I said "clutter" because I have a great deal of respect for some of the Cabinet Ministers and some of the backbenchers on that side of the House, Mr. Chairman, but I want to point out to him that if he wants to talk about conflict, take a look around his caucus. What about the Member for Crescentwood? What about the Honourable Minister of Transportation? The Flintstone. The Flintstone from Thompson who daily stands up and hurls insults for answers across to this side of the House that could only emanate from the Stone Age. I want to ask him how he's getting along with his department, with his Cabinet.

MR. SCHREYER: Mr. Chairman, perhaps we're digressing somewhat from the discussion of the estimates of the Department of Agriculture, but I want to say to my honourable friend the Member for Arthur that if there was no conflict in the previous administration, then surely that government must have been unique, unique in the free world, because I would like to assert that I really believe that any government that has strong men with strongly held views will have conflict, and the whole point of cabinet meetings is to resolve differences of attitude and approach and come up with a consensus. Every government . . .

MR. WATT: I did say that there were areas that we weren't in agreement from time to time.

MR. SCHREYER: Conflict, Mr. Chairman, conflict is part of the - what's the expression? - the warp and woof of civil government, and that's why you have to have so many meetings and briefings and seminars and discussions, so that a consensus can be arrived at. Now the Minister of Agriculture, the former Minister, the Member for Arthur, he can try and paper over all he likes allegations whether or not there was conflict in the previous administration. If there was, I wouldn't have been surprised and I wouldn't have faulted the previous administration for it.

The honourable member mentioned marketing boards and certain legislation that was passed by the former government with respect to agricultural products marketing boards. The Member for Arthur cannot really stand in his place and want us to believe that there was complete harmony of approach as between Industry and Commerce and Agriculture on the question of agricultural marketing boards.

MR. WATT: Mr. Chairman, again on a point of privilege. I stated we resolved the problem.

MR. SCHREYER: Oh. You resolved the problem after some conflict, which is - I agree - this is the way the government works. There was some difference in attitude and approach on the question of marketing boards. I know for a fact Industry and Commerce had a different attitude than Agriculture and should that be so surprising? There was conflict; it was finally resolved. The Member for Arthur is quite right. I believe him completely when he says it was finally resolved. Well, it was resolved in the sense that a cabinet position was struck and legislation was introduced, and that's exactly what is the case with this government on this issue of corporate entry into agriculture.

MR. SPIVAK: Then why bring the Deputy Minister in?

MR. SCHREYER: That is a question which I am sure the Minister of Agriculture can elaborate on if he cares to. I just want my honourable friend to be aware of the fact that it did take some time before we could get a harmony of view as between the two departments on this question of corporate farming, and it took us some time, and it's not unusual.

MR. WATT: Mr. Chairman, while we are on the subject of conflict and while we've now got the First Minister into the Department of Agriculture, I just want to ask him one short question. On February 28th he announced in the Winnipeg Free Press. "Mr. Schreyer said he doesn't think the program will cost \$100 million, referring to the federal program, but he said the plan will help to ease the critical economic situation many farmers are in." And he went on further to say, "Mr. Schreyer said an announced program of acreage payments removed the urgency of any kind of supplementary cash advances for western farmers." Now in light of the statement that was made by the Minister last night that the program will be no help to the Manitoba farmer, could he clear up the conflict of opinion here?

MR. SCHREYER: There's no conflict at all, Mr. Chairman. In fact there has almost never been any conflict in terms of attitude on farm policy between the Minister of Agriculture and myself. The statement that my honourable friend is quoting from was made, I believe, on the 28th of February or thereabouts, just a day or two after the policy was announced in Ottawa. Now you know, if my honourable colleague the Minister of Agriculture and I were politicians of the old school, you know what we would have done? As soon as the Federal Government announced its policy we would have got up and simply denounced it without even giving it one hour's consideration and study, but I think that the people of Manitoba and elsewhere in Canada are coming to demand a little more of their elected representatives. They would rather like their elected representatives to think somewhat longer about a given policy proposal and to give it dispassionate analysis and then make a statement. I know my honourable friends, listening to them in estimates last night, they were condemning somewhat the Minister of Agriculture because he did not give an earlier negative response. They all wanted him to give a negative response to the federal policy, which he has now done. You were faulting -- honourable members opposite were faulting him because he did not give that negative response, you know, like within two hours after it was announced in Ottawa. My honourable friends opposite, on this acreage reduction program, they responded so quickly and so vehemently negatively, that, you know, it was predictable. You pull the chain on a flush box and it flushes, and my honourable friends, when the federal Liberal Government makes a statement, my honourable friends react, you know, spontaneously and like Pavlov's dogs. The Federal Government, federal Liberals make a statement to this effect, so their position in response is on the opposite side. It's predictable; it's political; it's predictable but it's not very helpful, and I'm very satisfied, I

(MR. SCHREYER cont'd) don't mind saying, I'm very satisfied with the clarification, with the analysis that has been made by the Minister and his departmental staff. His analysis, the statement he made last night, conveys completely my own sentiments with respect to this federal policy. We thought that we should give it dispassionate study for awhile.

I also said that inasmuch as at least some amounts of money would be injected into the western economy, western Canadian economy, it would be of some small help. Well, certainly, even though the program is not all that helpful, it is better than no program at all. And they talk about \$150 million. As I said back in February, I rather suspect it will be nowhere near it, and with regard to Manitoba the amount that will be payable to Manitoba farmers, I think will be less than three or four million. My honourable colleague suggests that it may be only two million or so. Scant comfort, little help, but nevertheless better than nothing.

The Honourable Member for Rhineland referred to this program as being "for the birds" - I think those were his words, and I think perhaps his description will in the end be the most accurate. It's certainly not for Manitoba farmers to any appreciable extent. The Member for Rhineland has described it that way and I would be content to give it the same description.

