

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Tuesday, April 18, 1972

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 50 students of Grade 9 standing of the Isaac Newton School. These students are under the direction of Messrs. Rosen and Lenzen. This school is located in the constituency of the Honourable Member for Burrows, The Minister of Education.

We also have 31 students, Grade 5 standing of the St. Jean Brebeuf School. These students are under the direction of Mrs. Buccini. This school is located in the constituency of the Honourable Member for River Heights, the Leader of the Opposition.

We have 49 students of Grade 5 standing of the William Osler School. These students are under the direction of Misses McMurchy and Thiessen. This school is located in the constituency of the Honourable Member for River Heights, the Leader of the Opposition.

And also as my guests, there are 14 patients from the Misericordia General Hospital under the direction of Mr. Gunn. On behalf of all the honourable members of the Legislative Assembly I welcome you here today.

Presenting Petitions. The Honourable Member for St. Matthews.

PRESENTING PETITIONS

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, I beg to present the petition of the Co-operative Credit Society of Manitoba Limited praying for a passing of an Act to amend an Act to incorporate The Co-operative Credit Society of Manitoba Limited.

MR. SPEAKER: Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Oral Questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights): Mr. Speaker, my question is for the Minister of Health and Social Development. I wonder whether he can indicate whether the government still intends in this calendar year to proceed with the pilot project for the guaranteed annual income?

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

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, a study pertaining to the guaranteed annual income is still under way.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: A supplementary question. I wonder if the Minister of Health and Social Development could indicate to the House whether there are still negotiations with the Federal Government in connection with the proposed pilot project for a guaranteed annual income.

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, there is ongoing a negotiation with the Federal Government pertaining to the guaranteed annual income as there is to many other programs administered by the Department of Health and Social Development.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I would like to direct a question to the First Minister. Can he advise the House if there is any act or discussions being pursued with regards to an uranium enrichment plant for Manitoba. That is, discussions with the Federal Government or with any private industries.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, I could best reply to the honourable member by saying, as he well knows, 18 to 24 months ago there was active consideration and an active file on the matter involving correspondence between the Governments of Canada and Manitoba. There was a temporary lull, and I can advise him that the matter is being pursued once again with greater activity.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I wondered if the First Minister had been involved in discussions since the Federal Government recently announced its active discussions with foreign countries and with other parts of Canada regarding this plan. It's about ten days ago it was announced.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, it is precisely because of that circumstance that the discussion, communication is being reactivated once again.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: A supplementary question, Mr. Speaker. Could the First Minister advise whether it's a department of the government or is it Manitoba Hydro?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, it involves Manitoba Hydro primarily although there is, as I said, a reactivation of communication between the Government of Canada and my own office directly.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Yes, Mr. Speaker. I'd like to address a question to the First Minister. In the \$26 million sale of hydro electric power to Ontario, is its price per kilowatt hour constant throughout the term of the agreement?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I believe that there are contingency clauses in the agreement but just to be sure of that I'll take the question as notice.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, in the absence of the Minister of Tourism, Recreation and Cultural Affairs, whom I tried to give notice of this question, I'd like to direct this question to the First Minister and ask him: in view of the announcement within the past hour that Canada and Russia will meet in an eight game hockey series next September, four games of which will be played in the Soviet Union and four of which will be played in Canada, if he would ask the Department of Tourism to make representations to investigate the possibility of having one of those games in Manitoba.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I'm sure that the Minister of Tourism would be quite happy to communicate with his counterpart in the Soviet Union.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, I direct a question to the Honourable, the Acting Minister of Mines and Natural Resources. I wonder, Sir, if the Minister could tell me whether or not the residents of South Indian Lake, either themselves or through their solicitors, have recently, that is within the past few days, approached his department for a meeting with respect to their situation and the impending flooding of South Indian Lake?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Acting Minister Mines, Resources and Environmental Management)(Brandon East): Mr. Speaker, no representation has been made to myself as the responsible Minister.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I would like to lay on the table of the House a return to an Order for Address No. 4, the Motion of the Honourable Member for Roblin. I apologize somewhat for the protracted time but the member will notice it's a very lengthy document.

A MEMBER: . . . requested last year.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MINISTERIAL STATEMENTS

MR. EVANS: Mr. Speaker, with reference to the Honourable Member for Roblin, he was asking the other day about figures on the potential flood situation at the Valley River in the Valley River area and I can advise him that I have now been informed that this is the opinion of our Water Control Branch that the snowfall in the Duck Mountains, which is in that area of course, this past winter has been well above normal so that water equivalents as high as five inches of snow were recorded during the March snow survey. Very little snow melt has occurred to date and hence most of the snow melt run-off has yet to take place. My Water Resources Branch has prepared an evaluation of the situation and has concluded that stages on

(MR. EVANS cont'd) the Valley River in the vicinity of the town of Grandview are likely to be at or slightly above bank full - that is, the top levels of the banks. At the town of Gilbert Plains somewhat lower stages are expected and the Valley River in this area and downstream will in all likelihood be confined within its banks. This outlet is based on average precipitation and temperatures over the next few weeks.

While I'm on my feet, Mr. Speaker, the Honourable Member for Roblin asked a question with regard to the taking of lake levels at Lake Winnipegosis, I believe, and I can inform him that levels are taken -- and he made reference to the levels of Lake Winnipeg as well. I can inform him that levels are being taken on Lake Winnipeg continuously by automatic water level recording devices but there are also gauges located at Lake Winnipegosis and these are located at Dawson Bay, Meadow Portage and at the town of Winnipegosis.

ORAL QUESTION PERIOD (cont'd)

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Minister of Highways. Is the Minister now prepared to state that Headingley residents will have toll free service within the unicity area? --(Interjection)-- Is the Minister now prepared to state that Headingley residents will have toll free telephone service within the unicity area?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. PETER BURTNIAK (Minister of Highways)(Dauphin): Mr. Speaker, that announcement will be made shortly.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary. Will that service be retroactive to the beginning of the year?

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): . . . Minister could give the subscribers, all the subscribers on the Headingley Exchange the assurance that they will be included in that service.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. BURTNIAK: Mr. Speaker, that has been the point of discussion for a long time and once that decision is made it certainly will be announced.

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

MR. WILLIAM URUSKI (St. George): Thank you, Mr. Speaker, I'd like to direct a question to the Minister of Labour. It's in respect to the CNR proposal for the service centres. I would like to know whether this government will be making representations to the Canadian Transport Commission regarding the proposal of the CNR?

MR. SPEAKER: The Honourable Minister of Labour.

MR. HON. RUSSELL PAULLEY (Minister of Labour): Mr. Speaker, my reply to my honourable friend would be that the Minister of Labour in his capacity as the Railway Commissioner has been in constant contact with the Canadian National Railways --(Interjection)-- with the unions concerned, and I find that the proposition has been generally accepted by all concerned and I do not think it was necessary to make direct representations to the Transport Commission, or the Railway Commission, or the Board of Transport Commission, because of the general acceptance of the proposition.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct a question to the Honourable Minister of Education. Some time ago I asked the Minister - I repeat the question. Has the Minister now referred the boundary dispute between the community of Oak Point and the Lakeshore School Division to the Board of Reference, to a Board of Reference?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Did the honourable member say boundary dispute?

MR. ENNS: Yes, Mr. Speaker. For clarification, the question - I believe the Minister is aware of a boundary problem or boundary dispute. That is, the residents of the Community of Oak Point petitioned the Department of Education to be included in the Lakeshore School Division and it's my understanding of the act that that matter would be dealt with by a Board of Reference. Has that matter been assigned to a Board of Reference?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question, Mr. Speaker. There was also a difficulty with the present membership of the Board of Reference insofar as that the chairman, I believe, has a conflict of interest being a resident from the Community of Eriksdale. Has the --(Interjection)--

MR. SPEAKER: Order, the Honourable Member for Lakeside.

MR. ENNS: Well my question, Mr. Speaker, has, for this particular matter, a change been made in the membership of the board?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: I can assure the honourable member that this matter will be heard by an impartial board.

MR. SPEAKER: The Honourable Member for Roblin. The Honourable Member for Lakeside. Order. Order.

MR. ENNS: A final supplementary question, Mr. Speaker. Can the Minister tell me whether or not -- can the Minister name the Chairman of the Board of Reference that is handling this matter?

MR. HANUSCHAK: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I thank the Honourable Acting Minister of Mines and Natural Resources for his information. I'm wondering if he would check the flooding of Lake Winnipegosis. I understand there's some flooding problems north of Winnipegosis. Mr. Speaker, my question to the Honourable Minister. Would he also check the levels of the Agassiz River in my constituency please. --(Interjection)--

MR. SPEAKER: Orders of the Day. The Honourable Minister of Industry and Commerce.

MR. EVANS: Well, Mr. Speaker, as the honourable member should know the Water Control Branch of the Department of Mines, Resources and Environmental Management is aware of the water situation and if you will the flooding potential, flooding situation in all major waterways and we do report the serious situation in this House. If we haven't reported on that particular area, or any particular area, it's because the situation hasn't deemed to be serious.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is for the Honourable the Minister of Youth and Education. Because of the continent-wide travel bills being piled up by some of his new appointments in his department --(Interjection)-- my question is . . .

MR. SPEAKER: Order, please. The preface, as the honourable member well knows, is argumentative. Would he rephrase his question?

MR. G. JOHNSTON: Well my question is then Mr. Speaker. Is it true that the Minister has now made it a requirement that he now okays personally all out-of-province travel plans by his new appointees?

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker . . .

MR. SPEAKER: The Honourable Member for Portage la Prairie, on a supplementary.

MR. G. JOHNSTON: I just wondered if the Minister heard the question and if he'd like the opportunity to answer.

MR. SPEAKER: Order, please. The honourable member will rise if he wishes to answer. The Honourable Member for Virden.

MR. MCGREGOR: Mr. Speaker, I'd like to direct this to the Acting Minister of Mines and Natural Resources. It's regarding flooding in the Assiniboine at Miniota. It seems to be caused by the Qu'Appelle and the question being: What arrangement or what agreement does Manitoba have with Saskatchewan because this is not a yearly but almost every other year is caused by the Qu'Appelle overflowing and shooting it . . . It's been well controlled above this -- it's not so . . .

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I'll have to take that particular question as notice. However, while I'm on my feet I'd like to take the opportunity to answer two other questions that were posed to me as the Acting Minister of Resources. Yesterday, the Honourable Member from

(MR. EVANS cont'd) St. George asked whether the Department of Mines, Resources and Environmental Management was considering setting up other areas of water metering around Lake Winnipeg, and as I advised members of the House yesterday, Mr. Speaker, we now have eight metering gauges located at various places on Lake Winnipeg and I can advise members further that a review is currently being made to see whether additional gauges will be needed and the Lake Winnipeg, Churchill, Nelson River Study Board will be investigating this particular situation.

Mr. Speaker, another honourable member, the Member from Ste. Rose, asked a question with regard to salt, sodium chloride dumped into the Red River whether the amounts coming into the Red River was polluting that river, and I assumed that the honourable member was referring to salt which runs off of streets, having been placed there for safety purposes - deicing purposes in the wintertime - this salt being washed off eventually into the sewerage system and thence into the rivers in the spring. And of course this type of salting program does occur in cities, including Winnipeg and some smaller cities south of the Canadian-United States border on the Red River. I can advise the honourable member that although sampling is only done on a monthly basis, a review of our past results indicates that the amount of salt getting into the river is not significant compared to normal levels. In general any increase in chloride levels in the Red River below Winnipeg is related to higher chlorides originating from natural sources in the Assiniboine River basins. We have technical data on this, and if the Honourable Member from Ste. Rose wishes to be provided with the statistical data, or any other member, I would be pleased to make this available to he or any other member of the House.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker, my question is to the Honourable the First Minister, and it arises out of a question I asked him three weeks ago, Sir. Can the honourable gentleman advise the House whether Prime Minister Trudeau's letter on the family income security plan is any less incomprehensible now than it was three weeks ago?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, we have replied to the letter but I must still confess that we are suffering from a degree of inability to comprehend the full contents of the letter.