Now what do my honourable friends opposite want? Do they want a ringing, stinging denunciation of the policy? We're quite capable of doing that politically, but we think that it would be more prudent and more in the interests of Manitoba farmers if the Minister of Agriculture is to convey a second message to the Federal Department of Agriculture, the Federal Minister, to the effect that the program is proving to be of so little assistance, we can't say it's of no assistance, but of so little assistance that it does warrant the Federal Government to reconsider parts of that program and to adjust it and modify it so that it has at least some significant meaning for Manitoba grain producers. Having said that I think it answers the question that was put by the Honourable Member for Arthur.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Chairman, while the First Minister is still involved I'd just like to pose a short question. He stated his position as far as his government is concerned in regards to large farm operations or corporate farms. I'm just wondering if he'd wish to elaborate just in what kind of position this would put a group like the Hutterites?

MR. SCHREYER: Well, Mr. Chairman, I believe that the Member for La Verendrye has injected an entirely new consideration or element into the debate or discussion. I really don't think that anyone in this Assembly would choose to define the Hutterite colony and the way they operate agriculturally as being in the nature of commercial corporate entry into agriculture.

MR. CHAIRMAN: The Honourable Minister of Transportation.

HON. JOSEPH P. BOROWSKI (Minister of Transportation)(Thompson): Mr. Speaker, this flintstone feels that he has to say a few words in view of the remarks made by the former Minister of Agriculture. I'm sure the people in Thompson and the north will be very happy to know how the Conservative Party feels about us northerners. We've always felt that this is what their view of us was but we have official confirmation that they think of us as stone age, and of course they've treated us that way for many years. I don't mind the insults, Mr. Chairman; as a matter of fact if they got up and started complimenting us here I would have to seriously examine our policies to see what the devil we're doing wrong. But I'd like to talk about something else, and this is the hatchet man that has left the Chamber now talking about dragging the good name of a deputy minister into the Chamber - and I agree with him. I don't think this is the place where we should discuss civil servants. If they're no good we should fire them and if they're good they should be kept on and the less said about it the better. We have in our government now one of the best civil servants in Canada. He served in Saskatchewan faithfully for many years. When we hired him on we heard all the garbage and crap that was thrown in this Chamber by most of those on the other side - I'd like to give due credit at least that the Leader of the Opposition over there had enough brains not to get involved in this assassination of character that his friends were involved in. But here was a civil servant, recognized throughout Canada, top civil servant, he got hired on by this government and for days on end we had nothing but insinuation and innuendo and the other day one of them had the gall to come in here and suggest that possibly he was even kicking back some money to the party. Could you imagine that, Mr. Chairman? The Chairman of Manitoba Hydro, Mr. Cass-Beggs, who is doing an excellent job, who has just come through with a report that looks like it makes a lot of sense, and I think even the opposition will probably agree after they read it, but they had the nerve to

(MR. BOROWSKI cont'd) bring his good name into this House and drag it through the mud and make the suggestion -- and if this was made outside the House I would suggest that they'd probably be sued for it -- that it was possible that he was involved in kickbacks to the government because we are paying an outrageous sum. But this is fine. A deputy minister resigns -- and what the circumstances are I don't know and frankly I don't give a damn. The Minister who is in charge of that department is quite capable of handling it -- but to stand up here and protest indignantly about the soiling of the good name of a deputy minister who has been with the government since '66, one day, this same person who made statements to the contrary about another civil servant a few days ago, I think is just unjustified and uncalled for. If the Opposition is going to indulge in that sort of thing let me assure them that we can do the same thing. And for the benefit of the civil servants I would recommend to the Opposition to drop the whole matter and stick to the business of the House and let's get on with the business at hand and let's get out of this mud slinging.

MR. CHAIRMAN: Resolution No. 7. The Honourable Minister of Agriculture.

MR. USKIW: Well we had an exciting morning so far, Mr. Chairman. I just want to say that it's probably true, I think the Minister for Transportation is quite right, we've had adequate debate on the matter of civil service relationships. I just want to point out though for members opposite that only yesterday they brought into question a civil servant that was transferred from the Centennial Corporation into the Department of Education for the student job program.

MR. WEIR: Is he a civil servant?

MR. USKIW: Well if he was working for the Centennial Corporation I would assume so. I don't know. -- (Interjection) -- Well I'm not sure.

MR. CHERNIACK: Does that make him fair game if he wasn't?

MR. USKIW: Any person that is employed by government, Mr. Chairman, any person that is employed by government I think has to be respected, past, present, future, and it's not my intention to bring into dispute people that have been employed by the government. I think that -- and I'm sure -- I'll read Hansard for myself -- that if inadvertently I made a statement that wasn't quite fair that that particular part of the statement would be retracted, if it was done. But I doubt whether it was done. As I recall the debate last night I think the fact of the matter is that the Member for River Heights took me out of context and rose on his feet to debate the issue; and unless I am satisfied otherwise, Mr. Chairman, I don't intend to withdraw any remarks that were made yesterday.

I think the argument about conflict as between the Department of Agriculture and the Department of Industry and Commerce is not a new one. It's one of the first things that was brought to my attention on July the -- well right after the swearing in ceremony. It wasn't long 'til I knew that there was a conflict because memos keep going back and forth so it was quite obvious and I'm not going to hide the fact. But all I want to point out at this stage of the game is that I made a very determined effort to force respect for policy decision that was made by Cabinet and the Ministers and that we ended up at loggerheads quite often as between members of government; and we did have to outline to civil service what their respective role was. We had to remind them that there was a question of policy and there's a question of responding to that policy as far as they were concerned. It did take a bit of time to sort of change the habits of some people having been in an environment which sort of developed them over a period of years; I wasn't surprised that that was a problem because that's the way things were in the past. And I didn't expect a change overnight. But when I made the statement that if a civil servant cannot work within the framework of government policy then the best thing for him to do is to part company, that stands, that stands today. And I'm not making reference to any specific individual when I make that statement. Any civil servant that finds it difficult to work within that framework shouldn't be working for the Government of Manitoba and I think that would be in the public interest. Now, as far as the fact that we have the conflict between the departments, I would suggest that it was probably demonstrated more fully because of the fact the Department of Industry and Commerce was able to get more publicity money, more money in their budget for promotion and a little bit of hoopla and the frills that are attached. Perhaps the former Minister of Industry and Commerce was beating the drum so loud that we couldn't hear the cries of the other departments, I don't know. But that was the image that I could see in the performance of the previous government. Maybe it was just simply that those drums were rather loud.

The Member for La Verendrye yesterday raised a very important question. He raised the question of departmental policy with respect to services which we are providing to the

(MR. USKIW cont'd) agricultural community and he expressed a concern that because of announced policy that we are going to attempt to respond only to certain groups of people in the countryside. And I want to, for the record Mr. Chairman, make our position quite clear. I never stated at any time that we would ignore certain sectors of the industry, that we would respond to the extent that it's possible, to the extent that it's necessary. My position is, and as it was outlined to the staff conference about three months ago, that it is natural for those people in the industry that are pretty well up on top of the game, the elite producers of Manitoba, to know better how to exploit the services of government, in particular if those services are free, they know better how to take advantage of the services, and quite often inadvertently maybe over-utilizing the services to the disadvantage of other people that need those services very desperately. My instructions are to the Department of Agriculture, to the ag reps throughout the province, that they must pay a great deal of attention to those sectors in the industry that are really in serious trouble, that are finding it difficult to make a living in the business of farming, that have to adjust either within the industry or have to adjust out of the industry. This is the area that I would hope that our departmental people put a lot more effort into, and perhaps suggest to those that have been so used to, over a period of years, used to using the resources of this department most fully, that perhaps in certain areas they can carry on without having to depend too much on the expertise of the department. I realize that we don't want to ignore any sector but only we don't want to have one particular group over-exploiting the resources, the manpower resources of this department.

The Member for Emerson is not with us today, this morning, I did have other comments that I wanted to mention yesterday in connection with questions which he raised. One has to do with the fact that he made a suggestion: the Government of Manitoba should get into the marketing of grains or wheat, that we should forget about the Canadian Wheat Board and that we should launch into a world-wide exporting business through some Crown corporation, I don't know what his intent was. I want to simply point out that obviously he isn't familiar with the rules of the game, he isn't familiar with the fact that the province has very limited resources, Number one; very limited jurisdiction to enter into trade arrangements and that it's very difficult, if one even wanted to adopt that kind of a position, it would be very difficult to implement. I want to again say that I am quite satisfied that the Canadian Wheat Board has all the expertise and resources to do the kind of job that we want it to do in the selling of grain. It needs a bit of support, a bit of support and a bit of flexibility on the part of governments to make it work to the best advantage of the people of Manitoba, the people of Canada.

One of the questions raised by the Member for Emerson was that the farmers in his particular area -- and I'm glad my honourable friend is entering the Chamber because he may be interested in the answers that I have -- one of the main complaints he had was that farmers in his area of the province have not received many loans from the Manitoba Agricultural Credit Corporation. I don't know why he would raise that particular subject matter with me, or criticism if you like, because it is true that since we reconstituted the Credit Corporation that virtually very few loans have been approved to date anywhere in the province. So that the fact that he has very little participation in his part of the province has nothing to do with the activities of the Credit Corporation since we reconstituted it, but a reflection of what happened in prior years when my honourable friends opposite were the then government. So that his complaints maybe should have been made to his fellow colleagues on the other side. -- (Interjection) -- Is it going to be changed? Well I have no rule or regulation within the present credit program that would make it impossible for people from your area to make application and to have those applications approved. There is nothing to say that southeast Manitoba doesn't qualify. -- (Interjection) -- Pardon me? -- (Interjection) -- Not any changes from the present regulations, that's right. These regulations are much different than the ones that the Credit Corporation operated under before. There's been complete revision of the program but there will not be any significant changes in particular in this area that I'm contemplating. So in other words what I am saying is that there is no discrimination as between areas and I don't know why there should be or why there was if there was. I have no idea. I can't answer for the years in which members opposite had some responsibility in this area.

The question of fish farming licence fees. I can't give my honourable friend the answer because that falls within the jurisdiction of the Minister of Mines and Resources. I don't have the facts before me, I don't know how the fees were arrived at or have no knowledge of how they should be arrived at, what they should be.

(MR. USKIW cont'd)

One of the most important remarks that came from my honourable friend yesterday had to deal with the question of the use of the Manitoba Development Fund, the fact that the Government of Manitoba simply guarantees loans and doesn't make loans. I want to correct my honourable friend because he's under some misconception here. The Government of Manitoba brings in a Supply Bill every session providing for capital supply for the Manitoba Development Fund to enable it to lend money to people that want to enter into industrial development and general development in Manitoba. So in essence we borrow the money in the marketplace. The Province of Manitoba borrows the money and then turns it over to the Manitoba Development Fund for their use. When my honourable friend says we simply guarantee the credit he's wrong. We owe the money because we borrowed it from the money market and we lend it to the borrowers or the people that are developing, for example, the Churchill Forest Industry. So that we are responsible. We are responsible to this extent, that if their program is successful the Province of Manitoba will get repaid with interest. I have to admit there is a subsidy, there's going to be some cost to the province in any case. But if the program is successful, if the development gets off the ground, becomes operative, that I assume we will, and I hope we will, get repaid every penny that was advanced. But my point is, and that's the point that I made in Beausejour when I spoke to the Eastman group, is that if the program is a failure then it's really public money going down the drain which the taxpayer of this province is going to be responsible for and will have to pick up the tab. -- (Interjection) -- Provided it's not secured? Well let's assume it is secured. But if the program fails, what is the security worth? The assets that you have, that's right. The assets are only valuable if the program is successful. You can build all sorts of white elephants as well is the point I'm trying to make at a cost to the public.