MR. SHERMAN: A supplementary, Mr. Speaker, does the First Minister intend shortly to table the letter from the Prime Minister?

MR. SCHREYER: Well, Mr. Speaker, I see no problem in doing that but then it would be subject of course to the usual procedure of obtaining the concurrence of the Right Honourable Gentleman.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the Honourable Minister of Colleges and Education, Colleges and Universities. I understand there is an unusually high increase in applications by students from foreign countries. Is the Minister giving consideration to limiting enrollment to students from foreign countries?

MR. SPEAKER: The Honourable Minister . . .

HON. SAUL A. MILLER (Minister of Colleges and Universities)(Seven Oaks): Mr. Speaker, I'm not aware that there's an unusually high number of applications. I assume that the Member must be speaking about next year the 73/74 school year. I am not aware of that. The three prairie provinces are making their views known to the Federal Government in the very near future.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker, My question is for the Minister of Colleges and Universities. Will he give preference in student employment this summer to Manitoba students over foreign students in the student placement bureau?

MR. SPEAKER: The Honourable Minister . . .

MR. MILLER: The employment for this summer will be made available to Manitoba students. I assume they'd be Manitoba residents by and large.

MR. CRAIK: Mr. Speaker, I wonder if we could ask the Minister to repeat the last part of his first question about the three prairie provinces and the Federal Government.

MR. MILLER: The three prairie provinces will be contacting the Federal Government to discuss with them, with the federal authorities, the question of foreign students being educated in the universities of the three prairie provinces.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Colleges and Universities. I wonder if he could indicate whether the government has in their possession, or has worked out tables and does have in their possession, the percentage of foreign students to students from Manitoba who are attending universities and have been attending in the past decade?

MR. MILLER: Well I can give him the figure - a decade - it's approximately, it's somewhat under nine percent for this year.

MR. SPIVAK: Mr. Speaker, my question really referred not just to this year but to previous years. Have the government worked out tables?

MR. SPEAKER: Order please, Orders of the Day. The Honourable Member for Assiniboia.

MR. PATRICK: I have a question for the Minister of Industry and Commerce. Some time ago I believe the Minister took the question as notice and promised to give us a report in respect to King Choy. Is that report ready?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, another member of the House raised a very similar question, if not the identical question, and I gave an answer -- unfortunately you weren't in the House. I advise that you read Hansard.

MR. PATRICK: A supplementary, is there a copy of the report?

A MEMBER: It's in Hansard.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Yes, I'd like to address my question to the Acting Minister of Mines and Natural Resources, and Industry and Commerce. Will copies of financial statements of the various companies in which the province now has shared capital subscribed to, and paid into, be made available to members of this House, and when?

MR. EVANS: I would, Mr. Speaker, I would think it would be normal practice for annual financial statements of such companies to be made available to members of the House. I think they would perhaps be of particular interest to the members of the Legislative Committee on Economic Development.

MR. FROESE: A supplementary then. Will copies not be made available to other members who are not members of the Economic Development Committee?

MR. SPEAKER: Order please. The answer I heard was that they would be made available to everyone.

The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I would like to direct a question to the House Leader. Can he advise whether the Public Utilities and Natural Resources Committee will be called within two weeks?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: I can advise my honourable friend that the committee will be called in due course.

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

MR. G. JOHNSTON: Mr. Speaker, my question is for the Minister of Colleges and University Affairs, and I hope that I'll be allowed to explain my question, but it's the time of the year when members of this House are asked by many students how they apply for positions with the government, or the Government Student Employment Program, so my question is: because the government has instituted a policy of . . .

MR. SPEAKER: Order please. The Honourable Member is starting to debate the question before he is placing the question. Would he place the question, then we'll see if it needs any more prefacing. The Honourable Member for Portage.

MR. G. JOHNSTON: My question to the Minister, Mr. Speaker, is: what is the family ceiling income that will be allowed and still allow the student to obtain a job through the program under his department?

MR. MILLER: Mr. Speaker, there is no family ceiling income imposed. The needs of the student are taken into account, but there is no established family ceiling or family income ceiling as such.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Is it not a fact that on the employment questionnaire there is a question asking about the family income.

MR. MILLER: It is a fact, and it's a guide which will be used by the placement office

(MR. MILLER cont'd) to determine when applications are brought forward, all things being equal, the student who needs a job most will get it.

MR. G. JOHNSTON: A third supplementary, Mr. Speaker. Who makes the decision on all things being equal?

MR. MILLER: The people employed in the student employment office.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I'd like to direct a question to the Minister of Industry and Commerce. Could he indicate to the House why there is a difference in the price of fertilizers, and I'm talking about manufacturers across the line in the United States and in Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: This question was asked on previous occasions of the Minister of Agriculture. The members opposite may continue if they wish to place the same question but they should at least be consistent enough to place it to the same Minister.

MR. WATT: A supplementary question, Sir.

MR. SPEAKER: Order please. The Honourable Member for Arthur.

MR. WATT: May I direct this same question then to the Minister of Agriculture and see if I can get an answer from him? Can he tell us why there is . . .

MR. SPEAKER: Order please. I would like to indicate that I must entertain all questions, but repetitive questions, as all members are well aware, should not be tolerated. The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, on a point of order. The question has been asked in the past, no answer has been given.

MR. SPEAKER: Order please.

MR. JORGENSON: My honourable friend is . . .

MR. SPEAKER: Order please. Order please. There is no rule of procedure which says a member must answer. I am certain the honourable member is well aware of that. A Minister does. ORDER. ORDER. Order please. I was trying to indicate to the honourable members that there is no rule which indicates that a member must answer a question and I am certain the honourable member is aware of this. If he wishes to argue the point I'll entertain him in my chambers, but I will not do it on the floor of this House. The Honourable Member for Arthur.

MR. WATT: This is not a supplementary question, Mr. Speaker. I am asking a direct question now of the Minister of Agriculture. Is it his intention to look into the question that I posed and that several other members on this side of the House have in respect of fertilizers to give us an answer?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, I would presume that the honourable member has some incapacity to recall the answer that I gave to him some time ago and as well, probably some incapacity to read Hansard, but I will indicate to the honourable friend opposite that the province has no jurisdiction in this regard, has no authority to set prices in this area, and prices established by the private sector of any commodity, in any commodity, is a private matter.

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

MR. WATT: A second supplementary question then, Mr. Speaker. Is it the Minister's intention then to set prices on feed grains?

MR. USKIW: Mr. Speaker, obviously my honourable friend doesn't know the difference between where the province has authority and where it hasn't.

MR. WATT: Does the Minister know the difference between fertilizer and feed grains?

ORDERS OF THE DAY - ORDERS FOR RETURN

MR. SPEAKER: Proposed Order for Return by the Honourable Member for Roblin. The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I move, seconded by the Honourable Member for Brandon West, that an Order of the House do issue for a Return showing:

(1) The number of single trip permits issued to Saskatchewan farmers who transported livestock in their own trucks into Manitoba up to December 10th, 1971.

(2) The total amount of monies collected for such permits.

(MR. McKENZIE cont'd)

(3) The number of Saskatchewan farmers who were refunded after single trip permits were outlawed by the Minister.

(4) The number of Saskatchewan farmers who were issued trip insurance premiums to transport livestock in their own trucks into Manitoba.

(5) The total amount of premiums collected to December 10th, 1971.

(6) The number of Saskatchewan farmers who were refunded the premiums charged for trip insurance.

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

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I move, seconded by the Honourable Member from Charleswood, that an Order of the House do issue a Return showing:

(1) The total amount of money received to date by the Manitoba Lotteries Commission.

(2) The names of the Organizations to which Grants have been made by the Manitoba Lotteries Commission.

(3) The amount of the Grant given to each of the above Organizations.

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

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I beg to move, seconded by the Honourable Member for Pembina that an Order of the House do issue for a Return showing grants and/or payments in respect of dinners, luncheons, etc. given to the following by the provincial government from July 15th, 1969 to April 6th, 1972:

(1) Festival du Voyageur;

(2) Lions Club Mid-Winter Conference - 1972 Dauphin;

(3) Manitoba Association of Urban Municipalities;

(4) Union of Manitoba Municipalities;

(5) Manitoba High School Girls' Dominion Curling Final

(6) Manitoba Curling Association regarding 1970 Briar Playdowns.

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

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I beg to move, seconded by the Honourable Member for Roblin, that an Order of the House do issue for a Return showing the following information for the period October 1st, 1970 to date:

(1) The amount of money spent by the Manitoba Public Insurance Corporation or any other department or agency of the Manitoba Government on any campaign of information, advertisement or public relations concerning automobile insurance in this province;

(2) The respective dollar amounts received and names of any persons or companies to whom money was paid for purposes mentioned in (1) above;

(3) The location and cost of rental or purchase of all buildings occupied or equipment used in the operations of the Manitoba Public Insurance Corporation;

(4) A list of all agents of Autopac and for each the amount of commission received up to March 31st, 1972;

(5) A list of all adjusters privately or publicly employed on the business of the Manitoba Public Insurance Corporation, and the remuneration received by each adjuster up to March 31st, 1972;

(6) The number of vehicles owned or leased by the Manitoba Public Insurance Corporation as of March 31st, 1972;

(7) A complete financial statement covering the entire operations of the Manitoba Public Insurance Corporation for the period November 1st, 1971 to March 31st, 1972;

(8) A comprehensive list of all rates being offered on all classes of vehicles as of March 31st, 1972;

(9) An estimate of the costs of any operations of the Manitoba Public Insurance Corporation currently being handled by the Motor Vehicle Branch;

(10) Total number of employees, permanent and otherwise, and total payroll;

(11) The names of the members of the board and their respective salaries;

(12) The names of the senior officers and their respective salaries;

(13) The total number and dollar amounts of claims and the total number and dollar amounts of disbursements for each month of operation;

(MR. McKELLAR cont'd)

(14) The names of any persons who provided consulting or advisory services to the Manitoba Public Insurance Corporation and the respective amount paid to each person in respect of such services;

(15) A complete list of the borrowings and investments of the Manitoba Public Insurance Corporation.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Speaker, in respect to this order for return, I would like to deal with the Order for Return item by item, and state in general principle at the beginning that we are prepared to accept the Order for Return subject to a number of qualifications.

First, we would not be prepared to provide this information if it has already been provided by other channels. If it's been provided by way of public accounts, or by regulations or by annual return, financial return of the corporation itself.

Now dealing with the items, Item No. 1. We will provide this information if it is not to be included in the annual return itself.

The same is true in respect to question two which is related to question one.

Question three: we are prepared to accept and to provide that information.

Insofar as four is concerned, a list of all agents can be provided, will be provided. However question four leads on to request the information insofar as the earnings of each agent up to March 31, 1972. Here, Mr. Speaker, we are only prepared to provide the aggregate earnings and the number of agents. I can recall during the earlier debates in Public Utilities Committee, the concern that was expressed that individual agents would have to give to the public at large their individual earnings, and in the same way I would, I am somewhat concerned, and a little surprised, that the Honourable Member for Souris-Killarney should ask for that information which it was suggested a short time back agents should not be required to have to give.