So my point was that we are taking 100 percent of the risk with 100 percent public money, and it's a heads I win, tails you lose proposition. If the project is successful, the private entrepreneurs that entered into that development will make a few dollars. They will make a few dollars. If it is not successful the taxpayer in Manitoba is going to lose a few dollars. It's as simple as that. That point has been made in this Chamber by the First Minister on a number of occasions. So we hope it's going to be successful because we want to create jobs and we want to make sure that the public interest is protected, and we will do everything possible to make it successful. I'm not misleading anything. My honourable friend ought to know that I don't mislead members opposite at all.

Now he went further to say that I gave a very anti-industrial development speech at Beausejour when I spoke to the Eastman group. Now who in his right mind, Mr. Chairman, would make an anti-industrial development speech?

MR. ENNS: Mr. Chairman, are we on the Minister of Agriculture's salary estimates?

MR. USKIW: Yes, it is.

MR. CHAIRMAN: Yes, I think we're speaking in a broad sense.

MR. USKIW: The Honourable Member for Emerson pointed out that I had placed certain conditions under which I would encourage industrial development and that it was sort of like throwing a damp cloth, if you like, at the Regional Development Corporation, things don't proceed too fast. Well I think my honourable friend has to appreciate one important aspect of industrial development, and that is that all things ought to be considered when we promote industrial development. And I stick by the statement which I made, Mr. Chairman, as does the Government of Manitoba, that to encourage -- (Interjection) -- my honourable friend says unfortunately, and I say fortunately for the people of Manitoba -- that the idea of encouraging development without due regard to the kind of development it's going to be, the side effects of that development -- what does it do to the community; what does it do to the environment; what kind of wages are going to be paid? If these aren't important considerations, Mr. Chairman, I don't know what are important considerations. But I know that too long we have operated without considering these particular matters and that we have had a haphazard, unordered development of this province. Development without due regard for the complete public sector, the complete public interest. The fact of the matter is, Mr. Chairman, and in particular in this day and age, when governments and municipalities are providing incentives for industrial expansion, huge incentives, unconditional grants, I think that it's very important that we make sure that we don't subsidize industrial development when we know that we are not going to derive the kind of benefits from that particular kind of development that will raise the standard of living for the people in this province. Low wages won't do it, polluting the environment won't do it. My honourable

(MR. USKIW cont'd) friend opposite ought to know that when you built C. F. I. that one of the considerations you have to keep in mind is are we going to use local talent, or are we going to create a new town or city of people from all over the world which we are going to bring in at public expense. Which will do nothing for the local residents, not a thing. He will still remain a peasant because we're not prepared to train him into that particular job. We have no time to be bothered. The approach is, should be, that we must take great pains to raise the standard of living within Manitoba before we start bringing in people from all over the world to fill job positions. That's the important consideration. And unless we're going in that direction, we don't belong on this side of the Chamber.

MR. F. JOHNSTON: Where are you going to get the money?

MR. USKIW: Where are we going to get the money? You know in that agreement, in that particular agreement, it tells us that we are responsible to bring people in from anywhere in the world and in fact to train them if we have to. My honourable friend says where do we get the money. I ask him, because they were party to the agreement and we inherited that agreement. So I say, Mr. Chairman, that in any development in rural Manitoba or any part of Manitoba, we have to take into account what the cost is, what the benefits are. It's a reasonable proposition. We have to recognize that we have schools to build alongside of every development, roads to build.

The Minister of Transportation will be revealing to you very shortly the millions of dollars that he's going to have to spend to facilitate the development at The Pas. That is a public charge, that has to be considered when one is creating new development. All these factors must be taken into account. I'm sure that the Minister of Education is going to have to build new classrooms to accommodate the new student population that is going to come to The Pas. That's good. That's right. But what I'm saying is that all these things have to be taken into account when one signs the deal. And when one provides incentive grants, one has to be satisfied that the inputs that we are making publicly are going to bring us back greater returns once that project gets off the ground. We don't know that with respect to many areas of development in this province. I think that every time we enter into some new state of development, that we have to take great pains to assure that the public interest is protected, to protect the environment - a very important area here. Manitoba is in a most favoured position because it has not to date gone beyond the point of no return in pollution control, it has not gone beyond the point of no return. We can still change policies to effect a clean environment condition in this province for all time to come if we make up our mind to do so. But we're not going to do it if we don't want to look at this, that if all we're going to be concerned about is whether or not we're going to get a new industry . . .

MR. J. WALLY McKENZIE (Roblin): Mr. Chairman, what department are we discussing at the moment? Is it Health or - certainly isn't Agriculture, if I listen correctly.

MR. USKIW: I think my honourable friend should appreciate the fact that the Department of Agriculture is taking a much broader approach and is looking at the question of rural development which has to do with a lot of things, including adjusting people out of agriculture into rural-oriented industry, and there has to be a transition and some relationship between the Department of Industry and Commerce and the Department of Agriculture. So my honourable friends opposite ought to appreciate that every department of any government if it's at all responsible relates to the other. -- (Interjection) -- The suggestion is that I ought to adjust the Member for River Heights. Well he was adjusted on June 25th, Mr. Chairman, and I don't think any further adjustment is necessary. I think that if we persist in the kind of policy which we are enunciating, Mr. Chairman, that it will do well for the Province of Manitoba in the years ahead.

MR. CHAIRMAN: Resolution 7. The Honourable Member for Rhineland.

MR. FROESE: I don't think members are prepared to pass the Minister's salary as yet. Yesterday when I was speaking the clock ran out at 5:30 and I wasn't immediately back at 8:00 o'clock because I was detained by a certain party so I didn't get another chance to speak. -- (Interjection) -- No certain parties were there to detain me and -- (Interjection) -- I didn't yesterday, no.