Five: we'll provide a list of the adjusters, yes. The same thing holds true however insofar as giving the earnings of individual adjusters, the same comments as I made in respect to the insurance agents themselves on an individual basis.

Six: we'll provide that information.

Seven: that information will be given in the annual return, financial return, for the corporation on an annual basis. We are not prepared to commence to break it down into four months periods, or monthly periods, it will be in the annual return itself, and otherwise we would be simply duplicating the work that will have to be done for other purposes.

Eight: is already provided in the various regulations that have been published. The honourable member can obtain these himself.

Number nine: we'll provide an estimate.

Ten: we'll provide.

Eleven: we'll provide answers.

Number twelve: we'll provide an answer.

Insofar as thirteen is concerned this information will be given in total, in aggregate in the annual return. We are not prepared to break this down into a month by month basis, to establish an entirely additional workload, which information can be obtained at aggregate in any event when the annual return is filed which will give the total picture insofar as the total number and dollar amount of disbursements for the year as a whole.

Fourteen: We'll provide that information if it's not going to be included in the annual return. I suspect that since this is the first year of operation that that information is likely to be in the annual return in the same way that the information requested in questions one and two would be in that annual return.

Question five: there is no objection to this except I would point out that the, or question fifteen, except that I would point out that the borrowings and investments is done by means of channelling through the Department of Finance which undertakes the investment of reserves and other monies on behalf of the public insurance corporation, but I would say to the honourable member that we would be in a position to identify these various investments and to indicate them in answer to his question fifteen.

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

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

MR. G. JOHNSTON: Mr. Speaker, I move, seconded by the Member for LaVerendrye, that an Order of the House do issue for a Return for respect for the \$48,031.40 paid to the Fort Garry Hotel as recorded on Page 70, of the 1971 Public Accounts supplementary, showing the following:

(1) The details of each payment, whether for conference rooms, living accommodations, meals, refreshments, or any other purpose.

(2) The dates of each usage made and the purpose for using the facilities of the Fort Garry Hotel.

(3) The names and positions held of each person authorizing each of the above mentioned usages.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the Order for Return being moved here, I should like to indicate that we are prepared to accept it on the basis of department by department itemization, but not beyond that in that this would require considerable additional administrative effort. If the honourable member finds that satisfactory, all right. If not he can transfer it for debate.

MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: I find that satisfactory.

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

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I move, seconded by the Honourable Member for Rock Lake, that an Order of the House do issue for a Return showing the number of government vehicles registered in the name of the Province of Manitoba, specifying the number of cars, the number of trucks;

(2) The number of vehicles registered in Winnipeg and outside of Winnipeg.

(3) The number of cars operating from Winnipeg and outside of Winnipeg; and

(4) The number of trucks operating from Winnipeg and outside of Winnipeg.

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

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I move, seconded by the Member from Gladstone, that an Order of the House do issue for a Return showing the following information. The number of qualified architects and architectural technicians on staff in the Department of Public Works in the years 1969, 1970, 1971, and as of April 1st, 1972.

MR. SPEAKER: Moved by the Honourable Member for Fort Rouge, seconded by the Honourable Member for Gladstone. The Honourable Member for Gladstone is missing from his seat. The Honourable Member for Morris.

MR. SPEAKER: The Order as read.

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

ADDRESS FOR PAPERS

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK; Mr. Speaker, I move, seconded by the Honourable Member for Arthur, that a Humble Address be voted to His Honour The Lieutenant-Governor praying for copies of all correspondence, reports, studies, and/or other data, with respect to power benefits, flood control benefits, and/or regulatory pattern of Lake Winnipeg between Manitoba Hydro and the Manitoba Water Commission, including the Chairman or any member thereof, from September 1st, 1969 to the date of this Address.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, this Address for papers would demand the tabling of documents that are of an interoffice interdepartmental nature, therefore we are not able to accept it.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I would ask that this be transferred for debate to Private Members.

MR. SPEAKER: (Agreed). Next Address for Papers. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I move, seconded by the Honourable Member for Swan River,

(MR. CRAIK cont'd) that a Humble Address be voted to His Honour The Lieutenant-Governor praying for all copies of all correspondence between the Premier of Manitoba and the Association of Professional Engineers of Manitoba, or any member thereof with respect to the Nelson River Hydro Development and/or Lake Winnipeg Regulations from July 1st, 1970, to the date of this Address.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, this particular Address for Papers is accepted, subject to the following two conditions, of course: No. 1. We obtain the concurrence, as is the usual practice, that we obtain the concurrence of the other party that is involved in this correspondence; and the second condition is, that the reference to, or any member thereof of the association, that would be in the context of the member acting in an official capacity of the association, not in his private capacity.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, just to clarify the motion. The motion is intended where it refers to any member thereof, it means any member writing as an individual, as a professional engineer but not writing on behalf of the association. --(Interjection)--

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: The two conditions I stipulated stand.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: I ask that this be transferred for debate to Private Members' Day.

MR. SPEAKER: Very well. The third Address for Papers by the Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that a Humble Address be voted to His Honour The Lieutenant-Governor, praying for copies of all correspondence from January 1, 1970, to the date of this Address, between the Water Resources Branch, Department of Mines and Resources and Environmental Management, and Manitoba Hydro with respect to reports, studies, and/or findings of G.E. Crippen and Associates, Underwood, McLennan and Associates, and the Manitoba Hydro Task Force on the Nelson River Hydro Development and Lake Winnipeg Regulations.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, this is asking for correspondence between an agency of the Crown and a number of firms, or individual members. This address is accepted subject to the condition that concurrence of the other parties referred to is obtained, and also subject to conditions that the individuals referred to are acting on behalf of the firms referred to.

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

MR. SCHREYER: I am sorry my remarks apply to the next Address for Papers. With respect to the third Address, of the four Addresses, I take it, Sir, that we are on the third.

MR. SPEAKER: We are on the third.

MR. SCHREYER: I beg your pardon, Sir. In connection with the third Address for Papers, this too, like the first, involves interdepartmental interagency correspondence. We do not accept the Return.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I ask that this be transferred to Private Members for debate.

MR. SPEAKER: Very well. The Honourable Member for Riel on the fourth Address for Papers.

MR. CRAIK: Mr. Speaker, I move, seconded by the Member for Brandon West, that a Humble Address be voted to His Honour The Lieutenant-Governor, praying for copies of all correspondence between Manitoba Hydro and G. E. Crippen and Associates, Underwood, McLennan and Associates, and any other consulting firms, or any member, or members of the Association of Professional Engineers of Manitoba with respect to the Nelson River Hydro Development and Lake Winnipeg Regulations, from July 15, 1969 to the date of this Address.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, to repeat, and for addition of clarity, may I say again, Sir, that we accept this Address for Papers provided that we obtain the concurrence of

(MR. SCHREYER cont'd) the other parties referred to in this Address, and also provided that the members or any individual member of any firm or professional association be acting or writing in an official capacity on behalf of the firms, or the professional association.

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

GOVERNMENT BILLS

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, would you kindly call Bill No. 5, The Succession Duty Act, The Honourable Member for Assiniboia.

MR. SPEAKER: Proposed Motion of the Honourable Minister of Finance. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I adjourned the debate for my colleague from La Verendrye.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I rise today after some time elapsing from the time it was introduced, to say a few words on Bill No. 5, The Succession Duty Act of Manitoba. I should admit at the outstart, outset, that I have received help in trying to digest parts of this bill, but I did not have an opportunity to see my Leader on this bill, and I do hope whatever I say he will agree. I do think though that I can't say I'm speaking on behalf of our group.

Before dealing with certain specific principles of this bill which I believe to be worthy of discussion and criticism, I should like to comment on general matters in connection with the basic principles behind the bill and the effect it will have on the people of Manitoba.

In the first place, I think it should be made clear that generally speaking, a Succession Duty bill is not considered to be a revenue raising bill, but it is rather in the nature of levy intended to satisfy the political point of view that the accumulation of wealth is evil and should be aggressively resisted through penal death --(Interjection)-- tax, I'll think I'll come to that a little later - should be aggressively resisted through penal death tax legislation. In my view, Mr. Speaker, this argument is subject to several disabilities, first of all Succession Duty Acts in this case raise little revenue, it is projected that the revenue will perhaps be around the five or six million dollar mark, and that was questioned by the Honourable Member for Sturgeon Creek the other day, but I think for the time being I'm willing to leave it at that figure. This would represent slightly in excess of one percent of the provincial revenues as is forecast by the Minister of Finance just a few days, or perhaps eight or nine days ago, in his Budget Speech, and cannot therefore in my view be a significant factor in its revenue calculations.

Secondly his revenue calculation ignores the administrative costs which will be incurred in the administration of this act. In my view therefore it can be expected that the net return to the province will be quite a bit less than one percent of the total provincial revenues and the tax will be, I think quite easily said be more of a nuisance than anything else. If revenue raising is a consideration then I submit that our efforts would be better directed to creating an economic climate where people and corporations are prepared to invest, to create jobs. The income tax or income taxes and sales taxes raised from these new investments in industry would, I think, more than offset any loss of revenue as a result of not having a Succession Duty Act.

There is another point which should be made in this respect inasmuch as the Succession Duty Tax will reduce the incentive of Manitobans to save for their children, and this in my view is a natural result of a Succession Duty Tax - the tax itself defeating since potential wealth which would otherwise be available for investment will be lost through increased spending during lifetime with all the problems that it entails.

Now the argument, Mr. Speaker, is often made that succession duties are necessary in order to ensure that all persons have equal opportunity during their lifetimes and that one should not by a mere chance of birth be in an advantageous position over others. It is true that nobody deserves to inherit property any more than he deserves to be born in Manitoba rather than any other country, for that matter, or any more than collectively we deserve to inherit all that our ancestors have created and produced in the way of, for that matter, artistic and physical capital. I think we would agree it would hardly be sensible however to destroy the works of say, Shakespeare for that matter on the grounds that nobody now alive deserves them.

(MR. BARKMAN cont'd) The fact that some people benefit something, or from something I should say, is not strangely enough a conclusive argument against it, and I hope the Minister of Finance agrees with me on that.

Mr. Speaker, another important question which should be answered before the Succession Duty Bill is passed is the question as to whether it is appropriate at this juncture of Manitoba's history to have such an Act on our statute books. Even those who argue most strongly in favor of succession duties would have to agree that given the Canadian-Federal system of government, it would definitely be better to have a uniform Act applied on a federal level as was the case with the former Estate Tax of Canada. --(Interjection)-- You have on the other hand nine separate Succession Duty Acts with different treatments of the different -- I should put it a little different -- to have nine separate Succession Duty Acts with different treatment of the estates of deceased persons in different regions of the country, I think is practically physical suicide. --(Interjection)-- It can only lead to competition between these regions with the result that the disadvantaged regions of Canada will continue to be disadvantaged and in fact discrepancy will be increased. This is particularly true in the case of Manitoba where not only is it proposed that we levy succession duty but in most respects the proposed tax is less generous in its treatment than it is in any other Act in any other province of Canada.