Mr. Chairman, I don't think the Minister replied to the matter of inland storage. I would like to have his views though on this because to me it is a different matter than cash advances and I'm sure the Minister can differentiate between the two. I know this would mean capital outlay, and it would mean making arrangements with the Federal Crown Agency, the Wheat Board, but I feel that this is a proposition that the government should consider because as you know the situation is such today in Manitoba and I don't think it would be changed immediately, that farm storage will be required regardless whether the government is doing it or the farmers have to do it. If the government will not do it the farmers will be required to supply further storage facilities. I dwelt quite at length on the various items involved in connection with the farm storage, but what are the alternatives if you don't find it? Surely we must try and find some solution to this matter, because the farm industry is too important to just pass the estimates here and go out of this Session and have nothing in the way of a solution to the whole problem. I can't see that we can just go by this way. The matter of cash advances. If the government is really serious about this, should they not consider going into it regardless of whether the Federal Government will back up their program or will back up their way of collecting these accounts? Will the government reconsider their proposition or give further consideration if the Federal Government will not exceed to their request? I think these are things that we should answer.

Then, too, in my opinion, as far as trade is concerned with other countries in connection with wheat, we should not be satisfied to let present trade as it is carried on dictate to us as far as production is concerned. I feel that our distribution system is at fault; that we should make changes. We should provide credit as a nation to other countries, underdeveloped countries that need our food products that are unable to buy it from us as a result of not having the necessary finances, because, Mr. Chairman, either one is wrong. We hear of hungry people in the world - thousands, millions of hungry people in the world and yet we're not providing the necessary foodstuffs. On the other hand, certain people want to indicate that we have a surplus, that we have over-produced. In my opinion, this is not the case and that we should not limit production because we have been unable to develop necessary trade with other countries. I feel that we have to and should go on producing foodstuff as long as we have hungry people in the world.

I had a few other things that I would like to mention and before I go on to this though, as far as trade with other countries and the price of wheat in Canada as far as western Canada is concerned should be considered. Look what Ontario is doing. Can't we follow Ontario's example and provide the farmers with a better price, with sales, so that he can deliver and sell his crop. Ontario farmer is receiving \$2.02 for wheat. Barley sells for around a \$1.50 a bushel. We are selling at a much much lower price and at the same time cannot get rid of our products, whereas Ontario farmers are getting much much higher prices and they're selling all their product. What's the reason for this? Surely we should take a look at this and find out, and if it is just our Wheat Board the Crown Agency not doing a job in selling then we should consider whether we should not pass legislation here so that the Wheat Board would not apply in Manitoba. Because our production is much smaller than the other western provinces I feel that we can give leadership, that we can do something for the Manitoba farmer that might not be done for the Saskatchewan farmer and the Alberta farmer, that certainly the production of our wheat in Manitoba is not such that nothing can be done about it. Perhaps the Minister of Agriculture could tell us what is the situation in Ontario - why can they do these things and we cannot do them? I think this is something we should definitely look at.

Before I leave this matter. We had quite a discussion here this morning in connection with corporate agriculture and I was quite pleased to hear the First Minister and the government pronounce their policy on this matter. I think it came forth very clearly and I do support them on this, because I believe that we should encourage the individual farmer and especially the family farms in Manitoba so that they can be retained and that they can get a sufficient income so that they can be maintained and carry on. Just how does this policy apply to the

(MR. FROESE cont'd.). . . . Crown Corporations such as the Agriculture Credit Corporation, the Manitoba Development Fund? I know we passed legislation in connection with the Agricultural Credit Development Act last fall, so I take it that this is in line with the present government policy and that there should be no trouble in that respect. But are large corporations still receiving loans from the new Agricultural Credit Corporation or were most of the larger loans made prior to this new Act coming into force? Then, too, to what extent does the Manitoba Development Fund provide funds for corporate corporations in connection with agriculture in Manitoba? Is there quite a bit of money going out in the way of corporate agriculture under the Development Fund Act? If so, what is the government's policy in this respect to Crown Corporations and whether that directive has gone down the line to these corporations? I would like to hear from the Minister on this very matter.

The Minister stated that as far as the province is concerned, our resources were very limited and the jurisdiction was limited as well. Well we know that as far as trade is concerned there are limitations, but I don't feel that because of the limitations we should just sit back. I feel that we should prod the Federal Government and the Canadian Wheat Board to do a better job, and if we can find ways and means of increasing trade we should try and bring them about.

The matter of barter has been considered by Saskatchewan. From what I hear through the press and from statements made by Ministers of the Crown of this government, they do not appear to favour bartering in Manitoba. The area of bartering is probably very limited too because of the amount of trade that you have as a province with other countries, so that this area might not be too large but certainly I don't think it should keep us from, or exclude us from considering areas where bartering could take place.

I notice from the submission that the province made to the Federal Government, which I already discussed to some extent yesterday, that there is mention made of the cooperatives probably being put to use to a greater extent than has been in the past. Since cooperatives come under the jurisdiction of the Department of Agriculture, I would like to ask the Minister to what extent do they feel that the cooperatives can be developed in the north for the various purposes that are mentioned in the submission. They are talking of a federation and local cooperatives to pool their resources, for manpower purposes and so on.

The report also mentioned that as far as pulpwood and fisheries, that their experiences have been something short of good, in my opinion, because the report mentions that they have managerial - perhaps not failures, but certainly there's been lacking in management in this respect, and that they have not been as successful as they could have been. Talking to some of the people who have been involved in the pulpwood business and who also have been involved in the co-operatives that function in these areas, they claim that thousands of dollars have gone into these and that they have not been successful, and I would like to know from the Minister, since they are considering further development along these lines, just what have been the experiences, to what extent have we had losses, and what is the proposal as to further investment in these areas. It seems to me that for this purpose Crown corporations, or Crown agencies, have been more successful in that you have managerial assistance or managerial people put in there in the first place so that they are more readily of success than co-operatives.

I know from experience that over the years co-operatives have been started for purposes of farming and that these have not been successful. As far as I know, none of them is still in business, and if you compare them with the Hutterite situation - Hutterites were mentioned this morning - that these have continued on, and they are more or less a co-operative, you could call it; they're a corporate organization; but I think there is something lacking in the co-operative movement in this respect and that is the reason why you cannot and you do not have the success that you should have, in my opinion. I think this holds true because when you discuss co-operatives with people who have investments in co-operatives, they don't feel that their assets in these co-operatives are worth a hundred cents to the dollar to them, because they are not transferable; because they cannot be withdrawn at any time, and they are not saleable, so therefore they do not value them to the extent that they should and they don't assess them at their full value. Probably this is another reason why their success is limited. I would certainly like to hear from the Minister in that respect as to the development that they figure should come about and that they propose in this report, and that the use of co-operatives in them, and to what extent they feel that they can carry on.