I appreciate, Mr. Speaker, that representations were made, as the two gentlemen just mentioned bring it to Ottawa - I think they would have to admit that representations were made but without avail to the Federal Government with respect to their decision to vacate the Estate and Gift Tax fields and, specifically, that they were requested to postpone the implementation of this decision for at least a year. However given the fact that they were firm in their decision and have implemented it and the fact that there is not to be one uniform Act with uniform treatment of all those who fall under it, it seems to me that Manitoba cannot afford to stick its head out in the sand like an ostrich and impose the most severe degree of taxation in this particular field.

Mr. Speaker, the argument has been raised that while the treatment of spouses of deceased persons may be somewhat less generous than that proposed in the other provinces, that the treatment of second generation beneficiaries such as children is more generous. In my view this argument is subject to two disabilities. First, in most cases any hardship will arise in connection with the death of a father who wishes to pass on his business or his farming operations to his sons. Again it has been proven actuarially that most husbands predecease their wives and therefore it is reasonable to expect in these circumstances the wife will, in fact, survive the husband. This then means that the wife and the children are required to share the preferred beneficiary exemption of \$150,000 proposed in this bill. I'm referring now to the wife and the children --(Interjection)-- All right, let it be \$200,000 then - and therefore to the extent that the wife receives property from the estate of her husband the children's exemption is reduced. Secondly, although the exemption under the proposed Manitoba Act of -- I said \$150,000, I'm corrected -- it is \$200,000 for children, would appear to be substantially more generous than the exemptions for children in other jurisdictions. --(Interjection)-- \$150,000 and what? --(Interjection)-- Right. Okay. This may not necessarily turn out to be the case in practice since in all provinces except the Maritime Provinces the rates of tax appear to be substantially lower than the rates of this proposed bill. It may therefore turn out in practice that the lower rates of the tax will quickly compensate for the fact that there are lower exemptions for children and therefore that while on the surface the contrary appears to be the case, the exemptions for children in other provinces are at least as - I should say or - more generous than are the exemptions under the proposed Manitoba Act. And this is true in the Maritimes. One should also notice that even the figures of \$200,000 and \$150,000 respectively referring to children in the other, or proposed for exemptions, while they may be to a lot of people appear quite generous, I think it is fair to say that in terms of yielding income when you take non-productive assets such as a home or let's say a home into consideration and also account for the fact that or rate of inflation or inroads to inflation have increased, I think this is particularly true then.

I would also like to comment for a few moments on the retroactive and the retrospective nature of the legislation. When the Federal Government announced on June 18 of 1971 that it proposed to vacate the Estate and the Gift Tax field, the provinces I guess were caught by surprise. However, I think it's important to note that they still had approximately six and a half months until the end of 1971 to bring in legislation effective January 1, 1972, and that way they

(MR. BARKMAN cont'd) could fill any gap that they were concerned, if they were caught by surprise like I think they were, that might appear with respect to succession duties and gift taxes. They did not do so but chose instead to attempt to legislate retroactively in the succeeding year. They did of course on one of the last days of 1971 announce their intentions to legislate and presumably by this bill that's before us now, or by the Act, will attempt to justify the retroactivity of the legislation. I question the morality of this decision and wonder whether in the long run we will lose more in this procedure in practically all ways than we would have lost in financial terms had the Act not been expressed to be retroactive. One can argue that there is no morality in taxation but surely there must be morality in government and its introduction and application of laws.

Mr. Speaker, transactions which have been entered into based upon the laws which stood at the time of the transaction are surely entitled to expect that the law will not be changed retroactively and I want to - to do the contrary I think you create a disrespect for the law and for the Legislative Assembly as a whole which enacts that kind of law.

And while I'm on this point I must comment on the attempt to bring back into estates for purposes of succession duty, gifts made within the years of death but prior to January 1, 1972. This of course is similar to retroactive legislation and may also lead, I'm told, to problems of constitutional law, and we heard the Leader of the Opposition question part of that question yesterday on Oral Questions. And even if these Acts are constitutional, and undoubtedly there will be appeals in the courts of this area which will make for uncertainty, the fact of retroactive and retrospective legislation can only lead to disrespect for the law and for the Legislative Assembly that enacts this type of law.

There is one other general comment I wish to make at this time before dealing with a few other points, and that is the attempt to extend the taxing net to certain types of successions to property which are not presently taxed under any succession duty law in Canada. I refer specifically to the attempt to tax a resident of the province on a succession to property located outside the province which he receives from a deceased who was not domiciled in the Province of Manitoba. As I understand it traditionally successions to property located outside, in the province have only been taxed where both the beneficiary has been resident in the province and the deceased has been domiciled in the province. The decision to not tax the successions now proposed to be taxed, apparently has been taken on the basis that it would be difficult to enforce the collection of any such tax since, as we know it, it was often quite a few problems were created by doing this considering as to whether the assets located outside the province would be disclosed or not. Presumably the co-operating provinces believe that they can resolve this collection problem by virtue of the ready exchange of information inter-provincially which is provided in this bill; if this co-operation is contingent in this respect they may very well be correct. However it seems to me that where successors resident in Manitoba receive property located in jurisdictions which are not either co-operating provinces, or which are not located in Canada, such as for example the State of California. The collection problem may very well again arise and if the beneficiary decides not to disclose the fact of his succession to property in one of those other jurisdictions, then it is not likely that Manitoba would be able to collect this tax at all. In fact Manitoba would not ever hear that a tax was payable to the extent that these situations will arise, and to the extent that taxpayers resident in Manitoba decide to gamble that they will not be found out and will therefore not be subjected either to tax or to the penalties set forth in the proposed Act, I think this can only lead to an evasion of tax and the consequent declining of perhaps taxpayer morality generally speaking.

It is also been stated many times that any Act which cannot be effectively administered is bad since it does in fact lead to the disrepute of the law and it should therefore be discouraged. I wonder, Mr. Speaker, if there should not be some reconsideration of the extension of the taxing net and if we should not go back if we must have a Succession Duty Act at all, to the principles which have been followed in the Provinces of Ontario, British Columbia and Quebec for many years. Let us have a law which is certain and which can be enforced effectively.

Mr. Speaker, I wish to switch now to the treatment of registered charitable organizations. It seems to me to be both illogical and unjust. In the first place what is the reason for the exception of trust which is contained in the definition of charitable organizations in this bill. The provisions of the Federal Income Tax Act to which that definition refers would appear to make such trust truly charitable organizations, and in any event they must comply with the provisions as to registration. Surely one should not discriminate against the form of

(MR. BARKMAN cont'd) charity taxes but should rather base approval of donations to that charity on the fact of its registrations.

Again under the new Income Tax Act of Canada there is an amendment was introduced in that registered Canadian athletic organizations were given the same tax treatment as registered Canadian charitable organizations. It is only reasonable and fair to suggest that those athletic organizations should be given similar treatment under our provincial Succession Duty and Gift Tax Bills for that matter. And I would strongly urge the Minister to introduce an amendment in this respect.

And then again there is the difference treatment accorded charities with respect to gifts and bequests. Gifts are entirely free of tax but bequests may be taxed. I see no justification for the difference in treatment and would also like to urge the Minister that all charitable gifts and bequest are free of tax. I think this problem is becoming quite a problem especially in our rural areas as far as allowing athletic organizations to have a setup whereby donations can be deducted. I think we can all think of so many problems, and I'm particularly thinking of our rural closed skating rinks. --(Interjection)-- Well I don't know but I'm sure the Honourable Minister having been a lawyer, and I think he served quite a bit of the rural parts too, I'm sure that he's seen quite a few of them.

A MEMBER: Skating rinks.

MR. BARKMAN: No, not skating rinks. I'm not referring to that.

But anyways I think they are important because people in rural Manitoba very often have one awful time trying to create and find enough money for these organizations and, surely, if one quarter of a community is willing to donate this money for the welfare of the people, the boys and girls that are involved, surely they should be a deductive expense.

Now, Mr. Speaker, the press release issued by the Minister in connection with the announcement of the proposed Succession duty and the legislation which is before us today indicated that capital gains tax payable at death to the Federal Government will be deductible as a debt of the estate of the deceased. This would appear to be the proposed treatment under the bill since the definition of debt would appear to be broad enough to include such taxes. There is however, a basic question and that is, why should these taxes be treated in a different manner and substantially less generously at that than our death taxes paid to other co-operating provinces as do other jurisdictions under other sections of the Succession Duty Act?

These - well maybe yes, these other taxes are deducted not as debt from the aggregate value of the estate of the deceased person, but directly from the tax payable to the province and therefore they are accorded a much more reasonable treatment. What is the basis for differentiating between these types of taxes? The Minister says it's a matter of apples and oranges but there seems to be a difference that should be checked into. I don't think it is necessary; if they think it is of that little value I think he could easily change it. It can surely not be the fact that one is a federal tax and the other is a provincial tax, since in the case of the federal tax a large percentage of the tax will still be returned to Manitoba from the Federal Government, while in the case of the succession duties levied by other jurisdictions, none of the tax will be returned to Manitoba at all. The logical justification for the difference in treatment does not seem fair.

Mr. Speaker, I want to turn now to another principle of the bill that appears to contain a problem in that the exclusion of policies of insurance held by a trustee in an insurance trust, does not appear to be effective. Parts of the bill discuss the ownership of an insurance and provide that insurance policies in which the deceased can do any one of five things are to be included as part of his estate and it then goes on to except from the operation of this section, policies of insurance which that person held as a trustee only under a settlement not made by him, in which he had no beneficial interest and the terms of which were not capable of being varied in such a way as to give him a beneficial interest in the policy. This would appear to be in order but I am advised that all insurance trusts are capable of variation under the variation of Trust Act in the province of Manitoba and therefore, the exclusion is of no effect whatsoever and I think this situation should also be corrected.

This concludes the comments I have in connection - I was going to say a few words about some of the Carter Report at the time it came out and I was going to talk on a few other points but it's been quite awhile ago since I reviewed the bill. I think I would like to conclude. In conclusion therefore, I should like to summarize my opposition to this bill as follows:

(1) The difficulties and effort that will be experienced and expended in connection with

(MR. BARKMAN cont'd) honoring the principle of succession duty -- and for that matter, the same principle refers to gift taxes -- we are now talking succession duty; this legislation is entirely out of proportion to the return which will be obtained and therefore the application of these so-called high principles is just not justified.

Secondly -- assuming for the moment that the application of the principle is justified, this is not the appropriate time in the history of Manitoba -- in the history of our province -- to introduce these taxes since given the intentions of the other provinces the proposed taxes cannot possibly lead to an improvement in the quality of life for Manitobans but in fact, I think it will quite easily lead in the opposite direction.

And my third point is this, Mr. Speaker -- the proposed bill contains certain very basic problems which should be considered and which should be corrected before enactment and implementation of the legislation and the failure I believe to correct these problems will result in bad legislation which will be more honoured by non observance than observance. So, Mr. Speaker, for some of these reasons and other that I'll not give today, I cannot support or give my support to this proposed legislation.

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

MR. FROESE: Mr. Speaker, I know the bill has been on the Order Paper for some time. We have spent a whole week now on the Budget Debate so that some time has elapsed since we last debated the Succession Duty Bill. Previous to this bill coming in, we had the Estate Tax Act, which has now been eliminated and as a result we will now have the Succession Duties Act which will be invoked by this province.

First of all before I start off, I wish to thank the Minister for providing several meetings where certain members of this House availed themselves and had a very thorough discussion of this bill and the Gift Tax Bill which is accompanying the Bill No. 6. I certainly wish to thank him for it and also thank our counsel Rae Tallin who was with us and gave us a great deal of information as to the various clauses in the bill and certainly which will do us a lot of good when we come to the committee stage where we will be discussing the various items contained in the bill itself.

Mr. Speaker, I too, take opposition to the bill for various reasons. The Finance Minister said: "Social Credit approved of it" well -- "of the principle". Well I, as a Social Creditor do not approve of it and I'll tell you why -- (Interjection) -- The Social Credit administration in Alberta for all these years opposed it and -- (Interjection) -- gave a refund to the various people that where estates arose and as a result the people of Alberta have benefitted through the Social Credit administration for all these many years.

What this bill will do is just create another heyday for the lawyers of this province. -- (Interjection) -- Look at all the estates, all the wills that will have to be revised and all the legal counsel, advice that will have to be given by lawyers. And I am tempted to believe that we on the front bench of the government side, we have several lawyers who will no doubt be gaining and I'm just wondering whether they do not have a pecuniary interest in this particular legislation and I think the Minister himself, is one that should be criticised very heavily for this.

A MEMBER: Kickback. Kickback. Kickback.

MR. FROESE: So when we come to committee stage, we will have some further discussion on this no doubt. I feel that the legislation has been drawn up very thoroughly and the way it was explained by himself, by the Minister and Mr. Tallin -- I think the way it's drawn up, if I was in favour of the principle I think it would be good legislation, but I oppose it and therefore I don't feel it's so good at all.

We are now going to bring in a Succession Duties Tax here in Manitoba. People who paid income taxes, probably all their life; people who have given much of their work and labour by way of taxation all their life, and here comes their life end and they want to pass on their earnings that have been left, been saved over these many years, leave to their family and what do we find? Now we are going to tax them once more after they are gone. We already have a Federal Capital Gains Tax now which the people of this province will have to contend with, and if the Gift Tax goes into effect, we will have a gift tax which they will have to contend with, and on top of that we were going to put in this Succession Duties Bill as well.

In fact, I think this legislation is very unscriptural and for some of the front benchers there I think they should take a second look at this legislation. Look what the old patriarchs Abraham, Isaac and Jacob, especially Jacob who later on was re-named Israel left to his family, to his sons - a whole land, and if this tax had been in effect at that time the land of Israel couldn't have been given to his sons. They would have been taxed out of existence, -- (Interjection) -- so certain enough -- (Interjection) -- I think the member for . . . I am sorry the Member for Inkster isn't in his seat because the day that he entered this House, and that he gave his maiden speech was on a particular -- on a Monday -- and he used the Bible and he used a certain scripture with his opening remarks, I remember it too well -- the Member for Inkster -- and I'm sorry that he's not in the House at this particular time to debate this point with him.

Then we know that from the scripture the scripture says: "God loveth a cheerful giver" -- (Interjection) -- We are now forcing the people of this land first to give a gift tax, income tax, the capital gains tax, sales tax, and now a succession duties tax. - (Interjection) -- It is all being imposed, we no longer give the people of this country an opportunity to be cheerful givers -- (Interjection) -- and to give gifts voluntarily. -- (Interjection) -- I would like to hear the Minister of Labour replying afterwards, if he feels like it, because I would like

(MR. FROESE cont'd)to see what he has to say in this regard.

Then I feel that the amount of money that this province will get out of this particular legislation isn't worth the trouble and the expense that we are going to through this particular piece of legislation. In the estimates of receipts for this province for the year 1972-73 the amount of \$4 million is shown. The previous year it was 4.3 million. I don't know just how much we did receive in the past year, but certainly the amount is a small amount compared to the total budget. And I am sure that if I was on that side, on the government side, I could effect that much savings any day in the total budget of this province so that this tax would not have to be imposed. --(Interjection)--.

So that we are imposing a tax completely unnecessarily. But why is this being brought in? And I think I know. It's because of their particular philosophy of their party, that's it - their philosophy which says that they are opposed to property ownership, that people are not supposed to own a home, not supposed to own a farm, not supposed to own property, that everyone should live in rented quarters, that the state should own everything and that they just be peasants. I take the opposite view. I feel that people should have something in life to work for, to strive for, and what is it if it isn't the ownership of a home, and to have a family, to grow up and to see the fruits of their labour being put to use.

We in this province find that instead of putting in grants like British Columbia where we have a Social Credit government, were to give a thousand-dollar grant to people who acquire their first home, young people, or older people who never had a home before, can get this grant; they encourage ownership instead of destroying it. They provide much more in the way of municipal grants -- they have a \$30 per capita grant so that the taxes won't be such a burden on the homeowner - that they can afford to live in a much better way, enjoy greater prosperity. Here it's just the reverse. Here it's the state. We are just worshipping the state, the state is supposed to be the thing.

(Interjection) -- Presently the public housing that is going on in this province certainly won't do the communities too much good in the long run. We are subsidizing many of these by better than 50 percent and I feel that this is not correct. If it was really people who were hard up and were really up against it -- but many of these people that go into these places rent their own homes, get a bigger reward for that and then move into quarters of this type, making money at the expense of subsidized housing. This is what is happening today and I feel it's a sorry state of affairs. The legislation certainly gives priority to the state left and right. When you give a gift to the state, it's not taxable but give it to someone else and you are asked to pay a tax.

Certainly I can assure the people of this province if we next have a Social Credit government that these bills - this legislation will be done away with. . .

A MEMBER: Hear. Hear.

MR. FROESE: . . . at the first opportunity, not only this Succession Duty Bill but this Gift Tax Act legislation as well. -- (Interjection) -- Well, let it be an election speech. I don't mind because I think it's good for the people and it's good for the province and that's what we should have.

Then, certainly this legislation discriminates against the larger family. It favours the smaller family; the family receives the same amount of exemption whether there is one child, four or five or whatever the case may be. And I feel that this, too is wrong; it's wrong in principle, and certainly should be changed. Mr. Speaker, I too, feel that this legislation should go to a committee of this House that would sit outside the Chamber, and that we could have public representation made to a bill, a taxation legislation of this kind. No doubt the intention is that we will just have a meeting of the Committee of the Whole and that we, as members will be discussing it and if we have amendments to bring them in. But the people of this province who will be subjected to this tax will have no right, will have no consideration being given, will have no opportunity to present their views and to tell the government what they think of legislation of this type. And I'm sure that if they had the chance they would tell them, and I am not so sure whether if they were through whether they would still go ahead. Although we have seen it that they do go ahead with such legislation as the automobile insurance and other bills that we have seen where we have had strong exception to, strong opposition to, that any matter where their philosophy is involved they'll go ahead and do it. So, -- (Interjection) -- the Member for St. Matthew says that's a matter of principle with them; I don't accept that particular principle. I feel that we should give the people of this province

(MR. FROESE cont'd) an opportunity to be heard, and therefore, refer the bill to another committee.

Mr. Speaker, I could go further into the legislation itself and touch on many aspects, but I feel that we will do this when we consider the bill, clause by clause. I do, once more, I do appreciate the opportunity given to us as members of the committee, to have a discussion on the bill with the Minister and with legal counsel, so that we have a better understanding of the legislation itself. I think that would be very worthwhile, so I take this opportunity of expressing my views, and I take very strong opposition to the passing of this bill.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. You know, Mr. Speaker, it's at times like this that we find out how similar the political philosophies of the Manitoba Social Credit Party, and those of the Conservative Party are. When the Member of the Manitoba Social Credit Party says that he opposes principle of this bill, and states that when his government is formed that they would revoke that type of legislation, I am sure that he is expressing the views of the Conservative Party in a very similar vein, because we feel on this side of the House that the legislation is not good for the Province of Manitoba. -- (Interjection)--

Mr. Speaker, when the Member for Rhineland spoke on this, some of the points that he touched on I have to say I am in full agreement with. He mentioned the fact that the replacement of the Estates Tax Act with the Succession Duties Act is not a step forward but is a regressive step. I think it is most appropriate because of the factor that in the Estates Tax Planning, if there is income tax to be paid on an estate, it is deducted before the estate is figured out. Here we find this is not the case in this. The estate is assessed as such, and taxes are not taken into consideration at all before the Succession Duties Act comes into force.

And when he says that this is a lawyer's paradise, I would also urge that this field be widened to include the field of the chartered accountants and the certified public accountants. I'm sure that the amount of work that they will have to do on this will insure their continued prosperity in the Province of Manitoba.

Now we've had -- between the Member for Rhineland and the Member for La Verendrye we find a difference in figures, Sir. The Member for La Verendrye quoted a figure of between 5 and \$6 million estimated revenue, and the Member for Rhineland using the estimates of the Minister of Finance talks about a reduction of \$300,000 from 1970 to 1971, and the figure is only \$4 million.

However, Mr. Speaker, I would like to read the recently released 1971 edition of taxation statistics published by the Department of National Revenue. Taxation shows that the amount of estate tax assessed on taxable Canadian domiciled estates for the 1969-70 fiscal year, was \$111,108,000, a reduction of \$700,379,000 compared to the 1968-69 fiscal year. The Province of Ontario accounted for \$43,693,000; followed by Quebec \$24,364,000; Alberta with \$7,273,000; British Columbia with \$6,758,000; Nova Scotia with \$5,512,000; Saskatchewan with \$4,079,000 followed by Manitoba with an actual revenue of 2,970,000; New Brunswick with 2,569,000; Newfoundland with 458,000; and Prince Edward Island with 149,000.

A MEMBER: What year?

MR. GRAHAM: And this was for the fiscal year 69-70, which are the latest figures available in the Department of National Revenue. Mr. Speaker, the decline has been a steady one. It is not -- there is not reason to believe that it will increase to \$4 million; it was less than 3 million in 69-70, and if that rate of decline continues it could be approximately \$2 1/2 million, instead of 4 million in the 71-72 fiscal year, or the 72-73 fiscal year.

So the argument that the Member for Rhineland and the Member for La Verendrye put forward, Sir, that the book work involved for the amount of revenue obtained is even more valid in the light of these figures than it was in the light of the figures that they quoted. And in the case of the Member for La Verendrye it would be more than doubly important, and in the light of the figures used by the Member for Rhineland it would be almost that amount.

So we can see, Sir, that from the point of revenue there is really very little to be gained. And if the government is not using revenue as the means or the principle for the implementation of this Act, Sir, I would like to know what other principle they are using to justify the bringing forward of a piece of legislation which I claim, Sir, is discriminatory, very discriminatory.

And for awhile, Sir, I would like to take a few minutes to explain why I think it is discriminatory. And I would like to bring forward to you, Sir, the case of the farmer in Manitoba,

(MR. GRAHAM cont'd) and I suggest, Sir, that this type of legislation is discriminatory for the farmer in Manitoba. We find by the very nature of his livelihood, Sir, that the farmer in Manitoba cannot succeed, he cannot even begin to compete, unless he has a large capital investment. And members on that side of the House agree with that because we find, Sir, that last weekend in the City of Portage la Prairie they had an agricultural conference, and I would like to read to you, Sir, an extract of a newspaper report where a Mr. Schwarz, Regional Co-ordinator of the National Farmers Union was speaking on the agricultural problems of Manitoba. And he says this: "The farmers, helpless in this economic situation have been increasing production by huge capital investments which they did not have, but were forced to obtain to stay in the running".

So, you see, Sir, that if a farmer is going to even survive in this country, he has to have huge capital investment in his operation -- depends on the type of farming operations he wants to run. It's basic and necessary. He's not like a lawyer who has had seven years in school, and then with his satchel in his hand can open an office and say "I am in business." And then he's got a \$40,000 or 50,000 or \$60,000 or maybe a \$100,000 - if he's as smart as the Member for Inkster, he might make that amount of money. But what has he got invested, Sir, other than 7-10 years of education, and a satchel in his hand and a few books on the shelf. I would suggest to you, Sir, that any farmer that tried to farm in that manner would not succeed very much. All he could grow in his satchel wouldn't even provide enough for one breakfast.