I will have further things to say in connection with the crop insurance. I don't know whether I should do that at this time or whether I should do it when we come to the particular item. I know from the report that for the year 1968 we had heavy losses but we also had a

(MR. FROESE cont'd.) . . . large income and we were able to come out of the year with a surplus so that the reserves that we have are steadily increasing. I think this is good. I like to see that the program is a success and should remain a success, because sooner or later we might be hit by bad years and that we would be required to supplement it as a province.

I've already mentioned the new coverages that I appreciate the government is bringing forward, so that I will have further comments in connection with crop insurance when we deal with the particular item.

I had made some remarks on drainage earlier but drainage does not come under this department, although I feel that it is so closely related to agriculture that in my opinion that part of the estimates should be taken out of the other department and brought back into Agriculture, because in my opinion this is too closely related to agriculture as far as rural Manitoba is concerned.

Before I sit down, I do hope that we get a copy or a report on the ARDA operations and get the normal brief that is being presented to the committee during the sessions, so that we know where we're heading as far as the ARDA program is concerned. Maybe the Minister could give us a little more information on this.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Mr. Chairman, the Member for Rhineland again raises the all important question of inland grain storage, and while he has done so on a number of occasions and there may be some merit to his proposal, I have to admit that I haven't had the opportunity to properly research that particular proposal but would indicate to my honourable friend that I would undertake to do so. In the meantime, we do have current situations that have to be dealt with in a very quick manner, which cannot be resolved by the development of inland storage simply because inland storage cannot be developed overnight.

I, of course, on that subject, Mr. Chairman, tend to think that the greatest advantage of increasing storage capacity would likely be in areas abroad, not on this continent, for reasons mentioned by members opposite yesterday, that from time to time we have problems in transportation, problems in grain handling facilities because of work stoppages, and that it would probably be most desirable, at least it's my opinion, that we should be developing storage capacities overseas, somewhere closer to the markets, so that in the event that we run into some difficulty from time to time in deliveries of grain that we can circumvent that difficulty by having the grain placed in an area close to the market itself. So if we were going to spend money in additional storage capacity, it seems to me it would make more sense to spend it in storage facilities outside of Canada.

The question of corporate agriculture has been raised by the Member for Rhineland and I think the Premier made our position quite clear. I have to say that I have always opposed the idea of the promotion of these kinds of farming enterprises for a very legitimate reason, Mr. Chairman, namely that we have too many people in the countryside that have yet not achieved what I would consider a reasonable share of the market, a reasonable share of the production to enable them to provide for themselves the kind of standard of living that is reasonable, in light of what we refer to as "the affluent society", and until we achieve that, Mr. Chairman, I think it is premature to look in the direction of large investments, part of the corporate sector, the investment sector, into the area of agricultural production, primary production. I think for the time being we ought to, as much as possible, promote the expansion of secondary industries for agriculture in the processing field. That we should be doing as rapidly as we can. And we should be looking for markets to bring about this kind of expansion as quickly as possible. And it is the intent of the Government of Manitoba to research all possibilities in this particular area to encourage expansion in the secondary industries so that not only does it benefit the producers, it will be supplying the primary product, but also the labour markets that would be used in these industries; a two-fold objective and certainly benefits to the total community.

So that is the approach that we are taking, Mr. Chairman. I did say yesterday in an interview with the news media that I was looking at the North Dakota legislation on methodology of controlling corporate agriculture. I have received a copy from the Governor of the State of North Dakota some time ago and I have been studying it, and I think we will consider very seriously whether or not Manitoba should adopt similar legislation. We are considering that possibility to make sure that we keep the area of primary agricultural production within the framework of the farm community as we know it and as it ought to be. in recognition of the

(MR. USKIW cont'd.) . . . fact that we have that many under-employed rural people in Manitoba. Now whether or not we develop a bill this session, I am yet not prepared to say, that would make it mandatory that the corporate sector not participate in this area of production, but we are giving it some very serious consideration. There may be other measures introduced that will also deal with this particular subject matter, which will be revealed at some subsequent date.

The Member for Rhineland placed a very proper question before us since we have adopted this policy: what is happening with respect to credit arrangements either through the Manitoba Development Fund or through the Manitoba Agricultural Credit Corporation; and I want to say that we have instructed both. In fact, the regulations in the Manitoba Agricultural Credit Corporation are such that prevent loans being made to corporate people entering into the primary area of production; that, to qualify, a corporation or a co-operative must have 90 percent of its shares owned by farmers, so that that gives us the kind of control that I think is necessary to keep the investment sector out of this particular field of endeavour.

The Manitoba Development Fund is not even involved at the present time in considering or promoting the development of corporate agriculture; it is not within their present terms of reference, so that when they are approached they simply refer the matter to either their Minister, the Minister of Industry and Commerce, or to me if it has specific reference to agriculture. So that we are very careful to make sure that this procedure is being followed and that there is going to be no financing of this kind of development in rural Manitoba, or anywhere.

The Member for Rhineland raises the question of whether or not we can barter to get rid of some of our surplus grain, and I think it's fair to say that it isn't within the realm of practicality if you're talking about trying to increase your market; that any nation that starts to barter will encourage other nations to do so, and you get back into the same merry-go-round, and it's really the competitiveness of the countries that are involved that's going to determine who gets the biggest slice of the pie, and I don't think that a barter arrangement at all would increase the market for grains produced in Canada.