Sir, ever since the farmer practised in Manitoba, and this is almost 100 years, he has faced adversity. He's faced flood, fire, hail, -- (Interjection) -- drought, and an NDP Government - they're all adverse -- (Interjection) -- to the farming business. And this government in particular has done everything it can to hurt the farmers in Manitoba -- (Interjection) -- and I would ask you, Sir, to look at some of the legislation that they have brought forward which is specifically aimed at squeezing another dollar out of the farmer's pocketbook. -- (Interjection) -- We have the Minister of Finance, just last week brought forward this budget where he held high hopes for all the taxpayers in the Province of Manitoba -- or property taxpayers in the Province of Manitoba where they would get as much as \$140 return on their property tax which would apply to school taxation. Sir, my lawyer friend might pay a \$100 in school tax on his business premises. I don't know how big his office is or his house -- he might pay \$200 -- depends on how prosperous he is and how well he conducts his legal affairs. But I would suggest to you, Sir, that where he could make 50, 60, maybe \$100,000 a year and pay \$200 a year school tax on his property, the farmer, if he's lucky, might make 5, 6, \$7000 a year and pay a \$1000 or more in school tax. And he will not get any substantial refund on his school tax -- (Interjection) -- he's hardly going to get anything on it in comparison to the rate that my learned legal friend will get -- (Interjections) -- When we were in government we gave the farmer up to a \$50 rebate -- (Interjection) -- on every parcel of land that he's got. You're not going to do this, you just say his residential -- (Interjection) --

MR. SPEAKER: Order, please. -- (Interjection) -- I realize I have to allow a lot of latitude to the Honourable Member, but we're not discussing the school tax, we're discussing the Succession Duties Act please. Will he confine his remarks to the Act before us. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you very much, Mr. Speaker, for I was straying, but I was attempting to point out the discriminatory type of legislation that this government brings forward and is continuing to bring forward discriminatory against the farmer. -- (Interjection) -- And the farmer, Sir, in this day and age is not a young man. The average age of the farmer is well above 50, and here we find a government that says, "well look, here is one industry where the people are very well up in years, if we're going after their estates, here is a plum that is right for plucking, and we'll get the farmer. We'll get their estates and we'll get every cent we can out of them and that is the attitude of this government, Mr. Speaker, because the average age of the farmer is fairly high they figure that now is the time to hit them with an estate tax because -- or a succession duties tax -- because their days in farming are numbered, and we'll get 'em.

Mr. Speaker, it's been said by many before that the farmer is the only member in our society who lives poor and has the possibility of dying rich, and this government doesn't intend to have that happen. They say he'll live poor and he'll die poor, we'll keep him down there.

A MEMBER: That's a good one, Harry, that's a good one.

MR. GRAHAM: But, Mr. Speaker, what of the agricultural industry in the province if that attitude is allowed to continue? What is the future for anyone in agriculture in the Province of Manitoba if this type of legislation is allowed to proceed and the direction, and the intention, of this government is allowed to continue? No industry, Sir, can continue with this type of discrimination aimed at them, aimed at their head for too long. We know that agriculture is a sick industry today and this government is just increasing the agony and the dose of strychnine that they're administering will not alleviate the situation. Consider if you may, Sir, the farmer of today who is almost ready to retire -- he's in his sixties, or maybe he's in his seventies and he's paying a huge amount in school taxation -- and he got no benefit from it, Sir, he went to school in the Little Red School House, or if he was lucky and lived in an area where there was consolidated schools he might have got up very early in the morning and travelled eight, nine, ten miles by horse to arrive at school by nine o'clock and leave again at four o'clock and weeks would go past when he would never see his own home in daylight. These were the conditions that he was brought up under, and, Sir, we have to thank previous administrations for changing those conditions and changing the environment in which the farmer endeavoured to succeed.

He's gone through periods of adversity, and periods of relative prosperity because if he didn't have the odd good year, he wouldn't stay in business too long. He's having a great deal of difficulty today, Sir, persuading his family, his sons and his daughters to stay on the farm because the activity of this government and other governments, both provincial and federal, are trying their best to legislate him out of existence. In this particular case, Sir, the Federal Government recognized some of the difficulties and the inequities that exist in this type of legislation and they removed it, but the Provincial Government said, "Oh no, you don't get away that easy. We'll re-impose it and we will also make it retroactive". Not only to the first of the year, Sir, but for three years prior to that. They still have some claims. So you see, Mr. Speaker, that it's very difficult for the farmer to persuade his own sons and daughters to stay on the farm. So if he has any young neighbour who is particularly interested in farming and he wants to help him, this government further penalizes him and says to him, "well the estate in that case is only \$50,000". So for taxation purposes, we are talking about an estate of \$50,000 not 200 as the Minister would have us believe. In fact, Sir, there is only one case where the \$200,000 exemption that the Minister talked so much about applies, that's the only case so he would love to use that top figure of \$200,000 exemption. Sir, I choose to use the figure of \$50,000 exemption which is the correct figure, and if there are special circumstances then there are additional exemptions.

It's surprising, Sir, how many in the farming industry today are in the widowed category; their sons, if they have them, have no interest in farming. There are a high percentage of farmers, Sir, who have because of the nature of the industry itself, where it takes a total effort on everybody's part, have never even had time to get married, and they are bachelor farmers. I'm speaking from experience, Sir, when three of my neighbours, three of my neighbours surrounding my farm are all bachelors and, Sir, I would ask you how a bachelor can get a \$200,000 exemption on an estate on succession duties? Mr. Speaker, as far as the farmer is concerned, I think I have outlined to you the particular reasons why, or the particular areas where the farmer is being discriminated against.

Now, Sir, I would like to turn to some of the remarks that the Minister of Finance used in opening up this bill for debate. He established some priorities in his remarks on this bill. He said one of the first priorities that his government has in introducing this type of legislation is the principle of equity, and he says real equity for the citizens of this province. Now, Mr. Speaker, I have shown you some of the inequities that exist if you bring in this type of legislation, so I fail to see where the Minister is standing on very strong ground when he uses his argument of equity, and what does equity mean? Does it mean that justice be done to all people? Or does it mean that only the justice seems to be done to all people? Or does it mean that the application of the law reduces all people to the lowest common denominator of equality?

Mr. Speaker, you know it was four years ago that the Prime Minister of this country stated that government had no business in the bedrooms of the nation, and now we find the Minister of Finance is attempting to climb into the beds of all the widows in the Province of

(MR. GRAHAM cont'd) Manitoba to protect his equity. Just to protect his equity.
Mr. Speaker . . .

MR. DEPUTY SPEAKER: Order, please. The Honourable Member for -- carry on please.

MR. GRAHAM: Thank you, Mr. Speaker. So we find that the principle of equity has pretty well disappeared out of his argument and the second point that he raised was the question of the transfer of wealth. The transfer of wealth at death, and here, Sir, is where the real basis of the argument on a Succession Duties Act comes in -- if a person works all his life, is thrifty, is industrious, and makes his contribution, and pays his taxes every year to the province of his domain, and succeeds even though increasing taxes occur every year, and even though he has increasing competition from government trying to enter into business endeavours, but nevertheless he does succeed, we now come to the question of whether that person has the right to distribute that wealth to those that he wishes to give it to, or whether the government has the right to say, "I want so much of it." And, Sir, I suggest to you that any time you bring in this type of legislation, you inhibit growth in a country, you hold down personal initiative and desire, and you increase the probability of people taking the attitude that well just why should I work, the state will look after me -- and we have a government here that from all intents and purposes is committed to that philosophy -- and I would suggest to you, Sir, that if this attitude continues, that this is indeed what will happen. The people will lose their desire to work; people will lose their private initiative, and the state in fact will have to look after them from the cradle to the grave. And I would suggest, Sir, that any attitude that government can take should be away from that direction, in fact, encouraging the individual to his utmost to make a worthwhile contribution in society, to be proud to be a Manitoban, to work industriously and to pay his taxes, but leave him the right on his death to leave his money and his accumulated lifetime savings to those whom he wishes. I think, Sir, that if this attitude was taken that Manitoba would benefit. We would indeed have the personal initiative to succeed and maybe our welfare role in society would be minimized.

Sir, these are just but a few of the thoughts that I have at this time dealing with the question of succession duties and I strongly endorse the position taken by the Leader of the Social Credit Party in Manitoba; and I strongly endorse the position taken by the Member for La Verendrye; and I strongly endorse the position taken by other speakers on this side of the House; and I totally condemn the attitude taken by this government with this type of legislation.

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for St. Matthews.

MR. JOHANNSON: I would like to adjourn the debate. I move, seconded by the Honourable Member for Gimli, that the debate be adjourned.

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

MR. PAULLEY: Bill No. 6, Mr. Speaker, please.

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Minister of Finance, The Honourable Member for Portage la Prairie. The Honourable Member for Assiniboia.

MR. PATRICK: Can we have this matter stand, Mr. Speaker?

MR. PAULLEY: Mr. Speaker, we have no objection to allowing the debate to stand but I am wondering if any other honourable member would like to take part in the debate. If so, would they kindly do so.

MR. DEPUTY SPEAKER: Stand. The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable the 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. DEPUTY SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: 1 (a) -- passed; (b) -- passed; (c) -- passed. The Member for Rock Lake.

HENRY J. EINARSON (Rock Lake): Mr. Chairman, getting back to the Estimates of the Department of Agriculture, a number of days have elapsed and we have listened to a great deal of what has happened to the future economic well-being, not only for the farmers of this province, but for the citizens as a whole.

There are just a few things that I want to touch on, Mr. Chairman, and that is, there is a matter concerning farmers insofar as the dairy policy is concerned. I think a little clarification by the minister would be in order, Mr. Chairman, and we are given to understand that while the Minister went to Ottawa to acquire the wisdom from the Minister of Agriculture in Ottawa and I think he did this on bended knees to see what the possibility was to get a greater share of the quotas to the dairy farmers that they'd lost over the past number of years. Now I understand he was successful in doing this. I also understand, Mr. Chairman, that the time that the Federal Government gave the Minister to utilize this increased quota was three years. I am wondering whether this was satisfactory because I can't help but wonder, Mr. Chairman, but what the majority or practically all the farmers who were in the dairy business aren't producing to full capacity and I am wondering whether that three year period is long enough in order that they might be able to capitalize on that quota that is being allocated to the province.

The other question, Mr. Chairman, in connection with this matter is farmers are wondering how is this quota that has been brought back from the Federal Dairy Commission to Manitoba, how is it going to be allocated to the respective producers of this province.

The other matter I just want to touch on, Mr. Chairman, and as it pertains to our education costs -- and there are a number of other matters related to our agricultural industry -- and I can't help but feel, Mr. Chairman, that the Minister of Agriculture must be most frustrated when he has to deal with the rest of his colleagues, namely the Minister of Education, The Minister of Social Health and Development and the problems that they have created for his department and for him in trying to help solve the problems, the economic problems that farmers have in this province.

I can't help but be concerned about this matter when the Member for Rhineland had posed the question to the Minister of Finance when he was discussing it last evening when he asked the Finance Minister if the \$50 that we're now getting this year is going to be allocated only to the quarter section of land that the residence of the farmer sits on. And the Minister of Finance didn't really explain it. In clear terms this could be understood by the farming people of this province. I want to remind the Minister that when we were government and they talked about the maximum of \$50, it was made applicable to every quarter section that the farmer owned not just to the land on which his residence was situated on and I think, Mr. Chairman, because of the gross inequity that farmers have to pay in education costs as opposed to those in the city, I think this is a valid reason for doing this but we don't see it coming from this government.

One other matter, Mr. Chairman, and here is another area that we get away from the direct relation of agriculture, is the Hydro problem. The development of our Hydro matter in this province is something that I know the citizens of Manitoba are concerned about and they can't help but wonder what does the future hold for those of us who have to use Hydro power. Is the price not going to go up? I might suggest to the Minister, Mr. Chairman, that we could possibly look for an increase of at least maybe a hundred or a \$150 per year to every family farm in the province. And I say that because I can't help but feel the way in which this government's handled their Hydro project, Hydro development project, in such a bungling way . . .

A MEMBER: Hear, Hear.

MR. EINARSON: . . . that we can't help but look forward to an increased cost of our Hydro rates. -- (Interjection) -- And when you think of that, Mr. Chairman, that increase that we probably look forward to will sort of take care of all the other advantages that this government has stated they have tried to provide for the people of this province and as well as the farmers of this province, namely the shifting of the medical care costs to the individual, the assistance that they talk about giving to the individuals in the way of reduced costs on

(MR. EINARSON cont'd) education.

One other matter, Mr. Chairman, I want to dwell on and that is the feed grains policy that the Minister is bringing in. I'm wondering, where did he get his advice and on what basis did he decide to go into the business of establishing feed grain prices, namely for the farmers of this province? I'm given to understand, Mr. Chairman, that oh, they heard that some farmer who sold three bushels for a dollar and the question was asked where was this farmer situated? Somewhere up in Saskatchewan -- and this is the media which they established their position insofar as this policy was concerned.

Well, Mr. Chairman, I think with those few comments and also what I had stated earlier when the Minister introduced his Estimates is all I have to say at this moment. We're interested in dealing with his Estimates resolution by resolution because of the increased amounts of money that have been allocated to the department. If he can explain the reason for those then we will comment as to whether we think that he is doing a good job or otherwise. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Chairman, I don't intend to be lengthy but I think it is in order at this time; I wish to take this opportunity and congratulate the Minister in whatever respects he has done as far as helping to solve some of the problems or dilemma we've had in agriculture for the last while. I am not suggesting in any way at all that he has done a perfect job but I do not envy his job as far as the problems of agriculture are concerned at this time.

I would also like to go on record in congratulating the many wonderful group of people that are involved in the Department of Agriculture not only in Winnipeg or Brandon but right across the province. I think that -- I know we have many very capable people in this department. I sometimes wonder why they chose to be involved in agriculture the last five years but I guess it was a choosing before this time and some of the fates that have beset -- or farmers' problems I am sure are not always easy to cope with as far as our civil servants of the Department of Agriculture is concerned.

I would also, Mr. Chairman, certainly like to compliment the many 4-H members that we have across Manitoba. I understand now that some of our Regional Development Corporations such as Eastman, Pembina and Parkland have taken time out, quite a bit of their time to help in the organizing and the conducting of committees and committee meetings and I think this has been very helpful to them.

I was rather disappointed as I said the other day that our annual agricultural reports are as still coming out about as late as is at all possible. If the Estimates would have gone through as proposed earlier we'd have had the annual report for at least a day and a half or two. Now I realize that a lot of the material in there is already a year old to what's going on today and I was happy to hear that -- and I think we're all aware of the picture of agriculture changing somewhat. There seems to be a few gleams of hope in certain areas and I'm certainly not referring to the egg production business or some of the other commodities that are perhaps still suffering more than ever before.

I wish to reiterate what has often been said in this House that we have many farmers over the age of 50 - I think we're aware that the average age of our farmers in Manitoba is perhaps around 56 or 57 years -- but I'm talking of those basically over 50 who do not intend to modernize, to expand, but who should perhaps be or who are good operators presently and should be encouraged more possibly in some of our cow-calf operations or something along that line including for that matter some of our fur farmers. I am not referring to the Honourable Member for Lakeside that he's already reached the age of 50; I'm referring to some of the older ones that cannot accept some of the drastic change that has taken place in the technology of agriculture. -- (Interjection) -- And I think this government should have a good look at these farmers and try to give them perhaps the necessary credit so that they can continue to make a proper living although it is very low - we realize this - but they've chosen this way of life and they don't want to move for any money in the world. This is their life, they've chosen it and I think we should do all that is possible.

And I hope that the Minister agrees that agriculture today practically needs two different types of policies. For the group that I just spoke of, the existing small farmer whose farm will more than likely or just about definitely not continue, he will have to quit whether he wants to or not some day and there are no ancestors or sons to follow him because they've

(MR. BARKMAN cont'd) . . . taken up jobs elsewhere. But I do think we must not forget that there's another group. While I'm not thinking along the lines of subsidies so much, there is another group that needs advice and needs many of the things that are provided in our agricultural setup as far as our universities and other provisions are concerned. I think with -- taking them indirectly into the plans of the Department of Agriculture -- and at this point I'm not trying to run down our civil servants but I think very often while they're trying to do the best possible, they are at times not just quite as close to the problem as the farmer is directly. And I want to go back that some of these farmers that are being held back and cannot accept some of these new ways of technology and the like, I really sincerely want to make a plea for them because this is just -- this has been everything to them all their life. They have to -- and I think we have to think as a country and as a province to make sure that all the products that can be produced economically in this province by people who have many years ago organized and done what they could to create this unit. Very often not a viable unit this is for sure.

We know also, Mr. Chairman, that this province has enormous possibilities in a diversified agricultural base -- talking now of marketing facilities, packing plants or information from University and the like -- I think we have to look to the future as it's going to be rather than what we would like it to be and that is why I suggest to the Minister, Mr. Chairman, that we have the two-policy or a flexible but a modern policy as far as agriculture is concerned. I think we should make sure we give every possible opportunity to both classifications of farmers and by the same time I think we have to look at the future to construct a way and help build an agricultural base that will permit us as a province to create the opportunities that I was trying to speak of the other day on the Budget Address. I don't intend to go into that at this time but I'm very concerned of the possibilities of trying to help -- the two classes of farmers, if you wish to classify them.

And as I said before proper research, proper information, credit availability and perhaps we should be thinking more along the lines of decentralizing some of our agricultural headquarters. Some of our very small towns seem to be vanishing but there are some that are still growing and I think we should try to keep them growing and give them some of the facilities needed to carry on agriculture in certain areas where this becomes necessary and perhaps not so much needed in the larger cities.

I think one of our serious problems here in Manitoba is the lack of an effective and successful agricultural development policy. I don't intend to dwell on that for any length of time but I believe that farm people as I've said before themselves must have a greater opportunity to participate in the decision making process; and I believe that some of the policies that sometimes are taken up and really not thought through well enough, they just cannot be tolerated. I don't think it's the intention of anyone trying to create them purposely but we're getting certain information at times and for that matter I can speak from both levels of government that just isn't helping our farmers one bit. I think that for too many years governments have been approaching the agricultural industry on a hit or miss or piecemeal approach to solving some of these problems.

I also believe, Mr. Chairman, if we are to improve the agricultural situation and the economic position of the rural communities that I just spoke of a little while ago, this short-sighted approach must stop. We must have sound logical policies for agriculture. I think this has been proven over the years and I believe the Minister is actually trying to reach that goal and I think we should be moving along a little faster. And the vastly improved processes that must be developed so that rural people may participate actively and continuously in the development policy -- I think this is important, it is a must.

I mentioned before and I must say it again, I think provision must be made so that we can get at this background information to rural people; an opportunity for clarification and understanding of this information, an opportunity for discussion so that opinions can be exchanged and tested. And I believe a good start was made the last year or two in some of the committee meetings. I know we had a lot of repetition and some of the problems were probably not as great as they were at that time perhaps seemed to be, but I think most of us that were on that committee learned a lot because it came directly from the farmer and this of course is the important thing.

Mr. Chairman, today's farmers are no different from any businessman. I think he is willing and he must adapt and learn a host of new things which have become necessary to adopt if they're going to be successful. And because of these problems, if the present trend

(MR. BARKMAN cont'd) . . . continues, the reduction in the number of farms will continue. I think there are a number of alternative ways of dealing with this situation and I just wish to name three at this time and they are not that concrete but I think they're along the line that we should be following. I realize that we can pour massive amounts of public money into the agricultural sector, pose rigid controls on production and marketing and perhaps even maintain farm numbers at the present level. Secondly, we can do what we so often have done, we can do nothing and let things take their natural course. And of course the third suggestion, we can provide reasonable and meaningful adjustment programs which will permit the natural transition to continue but which will provide meaningful alternatives for those who do not choose to remain on the farms.

At the same time, Mr. Chairman, we must create options and opportunities for those who for social purposes, or because they like the way of life do not want to remain on the farms -- and I don't have to tell anyone in this House that the drastic decrease in the number of farmers is having a very major adverse financial effect on these small rural towns and villages. Much could be said about that. Needless to say it has affected church life, school life, the services of our many communities, and I was happy to hear the Member for Rock Lake bring up the point of some of our dairying problems. I know his concern is in the right direction and coming from a dairy area I am also very much aware of what some of the problems are. I sometimes get quite a kick out of some of our better dairy farmers when they tell you straight in the eye that their success completely depends on udders and somehow this seems to hold true.

I am not going to go into the feed grains policy because coming from the type of area I come from, I am afraid that I would be standing here for quite awhile. So, Mr. Chairman, until we reach some of the items on the Estimates, I think this is all for the present.

MR. CHAIRMAN: Resolution 8 (a) . . . The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I was still working on some of the points I was going to bring into the discussion this afternoon, when I debated the Estimates of the Department of Agriculture. I didn't get quite finished but I will make my contribution and probably later on have another opportunity to bring up those other points that I'll be missing at this time.

Mr. Chairman, I think in discussing the Agricultural Estimates that are before us, we still recollect the meetings that were held this last winter throughout the province, and where we discussed agricultural matters with the people of this province, and we have heard many briefs, we have heard many points of discussion, different arguments as to what should be done, what the problems were, and I think in many cases we have isolated the problems, and I think what is needed is action. And I hope some action will be coming forward. In my opinion the report that did come from the committee to the House doesn't do justice to the meetings and to the expense that was incurred, and to all the discussions that we had with the recommendations made by the committee to the House.

Mr. Speaker, I may not start at the right place, but I wish to come to the point in connection with taxation. We have already dealt with the Budget and with the matter of the tax shift, the so-called tax shift in regard to property, especially the \$140 that was mentioned, and I raised the point during the debate on the Budget and I now find that in the paper there are other people who are also questioning certain aspects of that very tax measure and I have here a clipping where Mr. George Franklin of Deloraine, the President of the Farm Bureau said Monday in a prepared statement, the proposal to refund portions of the property tax on the basis of income does not recognize the problem of the viable farm operator with more than one-half section of land. To illustrate his point, Mr. Franklin said: "The farmer with property taxes of more than \$1,000 for educational purposes, and a taxable income of \$8,000, would receive only \$97.00 refund. However, an urban resident with the same taxable income and a property tax of only \$100 for educational purposes would receive the same refund. The Manitoba Government's proposed refund portions of the property tax to a maximum of \$140 are contained in the 72/73 Budget." So there are disparities in that measure.