The question of the development of co-operatives in northern Manitoba is a very good one. I want to simply say that we have had some successes and we have had quite a few failures. I am not at all concerned about the fact that we have failures because we are dealing with not only the development of business enterprise, we are trying to stimulate the development of people, social development, and we are experimenting to a large degree with the co-operative system in Northern Manitoba, and I think we ought to be prepared to underwrite losses for people who want to or attempt to try and set themselves up into a business of fishing or logging. We ought to take some risks, and if nothing else is achieved other than to bring home to those people the fact that they can be involved, that they can try to develop their own entrepreneurship, that they have a place in society, that that in itself is a very important achievement, and that for a long time to come, Mr. Chairman, in this area, I'm not going to be overly concerned if we sustain losses from time to time. I think this is something we're going to have to live with, not only there, in other areas of the province where we are talking about, attacking the question of social and human development. We've got to try things; we'll have trials and errors; but we understand that when we adopt these programs, and it's not strictly a dollar proposition. I will have more to say on that particular matter when we get to the item in the estimates. I don't have the statistics before me at the present time but I want to assure my honourable friend the Member for Rhineland that I shall provide the statistics for him when we reach that particular item.

The reserves in the Crop Insurance Fund, I just don't have the figure with me but I will undertake to find out what they are and I will bring in the report as to what the actual experience has been in the last year with respect to that program.

The question of drainage being under the Department of Agriculture, I think at one time it was. It has been shifted around, and I don't know whether it was good, bad or otherwise. At the present time I'm not worried about the fact that it's within the Department of Mines and Resources. That doesn't really concern me. The reason is that I have had a great deal of liaison between the Minister of that department and myself, both with the Member for Brandon and the Member for Inkster; a very good liaison has been established; and where there are crucial matters arising in drainage I have been always consulted. We have always worked at these problems together. In fact, from 9:00 to 10:00 this morning we had a meeting on resource development in the Honourable Minister's office on the third floor. So that we're working very much

(MR. USKIW cont'd.) as a team. I don't anticipate any great deal of hardship because of the fact that drainage is within the scope of the Department of Mines and Resources.

As a matter of fact, Mr. Chairman, it's long overdue, the idea that we ought to have a planned system of development in Manitoba that should have a direct relationship within the departmental structure. I think that Highways ought to know what Agriculture is doing; I think Highways ought to know what Mines and Resources is doing; and vice versa. You know, we have a lot of marginal land areas across this province. People are requesting for the right to purchase Crown lands so that they can start their business enterprise or their farm enterprise, and the long and short of it is that quite often, when you become a bit flexible in one department, it creates a problem for a number of other departments. When you sell a chunk of Crown land in an area that really shouldn't be developed because it doesn't have the potential, the next thing you have is a request from the Department of Transportation for a highway or a road. The next thing you know, we get requests for drainage programs and maybe we shouldn't be touching that resource for fifty years. We're sort of going in all directions at the same time. And we have discussed this, and I want to assure my friends opposite that we are setting up an inter-departmental structure that is going to take into account the interests of all the departments and try to arrive at some systematic way of blueprinting the development of this province so that we aren't working at cross purposes, so that each department is working in tune with another department, so that we can more adequately plan the expenditures, the programs in rural Manitoba. Thank you very much.

MR. CHAIRMAN: (Resolution No. 7, 1. (a) to (c) were read and passed.) The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, what has been the experience in connection with marketing boards? Were there any new ones established, and what is the situation?

MR. USKIW: Not since last July, we haven't established any new boards. The ones that are there now existed for some time. I think there is some movement in certain directions but there has been nothing concrete.

MR. CHAIRMAN: (d)--passed; (e)(1)--passed; (2)-- The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, I would like to ask the Minister if he'll explain the \$40,000 reduction in estimates for the Agricultural Research Grant at the University of Manitoba.

MR. USKIW: Yes. I did explain this to the members during the debate on my salary but I don't mind repeating it, Mr. Chairman. It amounts to. . . .

MR. CHAIRMAN: . . . if he made that statement he might do it more briefly because. . . .

MR. USKIW: It's up to the Member for Fort Garry. If he wishes me to explain it again I'm prepared to do it.

MR. CHAIRMAN: Debate should not be repeated, however. . . .

MR. SHERMAN: Well, Mr. Chairman, at a further stage and a further appropriation I wish to speak, and I think we all agree that the deliberation on these estimates has gone some considerable time. If the Minister could give me a fairly brief answer I'd appreciate it.

MR. USKIW: In this connection, Mr. Chairman, it's true there is a \$40,000 reduction. It's my understanding that that reduction will not affect the research capability, it's merely a reduction in the capital end of things. Now they may spend a little less money in capital expenditure, improvements and the likes of that, but it's not a reduction -- I'm not under the impression that it will reduce the research capability of the program. We have been in consultation with the university on this matter.

MR. CHAIRMAN: (Resolution No. 7, section (e)(2) to (f)(2) were read and passed.) The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, under (3), the Manitoba Development Fund re Gardeners' Co-op. Does the co-operative file a statement, financial statement, an audited statement with the department, and if so, could it be tabled so that we could have a look at it?

MR. USKIW: If it's available, Mr. Chairman, I'll make it available to the House.

MR. CHAIRMAN: (f)(3)--passed; (4)-- The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, it's with considerable misgivings that I rise at this point in the deliberation on the estimates before us, but there is an item here and we've come to it now that I wish to say some things on. I think that all members of the committee at this point would agree that we've spent more time than perhaps we had expected to spend on these

(MR. SHERMAN cont'd.) . . . estimates up to this point and I hesitate to take any further time on deliberation of the estimates, but I have a commitment to potato producers not only in my constituency but in some other constituencies to raise a question or two with the Minister on the policy in that respect, so I ask the indulgence of the committee to extend the considerations of these estimates a few moments longer.

The Minister may feel that I'm vulnerable on this subject because certainly it was under a Progressive Conservative administration that the Vegetable Marketing Board was introduced, the whole program and policy and concept of compulsory vegetable marketing including potatoes was introduced, but I would argue that I'm not vulnerable on the subject and I would ask the Minister to bear with me for a few moments while I make the point or two I'd like to make, and if he feels that because of my position in the Conservative Party I'm on dangerously thin ice, then I certainly invite him to make his rebuttal then. I was not a member of any administration that introduced compulsory marketing and I would have been skeptical of the philosophy behind it at the time, and I suggest that now that it's had a substantial try-out, a substantial trial and has been modified and altered to some degree and has to my satisfaction and the satisfaction of a number of producers in this province demonstrated itself to be inequitable, to be unfair and to be poor legislation, I suggest that it should be repealed and stricken from the statutes of Manitoba.

MR. USKIW: Is he referring, Mr. Chairman, if I may, to The Natural Products Marketing Act?

MR. SHERMAN: Well it was of course out of The Natural Products Marketing Act that the Vegetable Marketing Commission was established, so I am obliquely referring to The Natural Products Marketing Act. The Vegetable Marketing Commission's terms of reference have been substantially altered I know, in that most commodities that were covered by the machinery incorporated in the board have now been taken out from under the aegis of that machinery and freed, but potatoes still of course are subject to compulsory marketing and compulsory marketing policies and procedures, and it's this specific commodity and the producers of same with which I'm concerned at this point in time, Mr. Chairman.

As I've said, I think that the idea was a perfectly legitimate one when it was first proposed, and like many other ideas, albeit controversial, worthy of experimentation, worthy of trial. I know my colleague, the Honourable Member for Lakeside, bears and shares considerable responsibility for the trial that was undertaken with respect to compulsory marketing, but I think that at the risk of repeating myself, that a significant number of producers in this field are persuaded, and after lengthy consultation with them this winter I'm persuaded, that it's bad legislation; that it's not working to the benefit of the parties to whom it was intended to benefit; and in fact it's demonstrating itself to be detrimental rather than beneficial to the producers and to the consumers. And as bad legislation, I therefore submit, Mr. Chairman, as I did a moment ago, that it should be scrapped.

I would like to refer if I can, without dwelling on ancient history but just to make a point in this respect, to an editorial that appeared in the Winnipeg Free Press on September 7th, 1962, which is going back some considerable time, at the time that the Vegetable Marketing Commission was contemplated and in fact established, and the Free Press said at that time, and I quote, "The plan" - that is this compulsory marketing plan, and there are references here to vegetable growers rather than just potato growers because it was a wide spectrum of producers that was originally covered - "The plan would be in the hands of a nine-member producer board. Some of the powers that this board would exercise are worthy of study not only by consumers but by producers, particularly those who may feel that they have a right to operate their business as they see fit. According to the plan, the board would have the right to regulate the time and place at which vegetables are packed, stored or marketed; to designate the agencies through which this would be done; to determine the manner of distribution, the quantity and quality of vegetables to be transported, packed, stored or marketed; to prohibit the transporting, packing, storing or marketing of any quality or class of vegetable."

Well, as I've already pointed out, it's now just potatoes that we're talking about, not vegetables in general, but the strictures that were incorporated in the original philosophy and that then applied to a broad number of vegetables still apply to potatoes and potato producers, and I suggest that they're onerous and in fact proving out to be discriminatory. There are inequities, Mr. Chairman, in the present field of potato marketing in Manitoba and I would hope that the Minister would address himself to correction of same.

(MR. SHERMAN cont'd.)

The main contention of the small growers, and there are hundreds of small growers, and in particular the main contention of the membership of the United Vegetable Producers of Manitoba is that compulsory marketing, at least as it exists in this province at this time, operates to the advantage of the big grower and to the detriment of the small grower. And there is every evidence to support this criticism. A moment or two ago, Mr. Chairman, in an earlier phase of the debate on the Minister's estimates, the Minister made reference to elite producers, to the elite producers of Manitoba in the field of agriculture, and I hope that I'm quoting him correctly when I report him as saying that the elite producers of Manitoba, those people who are up on top of the game, know better how to exploit the services of the government and the services of the situation in which they operate.

Well, the logical inference from that statement is that the elite producers, or those who are up on top of the game as the Minister described them, are in a position to exploit services and situations to their own advantage. Naturally, there's not much to be gained by exploiting them to somebody else's advantage. They're in a position to exploit them to their advantage and to the detriment of the non-elite producers or the small producers. And surely this is a strange posture, Mr. Chairman, for this social democratic government which purports to champion the causes of all people, not just elite producers, surely it's a strange posture for this government to say that there'll be no help and no consideration for small potato producers who have suffered loss, only help and consideration in terms of product loss, crop loss for big producers, for those who would fall into the category of what the Minister describes as the elite. And this is actually what is happening in the province at the present time, Mr. Chairman.

In the continuing dispute over the Vegetable Marketing Commission, the small potato producer has been disenfranchised. In the last referendum on the subject no producer with less than four acres in production was permitted to vote on the question as to whether there should be compulsory marketing or not. And this, Mr. Chairman, struck -- (Interjection) -- this, Mr. Chairman, struck

MR. GREEN: Mr. Chairman.

MR. SHERMAN: May I just complete this sentence?

MR. GREEN: Oh, I'm sorry. That's what I was going to ask, whether you are going to be starting a thought or completing one, because we're going to have to get up.

MR. SHERMAN: No. I have an eye on the -- through you, Mr. Chairman, to the Government House Leader, I have an eye on the clock and I would just like to complete this paragraph. The point being at this stage in my remarks that 200, some 200 potential voters out of a possible total community of about 800 or 900 potato producers, some 200 of them were struck off the roll, disenfranchised by the regulation or by the order, the policy that said nobody under four acres was going to be allowed to vote in the last referendum. So this is what I mean when I say the small producers have been disenfranchised in this controversy. Now, Mr. Chairman, I have several more things I want to say on this subject but I see my time has run out for today, and I'll welcome your recognition when this particular debate resumes.

MR. CHAIRMAN: The Honourable House Leader.

MR. GREEN: I appreciate the honourable member's remarks and I'm sure that he'll be recognized when we go back into committee.

Mr. Chairman, I move the committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the committee has directed me to report progress and asks leave to sit again.

IN SESSION

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I move, seconded by the Honourable Member for Kildonan, that the report of the committee be received.

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

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