But, Mr. Chairman, I think we should come to the crux of the thing and that is that the farmer is still subject to losing his life savings, to losing his property if he cannot pay his taxes, and I think this is one thing we can do away with. Certainly why should the farmer be the only one to lose his life investment because he is unable to make his tax payment because of poor crops and so on. This does not apply to other people who have large investments, and why should we single out the farmer on this occasion to him having his investment

(MR. FROESE, cont'd) subject to complete loss as a result of nonpayment of taxes.

I would like to point out a few things from the conference that took place last weekend at Portage la Prairie. -- (Interjection) -- Yes, I would like to tell the House what the Education Minister said of this province at that meeting. And I'm quoting here from the Tribune of Monday, April 17, 1972 and I'm quoting, he said: "Education is not designed to keep the business community alive. Education is more important than the general store or whatever is in the community." Mr. Speaker, does he really mean that, that we have to forego all our communities, everything that the communities have. Give up everything to put our last dollar into taxation to pay for the school tax. That is what he says, and I certainly take very strong exception to that. I think there should be levels, there should be levels of taxation beyond which we would not go and penalize the farmer of today to pay for educational purposes. I feel that there must be a limit put on this and that we are far beyond the point which we should be allowing. I could tell the Minister that we have farmers in our area with probably 240 acres subject to a \$1000 tax bill and out of this 70 percent is for education, so that we pay \$700 education tax on a 240 acre farm. This is outrageous! And the Honourable Member for Point Douglas says: what's wrong with this? My goodness doesn't he have a better understanding of the plight of the farmer today. He should have been at some of those Agricultural Committee meetings so he would know, he would know that many farmers are subject to losing their farms in this province because of taxation. It is that serious. And certainly I would be the last one to be held responsible for such that farmers should be losing their farms because they cannot meet the tax payment. -- (Interjection) -- Pardon?

I would like to raise another point from that very same conference and quote another person, and this is Mr. Schwarz who apparently attended that meeting he, I think, represents the National Farm Union. Yeah. Phillip Schwarz, Regional Co-ordinator of the National Farmers Union. He also spoke at that particular meeting and I would like to bring to the attention of the members of this House that this report says that there were only a handful of MLA's present at that meeting. Don't the members of this government take a greater interest in this type of conference where it concerns the farmer, to attend a meeting of this type: There were three Ministers listed and it said a handful of MLA's, so there could only be two more of the other members present. I note the Minister of Agriculture and the Attorney-General was present, and the Minister of Education, so there could only be two more. So that's the type of interest that these members take in the farmers' affairs. -- (Interjection) --

MR. CHAIRMAN: Order, please. The Honourable Member for Rhineland. Carry on, please. Order, please.

MR. FROESE: I knew that the interest was very poor on the government side when it came to the farmers' problems but that it was really that poor, I really hadn't expected.

But coming back to what Mr. Schwarz says: "In the last 12 years farmers have lost most of their equity in their holdings and many are being forced out of business each year, or forced to seek off-farm employment to make ends meet." This is a very sad situation. They've been living off depreciation; they've lost more and more equity year after year, this is to mean that they have to supplement their income in some way. Either they have to borrow against their capital assets, their collateral, and use it from that, or they have to get side jobs. -- (Interjection) -- Yes, the wives, as the Member for La Verendrye says, the wives have to work in order to make a go of it and in order that they can stay on the farm. But then this same Mr. Schwarz goes on to say: "Farmers are the only individuals who have to provide their own places of employment and capital investment." he said, "and yet they are charged an education tax on their holdings to pay for the education of other professions." And this is fact. The poor farmer, he has to pay for the cost of educating the lawyers' children, the doctors' children, the professors' children, those people that have high incomes, the farmer has to pay. -- (Interjection) -- And I feel that this situation has lasted far too long and should be put an end to and then he advocates, why not put education on the ability-to-pay basis like income tax. -- (Interjection) -- We on this side have advocated that the education tax should be taken off farm land and farm property. What do we hear from the other side? They won't come across, they won't do it. -- (Interjection) -- Oh yes I'm reminded that the Honourable Member for Rupertsland crossed the floor, so I'm not sure at this point if he agrees to that particular aspect of the opposition's view or not -- (Interjection) --

(MR. FROESE cont'd) . . . But evidently he is not satisfied with the performance of the government of today. -- (Interjection) --

So we now have first the Minister of Education putting the whole farming community in jeopardy for education tax purposes, then this government will do nothing about relieving the farmers of the education tax from farm property. The government I feel is very very weak in this connection and actually they should have been coming forward long ago. Are they going to do anything in changing the legislation so that farmers, farms cannot be sold for taxes after two years? I would like to hear from the Minister on this. Certainly we need legislation to extend this time that the farmers' equity and the farmers should not be subject to this type of legislation.

What else did we hear at these Agricultural Committee meetings. I remember the one at Fisher Branch where Mr. Polimarchuck of Silver Plains -- was it Silver Plains? -- took very strong exception to this government's inaction in not protesting to the Federal Government regarding the cream shippers. The cream shippers of this province have taken a real bad licking because the Federal Government would only pay a subsidy to the large producers and the small producers were penalized. And what have we heard? Has this government ever protested to the Federal Government for this very action? This is what the gentleman complained of at Fisher Branch. Certainly we've been losing the greater part of the butter industry in this province and I feel that we have room for milk and butter both and this is what the gentleman pointed out at that particular meeting, that we should not let the butter industry go bankrupt. He also pointed out, and I talked to creamery operators and to other people in the community while I was there who had had large losses because of them shipping butter and then later on not getting paid for it because of the brokers not being bonded or not being held responsible, they had suffered large losses. In fact one of them had a loss of over 200,000. So I feel here is another case where the government could take action and protect the cream shipper and the farmer in such cases. And why don't we. Why don't we?

I was going to check the Canada Yearbook in connection with tariffs. Just what the Federal Government takes in by way of tariffs to protect certain industries in this country and I know they collect a large large amount. I think I looked at one particular instance where it collects over \$8 billion. This is purely protection for the larger industries in this country. Why cannot we use some of that money that the people of this province are paying into the federal coffers, protection money, and use some of that to assist the farmer in his plight. Way back in the forties when this country was fighting a war the farmers were promised that after the war they would receive fair compensation, they would be compensated for the poor prices that they received during the war years, when large amounts of wheat were given and sold to Britain at very low prices, in fact very often the case was only half the amount. And what do we find? We don't find any action in this regard. I think we should remind the Federal Government time after time of this commitment that was made at that time, and that something be done and that the department be compensated today. Our government is committed to marketing boards, and I find the article from this very conference in Portage la Prairie that they endorse the principle of marketing boards.

What have marketing boards really done for this country and for this province?
-- (Interjection) -- As far as the Canadian Wheat Board is concerned the Board has been in the interests of the Canadian consumer, and has been, rather than keeping prices up and increased prices, it has held the prices down. -- (Interjection) -- The Minister says that's nonsense. Can he tell me why the price of wheat is still at the same level as it was way back in the 1940's when everything else has gone up? Year after year wages have gone up sky high since then, yet the farmer who relies on an income for the price of wheat sees that the prices are still the same as it was way back in the early 40's.

And one of the big factors for this very thing is because of marketing boards.
-- (Interjection) -- Well, naturally the policy of the government has to do with it if the Federal Government then endorses marketing boards of that type; and then they have a control over marketing boards, and they exercise this control, and that's why we have the level of prices,
-- (Interjection) -- so are the marketing boards in this province going to be any different from what the marketing boards of the Federal Government are going to be? -- (Interjection) -- This is what I would like to hear from them, if this is really what they mean. But I'm afraid that it won't be any different in this province than what the federal marketing boards have been and are being, and have been for all this time.

(MR. FROESE cont'd)

Another matter that I wish to raise is the matter of rail line abandonment. I've talked on this before. What is this government's attitude and what are they doing in respect to rail line abandonment? Because we know that when rail lines are abandoned, they are not only abandoning the rail lines, we are eliminating all those elevators along that line; and we're eliminating all that grain storage along those lines and pretty soon we'll have very little storage left, inland storage for grain. And we must do something to provide more storage rather than have less storage in this province for the farmers of this province to deliver their grain to, because if we had sufficient storage so that the farmers could deliver their total crops in a crop year they would get the payment for their crops within that year. Now because of insufficient storage this is an impossibility, it can't be done, and as a result the farmer has to keep more grain in storage year after year, and pay day isn't coming. So this has to be remedied, and I would like to hear from the Minister what they have to answer in this regard.

I have mentioned the Churchill storage and the facilities up there. And just the other day we read an article where evidently the pools are opposing any policy of enlarging the storage up there. They have their facilities at the Lakehead, and therefore they want to protect their interests, and as a result we see no expansion take place in the Port of Churchill. Why doesn't this government have some vision, expand the rail lines, double or triple the capacity of the storage up there and ship our grains through our own port? Why can't we expand our facilities and in this way help Manitoba along. Otherwise we are completely dependent upon Saskatchewan for the export of grain through our facilities at Hudson Bay, and I feel that this is highly improper. I feel that this government is to blame. I think it is your responsibility to see that the Federal Government extends its facilities and that we have proper access through Manitoba to that port. Because look what we have in British Columbia. They had a railway too which started nowhere and ended nowhere, -- (Interjection) -- and they've expanded it and they've expanded it north to the resources up in the northern part of British Columbia. It's a going concern now, they had a million dollar profit off that rail line last year. Why can't we do something in Manitoba in this respect? Why do the people up in Inter-lake have to express their fears as they did at the Agricultural Committee meeting that their line would be abandoned? Certainly this should not even be a matter to have to think about. We should expand rather than abandon, and I'm failing this government for not taking some action in this regard.

A MEMBER: Talk to the Minister of Railways.

MR. FROESE: Well I'd like the Attorney General to get up later and defend the government's position on this -- (Interjection) -- if he has something to offer. I've already mentioned the pricing of grains, that they are still what they were 25 years ago. I feel that they should be increased, and if nothing else then we should have a provincial subsidy. If we have the money to pay for all that welfare and increased welfare by millions year after year, then we have the money also to provide a subsidy for wheat in Manitoba to the Manitoba farmers. We could increase it by a subsidy so that the farmer could make a better living. He would then employ more people; you would have less people coming to the city for welfare; you would have people remain on the farms, and would enjoy greater prosperity on the farm, but it seems as though there's no vision in this government that they see these things, and that they will take action.

MR. SPEAKER: The member has five minutes.

MR. FROESE: Just a few minutes left, and I want to bring one further matter to the government's attention. -- (Interjection) -- At the Carman meeting the matter of wells was brought up. We are giving a subsidy, or a grant towards dug-outs for farmers so that they have a water supply. If we can do this for farmers who have dug-outs why can't we do the same for those that can drill wells? Because in my constituency there are many artesian wells there, other wells that are old by now and they will have to be redone; new wells will have to be built and this is becoming quite an expensive item. If we can afford a grant for dug-outs I think the same should apply to drilled wells, and I would like to hear from the Minister on this point. We are expanding money for construction as far as homes and as far as barns, and the facilities on the farm yards to supply water. Why should this not also be extended to improve the well itself so that the farmers could take advantage of it? I am sure that this would be appreciated and would do well for the farmer in Southern Manitoba, at least, and I am sure this would apply not only to Southern Manitoba but to other areas as well.

(MR. FROESE cont'd)

Mr. Speaker, I think it's 5:30 so I better quit at this time.

MR. CHAIRMAN: It is now 5:30. I'm leaving the Chair to return at 8:00 P.M. this evening.